As filed with the Securities and Exchange Commission on May 22, 2019

Registration No. 333-231428

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

Grocery Outlet Holding Corp.
(Exact name of registrant as specified in its charter)

Delaware	5411	47-1874201
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

5650 Hollis Street
Emeryville, California 94608
(510) 845-1999
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Pamela B. Burke
Chief Administrative Officer, General Counsel and Secretary
Grocery Outlet Holding Corp.
5650 Hollis Street
Emeryville, California 94608
(510) 845-1999
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

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Simpson Thacher & Bartlett LLP
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Menlo Park, California 94025
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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

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

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 Commission, acting pursuant to said Section 8(a), may determine.

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The information in this 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 effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus dated May 22, 2019

PROSPECTUS

Shares

Common Stock

This is Grocery Outlet Holding Corp.'s initial public offering. We are selling shares of our common stock.

We expect the public offering price to be between $ and $ per share. Currently, no public market exists for the shares. After pricing of the offering, we expect that the shares will trade on The Nasdaq Global Select Market ("Nasdaq") under the symbol "GO."

Investing in the common stock involves risks that are described in the "Risk Factors" section beginning on page 15 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to us	$	$

The underwriters may also exercise their option to purchase up to an additional shares from us, at the public offering price, less the underwriting discount, for 30 days after the date of this prospectus.

After the completion of this offering, an investment fund affiliated with Hellman & Friedman LLC will continue to beneficially own a majority of the voting power of all outstanding shares of our common stock. As a result, we will be a "controlled company" within the meaning of the corporate governance standards of Nasdaq. See "Principal Stockholders."

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about , 2019.

Joint Book-Running Managers

BofA Merrill Lynch **Morgan Stanley** **Deutsche Bank Securities** **Jefferies**

Barclays **Goldman Sachs & Co. LLC** **Guggenheim Securities** **UBS Investment Bank** **Cowen**

Telsey Advisory Group **Drexel Hamilton** **Penserra Securities LLC**

The date of this prospectus is , 2019.

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Through and including , 2019 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

We and the underwriters have not authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses that we have prepared. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or any sale of the shares. Our business, financial condition, results of operations and prospects may have changed since the date on the front cover of this prospectus.

For investors outside the United States: We and the underwriters have not done anything that would permit a public offering of the shares of our common stock or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside of the United States.

PROSPECTUS SUMMARY

This summary highlights information contained in greater detail elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should carefully read this entire prospectus, including our financial statements and the related notes included elsewhere in this prospectus and the information set forth under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Unless otherwise indicated in this prospectus, references to the "Company," "we," "us" and "our" refer to Grocery Outlet Holding Corp. and its consolidated subsidiaries. References to "underwriters" refer to the firms listed on the cover page of this prospectus. References to the fiscal years 2015, 2016, 2017 and 2018 refer to the fiscal years ended January 2, 2016, December 31, 2016, December 30, 2017 and December 29, 2018, respectively. References to the first quarter 2018 and the first quarter 2019 refer to the 13 weeks ended March 31, 2018 and March 30, 2019, respectively.

Our Company

We are a high-growth, extreme value retailer of quality, name-brand consumables and fresh products sold through a network of independently operated stores. Each of our stores offers a fun, treasure hunt shopping experience in an easy-to-navigate, small-box format. An ever-changing assortment of "WOW!" deals, complemented by everyday staple products, generates customer excitement and encourages frequent visits from bargain-minded shoppers. Our flexible buying model allows us to offer quality, name-brand opportunistic products at prices generally 40% to 70% below those of conventional retailers. Entrepreneurial independent operators ("IOs") run our stores and create a neighborhood feel through personalized customer service and a localized product offering. This differentiated approach has driven 15 consecutive years of positive comparable store sales growth.

Our founder, Jim Read, pioneered our opportunistic buying model in 1946 and subsequently developed the IO selling approach, which harnesses individual entrepreneurship and local decision-making to better serve our customers. Underlying this differentiated model was a mission that still guides us today: "Touching Lives for the Better." Since 2006, the third generation of Read family leadership has advanced this mission and accelerated growth by strengthening our supplier relationships, introducing new product categories and expanding the store base from 128 to 323 stores across the West Coast and Pennsylvania. These efforts have more than tripled sales from approximately $640 million in 2006 to $2.3 billion in 2018, representing an 11% compound annual growth rate ("CAGR"). Our passionate, founding family-led management team remains a driving force behind our growth-oriented culture.

Our differentiated model for buying and selling delivers a "WOW!" shopping experience, which generates customer excitement, inspires loyalty and supports profitable sales growth:

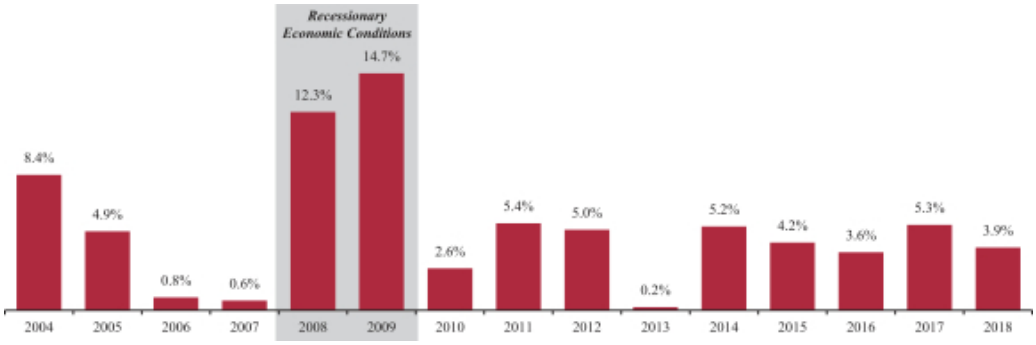
- ***How we buy:*** We source quality, name-brand consumables and fresh products opportunistically through a large, centralized purchasing team that leverages long-standing and actively managed supplier relationships to acquire merchandise at significant discounts. Our speed and efficiency in responding to supplier needs, combined with our specialized supply chain capabilities and flexible merchandising strategy, enhance our access to discounted products and allow us to turn inventory quickly and profitably. Our buyers proactively source on-trend products based on changing consumer preferences, including a wide selection of Natural, Organic, Specialty and Healthy ("NOSH") products. We also source everyday staple products to complement our opportunistic offerings. We purchase over 85,000 stock keeping units ("SKUs") from approximately 1,500 suppliers annually. Each store offers a curated and ever-changing assortment of approximately 5,000 SKUs, creating a "buy now" sense of urgency that promotes return visits and fosters customer loyalty.

- ***How we sell:*** Our stores are independently operated by entrepreneurial small business owners who have a relentless focus on selecting the best products for their communities, providing personalized customer service and driving improved store performance. Unlike a store manager of a traditional retailer, IOs are independent businesses and are responsible for store operations, including ordering, merchandising and managing inventory, marketing locally and directly hiring, training and employing their store workers. IOs initially contribute capital to establish their business and share store-level gross profits with us. These factors both align our interests and incentivize IOs to aggressively grow their business to realize substantial financial upside. This combination of local decision-making supported by our purchasing scale and corporate resources results in a "small business at scale" model that we believe is difficult for competitors to replicate.

Our value proposition has broad appeal with bargain-minded customers across all income levels, demographics and geographies. Customers visited our stores over 85 million times in 2018 with the average customer shopping twice per month and spending over $25 per transaction. We believe that our sustained focus on delivering ever-changing "WOW!" deals within a fun, treasure hunt shopping environment has generated strong customer loyalty and brand affinity. This customer enthusiasm is evidenced by our high scores on surveys designed to measure customer experience of our brand and 11 consecutive years of positive comparable store traffic growth. We believe that our broad customer appeal supports significant new store growth opportunities, and we plan to continue to expand our reach to additional customers and geographies across the United States.

Our stores have performed well across all economic cycles, as demonstrated by our 15 consecutive years of positive comparable store sales growth and consistent gross margins of between 30.1% and 30.8% since 2010.(1) In fact, our value proposition attracts even more customers in periods of economic uncertainty as evidenced by our average 13.5% comparable store sales growth during the recessionary economic conditions experienced in 2008 and 2009. Our model is also insulated from store labor-related variability because IOs directly employ their store workers. The result is lower corporate fixed costs, providing further protection in the event of an economic downturn.

15 Consecutive Years of Positive Comparable Store Sales Growth (2004 – 2018) (1)

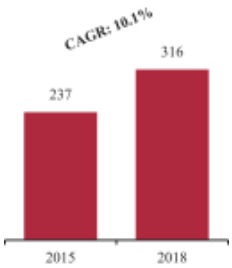


(1) See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors and Measures We Use to Evaluate Our Business—Comparable Store Sales" and "—Gross Profit and Gross Margin."

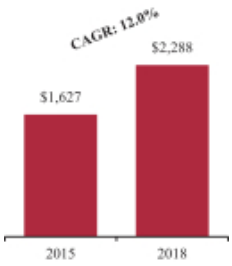
Following the 2014 H&F Acquisition (as defined below), we made significant infrastructure investments and have continued to grow our business, as evidenced by the following achievements since 2015:

- Expanded our store count from 237 to 316 (as of December 29, 2018), a CAGR of 10.1%
- Grown comparable store sales at an average annual rate of 4.2%
- Increased sales from $1.6 billion to $2.3 billion, a CAGR of 12.0%
- Maintained consistent gross margins of between 30.2% and 30.6% on an annual basis
- Increased net income from $4.8 million to $15.9 million, a CAGR of 49.3%
- Increased adjusted EBITDA from $108.2 million to $153.6 million, a CAGR of 12.4%

Store count



Sales ($MM)



Net income ($MM)

Adjusted EBITDA ($MM)

Our Competitive Strengths

We believe that the following competitive strengths are key drivers of our current success and position us for continued growth:

- ***Powerful Customer Value Proposition Supported by a "WOW!" Experience.*** Delivering thrilling "WOW!" deals to our customers is a cornerstone of our business. We offer customers quality, name-brand consumables and fresh products at deep discounts in a fun, treasure hunt shopping environment. Our product offering is ever-changing with a constant rotation of opportunistic products, complemented by an assortment of competitively priced everyday staples across grocery, produce, refrigerated and frozen foods, beer and wine, fresh meat and seafood, general merchandise and health and beauty care. A typical Grocery Outlet basket is priced approximately 40% lower than conventional grocers and approximately 20% lower than the leading discounters. Our stores are convenient, easy to navigate and require neither membership fees nor bulk purchases for customers to save money. Upon entering a store, customers encounter a curated selection of fresh produce and perishables, complemented by a "Power Wall" showcasing many of our most exciting "WOW!" offerings. Our stores have wide aisles, clear signage and a high level of customer service. Upon checkout, a cashier "circles the savings" on each customer's receipt, which reinforces the compelling value that we provide.

- ***Flexible Sourcing and Distribution Model That Is Difficult to Replicate.*** Our flexible sourcing and distribution model differentiates us from traditional retailers and allows us to provide customers quality, name-brand products at exceptional values. As strong stewards of our suppliers' brands, we are a preferred partner with a reputation for making rapid decisions, purchasing significant volumes and creatively solving suppliers' inventory challenges to arrive at "win-win" outcomes. We take

advantage of opportunities to acquire merchandise at substantial discounts that regularly arise from order cancellations, manufacturer overruns, packaging changes and approaching "sell-by" dates. We supplement our "WOW!" deals with everyday staples in order to provide a convenient shopping experience. Our buying strategy is deliberately flexible, which allows us to react to constantly changing opportunities. With over 60 people, our centralized sourcing team has deep experience and decades-long relationships with leading consumer packaged goods ("CPG") companies. Our team is highly selective when evaluating the growing number of opportunities available to us and maintains a disciplined yet solutions-oriented approach. We buy from approximately 1,500 suppliers annually, with no supplier representing more than 5% of sales, and benefit from an average relationship of 30 years with our top 15 suppliers. Our specialized model is supported by a supply chain designed to quickly and efficiently deliver an ever-changing assortment of products to store shelves.

- ***Independent Operators Who Are the Foundation of Our "Small Business at Scale" Model.*** Our stores are independent business entities operated by entrepreneurial small business owners who have a relentless focus on ordering and merchandising the best products for their communities, providing personalized customer service and driving improved store performance. We generally share 50% of store-level gross profits with IOs, thereby incentivizing them to aggressively grow their business and realize substantial financial upside. IOs leverage our national purchasing scale, sophisticated ordering and information systems and field support in order to operate more efficiently. This combination of local decision-making supported by our purchasing scale and corporate resources results in a "small business at scale" model that we believe is difficult for competitors to replicate. The vast majority of our IOs operate a single store, with most working as two-person teams, and, on average, have been operating their stores for more than five years. We encourage our IOs to establish local roots and actively participate in their communities to foster strong personal connections with customers. Our IOs select approximately 75% of their merchandise based on local preferences, providing a unique assortment tailored to their community. Our collaborative relationship with our IOs creates a powerful selling model allowing us to deliver customers exceptional value with a local touch.

- ***Proven and Consistent New Store Economics.*** Our new stores have generated robust store-level financial results, strong cash flow and attractive returns. Our highly flexible, small-box format of 15,000 to 20,000 total square feet has been successful across geographic regions, population densities and demographic groups, and has proved resilient to competitive entries from discounters and conventional retailers alike. On average, our stores achieve profitability during the first year of operations, reach maturity in four to five years and realize a payback on investment within four years. We have doubled our store count since 2011 and, on average, our stores opened during this time period with at least four years of operating history have produced year-four cash-on-cash returns of over 40%, outperforming our underwriting hurdles. We believe that our broad customer appeal, differentiated value proposition and the predictable financial performance of our stores across vintages provide a high degree of visibility into the embedded earnings growth from our recently opened stores.

- ***Value-Oriented Brand Aligned with Favorable Consumer Trends.*** We believe that consumers' search for value is the new normal in retail. The success of off-price retailers represents a secular consumer shift toward value as a leading factor in purchasing decisions. Moreover, as Millennials mature and Baby Boomers age, they are increasingly focused on value, driving shopper traffic towards the deep discount channel. According to published research, between 1988 and 2016, traditional grocery retailers ceded over 45 percentage points of market share to non-traditional grocery stores, including convenience stores, wholesale clubs, supercenters, dollar stores, drug stores and discounters. These trends have continued even after the completion of recessionary

cycles, indicating that value remains a leading factor in consumers' retail purchasing decisions despite the return of stronger economic conditions. According to the National Retail Federation, 89% of all shoppers across geographies, household incomes, genders and age demographics, shop at discount retailers, including off-price, dollar, outlet and discount grocery stores. We have spent decades building our IO and opportunistic purchasing models to offer deep discounts in a customer-friendly store environment, which enables us to take advantage of this ongoing preference for value.

- ***Collaborative Company Culture Provides the Foundation for Continued Success***. One of our key competitive advantages is our culture of family and community values, grounded in integrity, entrepreneurship, performance and collaboration. We have been dedicated to our mission of "Touching Lives for the Better" since our inception. Our passion and commitment are shared by team members throughout the entire organization, from our IOs and their employees to our distribution centers and corporate offices. We are a third-generation, family-run business led by CEO Eric Lindberg and Vice Chairman MacGregor Read. Both Messrs. Lindberg and Read have been with Grocery Outlet for over 20 years and have instilled a "servant leadership" mentality that empowers employees and IOs and forms the basis of our highly collaborative culture. These values are shared by a seasoned and cohesive management team with an average of 22 years of retail industry experience and a focus on consistent, long-term growth.

Our Growth Strategies

We plan to continue to drive sales growth and profitability by maintaining a relentless focus on our value proposition and executing on the following strategies:

- ***Drive Comparable Sales Growth.*** We expect that our compelling value proposition will continue to attract new customers, drive repeat visits, increase basket sizes and, as a result, generate strong comparable store sales growth. We plan to:

  - ***Deliver More "WOW!" Deals and Expand Our Offerings.*** We intend to drive incremental traffic and increase our share of wallet by further leveraging our purchasing model. We continue to deepen existing and develop new supplier relationships to ensure that we are the preferred partner and the first call for opportunistic inventory. As a result, we believe there is a significant opportunity to source and offer more "WOW!" deals within existing and new product categories, thereby offering greater value and variety to customers. For example, in response to growing consumer preferences for fresh and healthy options, we have grown NOSH primarily through opportunistic purchasing to represent over 15% of our current product mix. More recently, we have expanded our offerings to include fresh seafood and grass-fed meat in order to increase sales to existing and new customers.

  - ***Support IOs in Enhancing the "WOW!" Customer Experience.*** We continue to implement operational initiatives to support IOs in enhancing the customer experience. We develop and improve tools that provide IOs with actionable insights on sales, margin and customer behavior, enabling them to further grow their business. Our recently enhanced inventory planning tools help IOs make better local assortment decisions while reducing out-of-stock items and losses related to product markdowns, throwaways and theft ("shrink"). We also regularly deploy updated fixtures, signage and enhanced in-store marketing to further improve the shopping experience, which we believe results in higher customer traffic and average basket sizes.

  - ***Increase Customer Awareness and Engagement.*** Our marketing strategy is focused on growing awareness, encouraging new customers to visit our stores and increasing engagement

with all bargain-minded consumers. Our recent emphasis on digital marketing is enabling us to deliver specific and real-time information to our customers about the most compelling "WOW!" deals at their local store. We have over one million email subscribers in our database, most of whom receive daily and weekly "WOW! Alerts." Along with our IOs, we have begun to utilize social media to increase our brand affinity and interact with customers more directly on a daily basis. Looking forward, we see an opportunity to further personalize our digital communications to both increase engagement with our existing customers and introduce new customers to our stores. We will continue to supplement our digital marketing with traditional print and broadcast advertising including through our new marketing campaign, "Welcome to Bargain Bliss."

- ***Execute on Store Expansion Plans.*** We believe the success of our stores across a broad range of geographies, population densities and demographic groups creates a significant opportunity to profitably increase our store count. Our new stores typically require an average net cash investment of approximately $2.0 million and realize a payback on investment within four years. In 2018, we opened 26 new stores and expect to open 32 new stores in 2019. Based on our experience, in addition to research conducted by eSite Analytics, we believe there is an opportunity to establish over 400 additional locations in the states in which we currently operate and approximately 1,600 additional locations when neighboring states are included. Our goal is to expand our store base by approximately 10% annually by penetrating existing and contiguous regions. Over the long term, we believe the market potential exists to establish 4,800 locations nationally.

- ***Implement Productivity Improvements to Reinvest in Our Value Proposition.*** Our seasoned management team has a proven track record of growing our business while maintaining a disciplined cost structure. Since the 2014 H&F Acquisition, we have made significant investments that have laid a solid foundation for future growth. For example, we recently implemented a new warehouse management system that has increased distribution labor productivity and improved store ordering capabilities to help reduce shrink. We have implemented and will continue to identify and implement productivity improvements through both operational initiatives and system enhancements, such as category assortment optimization, improved inventory management tools and greater purchasing specialization. We intend to reinforce our value proposition and drive further growth by reinvesting future productivity improvements into enhanced buying and selling capabilities.

Risks Related to Our Business

Investing in our common stock involves a high degree of risk. You should carefully consider these risks before investing in our common stock, including the risks related to our business and industry described under "Risk Factors" elsewhere in this prospectus. In particular, the following considerations, among others, may offset our competitive strengths or have a negative effect on our business strategy, which could cause a decline in the price of our common stock and result in a loss of all or a portion of your investment:

- failure of suppliers to consistently supply us with opportunistic products at attractive pricing;
- inability to successfully identify trends and maintain a consistent level of opportunistic products;
- failure to maintain or increase comparable store sales;
- failure to open, relocate or remodel stores on schedule;
- failure of our IOs to successfully manage their business;
- inability to attract and retain qualified IOs;
- the significant influence of the H&F Investor over us;
- our ability to generate cash flow to service our substantial debt obligations; and
- other factors set forth under "Risk Factors" in this prospectus.

Our Sponsor

Hellman & Friedman LLC ("H&F") is a leading private equity investment firm with offices in San Francisco, New York and London. Since its founding in 1984, H&F has raised over $50 billion of committed capital. The firm focuses on investing in outstanding businesses and serving as a value-added partner to management in select industries including retail & consumer, internet & media, software, financial services, business & information services, healthcare and industrials & energy. In 2014, an investment fund affiliated with H&F (the "H&F Investor") acquired approximately 80% of our common stock from Berkshire Partners (the "2014 H&F Acquisition"). After the completion of this offering, the H&F Investor will own approximately % of our outstanding common stock, or approximately % if the underwriters exercise in full their option to purchase additional shares. For a discussion of certain risks, potential conflicts and other matters associated with the H&F Investor's ownership of our common stock, see "Risk Factors—Risks Relating to this Offering and Ownership of Our Common Stock—We are controlled by the H&F Investor, whose interests may be different than the interests of other holders of our securities" and "Description of Capital Stock."

Capital Stock Changes Upon Completion of this Offering

Pursuant to the terms of our existing amended and restated certificate of incorporation, our capital stock consists of two series of common stock, our voting common stock and our nonvoting common stock, and our Series A Preferred Stock. Upon the completion of this offering, all shares of our non-voting common stock will be automatically converted into shares of our voting common stock on a one-for-one basis. In addition, upon the completion of this offering, we will redeem all of the Series A Preferred Stock for an aggregate of $1.00. The shares offered hereby are shares of our voting common stock. For more information about our capital stock, including the shares offered hereby, see "Description of Capital Stock."

Corporate Information

Grocery Outlet Holding Corp. was incorporated in Delaware on September 11, 2014. Our principal executive offices are located at 5650 Hollis Street, Emeryville, California 94608. Our telephone number is (510) 845-1999. Our website address is www.groceryoutlet.com. Information contained on, or that can be accessed through, our website does not constitute part of this prospectus, and inclusions of our website address in this prospectus are inactive textual references only.

Trademarks and Service Marks

We own or have rights to certain brand names, trademarks and services marks that we use in conjunction with the operation of our business. In addition, our name and logo are our trademarks or service marks. One of the more important trademarks that we use is Grocery Outlet Bargain Market™. This prospectus contains additional trademarks, trade names and service marks of other companies. We do not intend our use or display of other companies' trademarks, trade names or service marks to imply relationships with, or endorsement or sponsorship of us by, these other companies.

Market, Industry and Other Data

This prospectus contains statistical data that we obtained from industry publications and reports. These publications generally indicate that they have obtained their information from sources believed to be reliable.

The Offering

Common stock offered by us	shares.
Common stock to be outstanding immediately after this offering	shares.
Option to purchase additional shares	The underwriters have been granted an option to purchase up to additional shares of common stock from us at any time within 30 days from the date of this prospectus.
Use of proceeds	We estimate that the net proceeds to us from this offering, after deducting assumed underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately $ million, based on the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus. We intend to use the net proceeds received by us from this offering to repay the term loan outstanding under our second lien credit agreement (our "Second Lien Credit Agreement") and any remainder to repay a portion of the term loan outstanding under our first lien credit agreement (our "First Lien Credit Agreement," and together with our Second Lien Credit Agreement, our "Credit Facilities"). See "Use of Proceeds."
Conflicts of interest	An affiliate of Goldman Sachs & Co. LLC held a portion of the outstanding balance of our term loan under the Second Lien Credit Agreement in the aggregate amount of $ million as of , 2019, and, as a result, will receive at least 5% of the proceeds from this offering. See "Use of Proceeds." Because of the manner in which the proceeds will be used, the offering will be conducted in accordance with Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 5121. In accordance with that rule, no "qualified independent underwriter" is required because the underwriters primarily responsible for managing this offering are free of any conflict of interest, as that term is defined in the rule.
Risk factors	See "Risk Factors" and the other information included in this prospectus for a discussion of the factors you should consider carefully before deciding to invest in our common stock.
Dividend policy	We currently do not intend to declare any dividends on our common stock in the foreseeable future. Our ability to pay dividends on our common stock is limited by the covenants of the credit agreements governing our Credit Facilities. See "Dividend Policy."
Controlled company	After the completion of this offering, the H&F Investor will continue to own a majority of the voting power of our outstanding common stock. As a result, we will be a "controlled company" within the meaning of the Nasdaq corporate governance standards.

Proposed Nasdaq symbol "GO"

Except as otherwise indicated, all information in this prospectus:

- assumes no exercise by the underwriters of their option to purchase up to additional shares of common stock from us;
- assumes the conversion of all of our outstanding nonvoting common stock into voting common stock on a one-to-one basis;
- assumes the redemption of all of our outstanding Series A Preferred stock;
- assumes the effectiveness, at the time of this offering, of our amended and restated certificate of incorporation and our amended and restated bylaws, the forms of which are filed as exhibits to the registration statement of which this prospectus is a part;
- assumes an initial public offering price of $ per share, the midpoint of the price range set forth on the front cover of this prospectus;
- assumes an increase in our authorized common stock to shares effected on , 2019;
- assumes a for 1 forward stock split effected on , 2019;
- does not reflect 50,113 shares of common stock underlying 50,113 restricted stock units that were outstanding as March 30, 2019;
- does not reflect 4,153,840 shares of common stock issuable upon the exercise of time-based options to purchase shares of our common stock outstanding as of March 30, 2019 with a weighted average exercise price of $10.61 per share and does not reflect 4,150,670 shares of common stock issuable upon the exercise of performance-based options to purchase shares of our common stock outstanding as of March 30, 2019 with a weighted average exercise price of $6.26 per share; and
- does not reflect shares of common stock available for future issuance under our 2019 Incentive Plan, which we intend to adopt in connection with this offering. See "Management—Compensation Discussion and Analysis—Compensation Arrangements to be Adopted in Connection with this Offering."

Summary Consolidated Financial Data

The following table sets forth the summary consolidated financial data of the Company for the periods presented. The summary consolidated financial data for the fiscal years 2016, 2017 and 2018, all of which contained 52 weeks, and the summary balance sheet data as of December 29, 2018 are derived from our audited consolidated financial statements and the related notes appearing elsewhere in this prospectus. The summary consolidated financial data for the first quarters 2018 and 2019 are derived from our unaudited condensed consolidated financial statements and the related notes appearing elsewhere in this prospectus. The historical results presented below are not necessarily indicative of financial results to be achieved in future periods.

The summary consolidated financial data set forth below should be read in conjunction with "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus. Some of the financial data contained in this prospectus reflects the effects of, and may not total due to, rounding.

	Fiscal Year Ended			Fiscal Quarter Ended	
	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
	(in thousands, except per share data)				
Statement of Operations Data:					
Net sales	$1,831,531	$2,075,465	$2,287,660	$550,558	$606,271
Cost of sales	1,270,354	1,443,582	1,592,263	381,989	419,254
Gross profit	561,177	631,883	695,397	168,569	187,017
Operating Expenses:					
Selling, general and administrative expenses	457,051	510,136	557,100	136,736	152,854
Depreciation and amortization expenses	37,152	43,152	45,421	11,178	12,296
Stock-based compensation expenses	2,905	1,659	10,409	134	211
Total operating expenses	497,108	554,947	612,930	148,048	165,361
Income from operations	64,069	76,936	82,467	20,521	21,656
Other Expense:					
Interest expense, net	47,147	49,698	55,362	12,912	16,438
Debt extinguishment and modification costs	—	1,466	5,253	—	—
Total other expense	47,147	51,164	60,615	12,912	16,438
Income before income taxes	16,922	25,772	21,852	7,609	5,218
Income tax expense	6,724	5,171	5,984	2,084	1,444
Net income	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774
Per Share Data:					
Net income per share (basic and diluted)					
Basic	$ 0.21	$ 0.42	$ 0.33	$ 0.11	$ 0.08
Diluted	$ 0.21	$ 0.42	$ 0.32	$ 0.11	$ 0.08
Weighted average shares outstanding (basic and diluted)					
Basic	48,653	48,633	48,805	48,801	48,834
Diluted	48,698	48,704	48,857	48,835	48,862
Statement of Cash Flows Data:					
Net cash provided by operating activities	$ 70,875	$ 84,703	$ 105,811	$ 31,545	$ 22,240
Net cash used in investing activities	(65,416)	(77,820)	(73,550)	(15,277)	(19,997)
Net cash used in financing activities	(4,328)	(7,935)	(16,999)	(1,424)	(3,710)

	Fiscal Year Ended			Fiscal Quarter Ended	
	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
			(dollars in thousands)		
Other Financial and Operations Data:					
Number of new stores	29	29	26	3	8
Number of stores open at end of period	265	293	316	296	323
Comparable store sales growth (1)	3.6%	5.3%	3.9%	4.5%	4.2%
Gross margin	30.6%	30.4%	30.4%	30.6%	30.8%
Cash rent expense	$ 62,805	$ 70,123	$ 78,058	$ 18,859	$ 21,083
EBITDA (2)	$ 101,221	$ 118,622	$ 124,271	$ 32,056	$ 34,505
Adjusted EBITDA (2)	$ 123,415	$ 136,319	$ 153,578	$ 36,112	$ 39,123
Adjusted net income (2)	$ 33,765	$ 48,655	$ 49,308	$ 11,552	$ 9,947

	As of March 30, 2019	
	Actual	As Adjusted (5)
	(in thousands)	
Balance Sheet Data:		
Cash and cash equivalents	$ 19,596	$
Working capital (3)	63,000	
Total assets	2,059,912	
Total debt (4)	854,656	
Total liabilities	1,756,061	
Total stockholders' equity	303,851	
Total liabilities and stockholders' equity	2,059,912	

(1) Comparable store sales consist of sales from our stores beginning on the first day of the fourteenth full fiscal month following the store's opening, which is when we believe comparability is achieved. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors and Measures We Use to Evaluate Our Business—Comparable Store Sales"

(2) Adjusted EBITDA is defined as net income (loss) before interest expense, taxes, depreciation and amortization ("EBITDA") and other adjustments noted in the table below. Adjusted net income is defined as net income (loss) before the adjustments noted in the table below. We believe that the presentation of EBITDA, adjusted EBITDA and adjusted net income are useful to investors because they are frequently used by analysts, investors and other interested parties to evaluate companies in our industry. We use EBITDA, adjusted EBITDA and adjusted net income to supplement United States Generally Accepted Accounting Principles ("GAAP") measures of performance to evaluate the effectiveness of our business strategies, to make budgeting decisions and to compare our performance against that of other peer companies using similar measures. In addition, we use EBITDA to supplement GAAP measures of performance to evaluate our performance in connection with compensation decisions. Management believes it is useful to investors and analysts to evaluate these non-GAAP measures on the same basis as management uses to evaluate our operating results.

EBITDA, adjusted EBITDA and adjusted net income are non-GAAP measures and may not be comparable to similar measures reported by other companies. EBITDA, adjusted EBITDA and adjusted net income have 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. We address the limitations of the non-GAAP measures through the use of various GAAP measures. In the future we may incur expenses or charges such as those added back to calculate adjusted EBITDA or adjusted net income. Our presentation of adjusted EBITDA and adjusted net income should not be construed as an inference that our future results will be unaffected by these items. For further discussion of EBITDA, adjusted EBITDA and adjusted net income and for reconciliations of EBITDA, adjusted EBITDA and adjusted net income to net income, the most directly comparable GAAP measure, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations."

The following table provides a reconciliation from our net income to EBITDA and adjusted EBITDA and our net income to adjusted net income for the fiscal years 2016, 2017 and 2018 and the first quarters 2018 and 2019.

	Fiscal Year Ended			Fiscal Quarter Ended	
	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
			(in thousands)		
Net income	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774
Interest expense, net	47,147	49,698	55,362	12,912	16,438
Income tax expense	6,724	5,171	5,984	2,084	1,444
Depreciation and amortization expenses	37,152	43,152	47,057	11,535	12,849
EBITDA	101,221	118,622	124,271	32,056	34,505
Stock-based compensation expenses (a)	2,905	1,659	10,409	134	211
Debt extinguishment and modification costs (b)	—	1,466	5,253	—	—
Non-cash rent (c)	8,451	8,401	7,903	1,840	1,862
Asset impairment and gain or loss on disposition (d)	519	549	1,306	(52)	182
New store pre-opening expenses (e)	2,580	1,807	1,555	270	421
Rent for acquired leases (f)	2,388	72	—	—	—
Provision for accounts receivable reserves (g)	4,018	3,004	749	1,538	1,483
Other (h)	1,333	739	2,132	326	459
Adjusted EBITDA	$ 123,415	$ 136,319	$ 153,578	$ 36,112	$ 39,123

	Fiscal Year Ended			Fiscal Quarter Ended	
	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
			(in thousands)		
Net income	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774
Stock-based compensation expenses (a)	2,905	1,659	10,409	134	211
Debt extinguishment and modification costs (b)	—	1,466	5,253	—	—
Non-cash rent (c)	8,451	8,401	7,903	1,840	1,862
Asset impairment and gain or loss on disposition (d)	519	549	1,306	(52)	182
New store pre-opening expenses (e)	2,580	1,807	1,555	270	421
Rent for acquired leases (f)	2,388	72	—	—	—
Provision for accounts receivable reserves (g)	4,018	3,004	749	1,538	1,483
Other (h)	1,333	739	2,132	327	459
Amortization of purchase accounting assets and deferred financing costs (i)	16,914	17,399	16,744	4,243	3,916
Tax effect of total adjustments (j)	(15,541)	(7,042)	(12,611)	(2,273)	(2,361)
Adjusted net income	$ 33,765	$ 48,655	$ 49,308	$ 11,552	$ 9,947

(a) Represents non-cash stock compensation expense of $0.3 million in 2016, $0.4 million in each of 2017 and 2018 and $0.1 million in each of first quarter 2018 and 2019, with the remainder representing dividend cash payments made in respect of vested options as a result of dividends declared in connection with our 2016 Recapitalization (as defined elsewhere in this prospectus) and our 2018 Recapitalization (as defined elsewhere in this prospectus). We expect to pay an additional $4.3 million in the aggregate on options as they vest in respect of such dividends, of which $3.5 million is expected to be paid in the remainder of fiscal year 2019.

(b) Represents debt extinguishment and modification costs related to the write-off of debt issuance costs and non-capitalizable expenses related to the repricing of our first and second lien credit facilities in June 2017 and the modification of our first and second lien credit facilities in connection with our 2018 Recapitalization.

(c) Consists of the non-cash portion of rent expense, which reflects the extent to which our straight-line rent expense recognized under GAAP exceeds or is less than our cash rent payments. The adjustment can vary depending on the average age of our lease portfolio, which has been impacted by our significant growth in recent years.

(d) Represents impairment charges with respect to planned store closures and gains or losses on dispositions of assets in connection with store transitions to new IOs.

(e) Includes marketing, occupancy and other expenses incurred in connection with store grand openings, including costs that will be the IO's responsibility after store opening.

(f) Represents cash occupancy expenses on leases acquired from Fresh & Easy Inc. in 2015 for the periods prior to opening new stores on such sites (commonly referred to as "dead rent").

(g) Represents non-cash changes in reserves related to our IO notes and accounts receivable.

(h) Other non-recurring, non-cash or discrete items as determined by management, including personnel-related costs, strategic project costs, legal expenses, transaction-related costs and miscellaneous costs.

(i) Represents amortization of debt issuance costs and incremental amortization of an asset step-up resulting from purchase price accounting related to the 2014 H&F Acquisition which included trademarks, customer lists and below-market leases.

(j) Represents the tax effect of the total adjustments at our estimated effective tax rate.

(3) Working capital is defined as current assets minus current liabilities.

(4) Total debt consists of the current and long-term portions of our total debt outstanding, net of debt discount and debt issuance costs. Total gross debt outstanding was $873.2 million as of March 30, 2019.

(5) The as adjusted balance sheet data as of December 29, 2018 gives effect to (i) the sale by us of shares of our common stock in this offering based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, after deducting assumed underwriting discounts and commissions and estimated offering expenses payable by us and (ii) the application of the estimated net proceeds from the offering to repay the outstanding term loan under our Second Lien Credit Agreement and the remainder to repay a portion of the outstanding term loan under our First Lien Credit Agreement, as described in "Use of Proceeds."

A $1.00 increase or decrease in an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, would not significantly increase or decrease, as applicable, cash and cash equivalents, working capital or total assets, and would increase or decrease, as applicable, total debt and total liabilities by $ million, total stockholders' equity by $ million and total liabilities and stockholders' equity by $ million, assuming, in each case, the number of shares offered by us, as set forth on the front cover of this prospectus, remains the same and after deducting assumed underwriting discounts and commissions and the estimated offering expenses payable by us. An increase or decrease of 100,000 shares in the number of shares sold in this offering by us would not significantly increase or decrease, as applicable, cash and cash equivalents, working capital or total assets, and would increase or decrease, as applicable, total debt and total liabilities by $ million, total stockholders' equity by $ million and total liabilities and stockholders' equity by $ million,

assuming, in each case, an initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, and after deducting assumed underwriting discounts and commissions and the estimated offering expenses payable by us. The above assumes that any resulting change in net proceeds increase or decreases, as applicable, the amount of used to repay indebtedness as described in “Use of Proceeds.”

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the following risk factors together with other information in this prospectus, including our consolidated financial statements and related notes included elsewhere in this prospectus, before deciding whether to invest in shares of our common stock. The occurrence of any of the events described below could harm our business, financial condition, results of operations and growth prospects. In such an event, the trading price of our common stock may decline and you may lose all or part of your investment.

Risks Related to Our Business

We depend on suppliers to consistently supply us with opportunistic products at attractive pricing, and any failure to procure such products could result in material adverse effects on our business, product inventories, sales and profit margins.

Our business is dependent on our ability to strategically source a sufficient volume and variety of opportunistic products at attractive pricing. While opportunistic buying, operating with appropriate inventory levels and frequent inventory turns are key elements of our business strategy, they subject us to risks related to the pricing, quantity, mix, quality and timing of inventory flowing to our stores. We do not have significant control over the supply, cost or availability of many of the products offered for sale in our stores. Shortages or disruptions in the availability of quality products that excite our customers could have a material adverse effect on our business, financial condition and results of operations.

All of our inventory is acquired through purchase orders and we generally do not have long-term contractual agreements with our suppliers that obligate them to provide us with products exclusively or at specified quantities or prices, or at all. As a result, any of our current suppliers may decide to sell products to our competitors and may not continue selling products to us. In order to retain our competitive advantage, we need to continue to develop and maintain relationships with qualified suppliers that can satisfy our standards for quality and our requirements for delivery of products in a timely and efficient manner at attractive prices. The need to develop new relationships will be particularly important as we seek to expand our operations and enhance our product offerings in the future.

While we have not experienced any difficulty in obtaining sufficient quantities of product to date, manufacturers and distributors of name-brand products have become increasingly consolidated. Further consolidation of manufacturers or distributors could reduce our supply options and detrimentally impact the terms under which we purchase products. If one or more of our existing significant suppliers were to be unable or unwilling to continue providing products to us on attractive terms, we may have difficulty obtaining alternative sources. We cannot assure you that we would be able to find replacement suppliers on commercially reasonable terms, which would have a material adverse effect on our financial condition, results of operations and cash flows. The loss of one or more of our existing significant suppliers or our inability to develop relationships with new suppliers could reduce our competitiveness, slow our plans for further expansion and cause our sales and operating results to be materially adversely affected.

Our suppliers (and those they depend upon for materials and services) are subject to risks, including labor disputes, union organizing activities, financial liquidity, inclement weather, natural disasters, supply constraints and general economic and political conditions that could limit their ability to provide us with quality products. These risks may delay or preclude delivery of product to us on a timely basis or at all.

We may not be able to successfully identify trends and maintain a consistent level of opportunistic products which could have a material adverse effect on our business, financial condition and results of operations.

Consumer preferences often change rapidly and without warning. We may not successfully address consumer trends or be able to acquire desirable products at discounts that excite our customers, which could add

difficulty in attracting new customers and retaining existing customers and encouraging frequent visits. We generally make individual purchase decisions for products that become available, and these purchases may be for large quantities that we may not be able to sell on a timely or cost-effective basis. Some of our products are sourced from suppliers at significantly reduced prices for specific reasons, and we are not always able to purchase specific products on a recurring basis. To the extent that some of our suppliers are better able to manage their inventory levels and reduce the amount of their excess inventory, the amount of over-stock and short-dated products available to us could also be materially reduced, making it difficult to deliver products to our customers at attractive prices. Maintaining adequate inventory of quality, name-brand products requires significant attention and monitoring of market trends, local markets and developments with suppliers and our distribution network, and it is not certain that we or our IOs will be effective in inventory management.

We base our purchases of inventory, in part, on our sales forecasts. If our sales forecasts overestimate customer demand, we may experience higher inventory levels and need to take markdowns on excess or slow-moving inventory, leading to decreased profit margins. Conversely, if our sales forecasts underestimate customer demand, we may have insufficient inventory to meet demand, leading to lost sales, either of which could materially adversely affect our financial performance.

Our success depends on our ability and the ability of our IOs to maintain or increase comparable store sales, and if we are unable to achieve comparable store growth, our profitability and performance could be materially adversely impacted.

Our IOs are responsible for store operations. Our success depends on increasing comparable store sales through our opportunistic purchasing strategy and the ability of our IOs to increase sales and profits. To increase sales and profits, and therefore comparable store sales growth, we and our IOs focus on delivering value and generating customer excitement by strengthening opportunistic purchasing, optimizing inventory management, maintaining strong store conditions and effectively marketing current products and new product offerings. We may not be able to maintain or improve the levels of comparable store sales that we have experienced in the past, and our comparable store sales growth is a significant driver of our profitability and overall business results. In addition, competition and pricing pressures from competitors may also materially adversely impact our operating margins. Our comparable store sales growth could be lower than our historical average or our future target for many reasons, including general economic conditions, operational performance, including by our IOs, price inflation or deflation, industry competition, new competitive entrants near our stores, price changes in response to competitive factors, the impact of new stores entering the comparable store base, cycling against any year or quarter of above-average sales results, possible supply shortages or other operational disruptions, the number and dollar amount of customer transactions in our stores, our ability to provide product or service offerings that generate new and repeat visits to our stores and the level of customer engagement that we and our IOs provide in our stores. In addition, we may not accurately model cannibalization for our new stores. Opening new stores in our established markets may result in inadvertent oversaturation, temporarily or permanently diverting customers and sales from our existing stores to new stores and reduce comparable store sales, thus adversely affecting our overall financial performance. These factors may cause our comparable store sales results to be materially lower than in recent periods, which could harm our profitability and business.

Because we compete to a substantial degree on price, changes affecting the market prices of the products we sell, including due to inflation or deflation or worsening economic conditions, could materially adversely affect our financial condition and operating results.

A critical differentiator of our business is our ability to offer value to our customers, including offering prices that are substantially below those offered by some of our competitors. We carefully monitor the market prices of our products in order to maintain our price advantage and reputation. If prices of goods increase and our suppliers seek price increases from us, we may not be able to mitigate such increases and would consider setting a higher price, which could deter customers. If our competitors substantially lower their prices, we may lose customers and mark down prices. Our profitability may be impacted by lower prices, which may impact gross

margins. We may also experience reduced sales as a result of a decline in the number and average basket size of customer transactions.

In addition, the market price of the products we sell can be influenced by general economic conditions. For example, general deflation in the prices of the products we sell could cause us and our IOs to mark down prices and thereby reduce our gross profits and gross margins. Adverse general economic conditions could also increase costs to us, such as shipping rates, freight costs and store occupancy costs and further reduce our sales or increase our cost of goods sold or selling, general and administrative expenses. Our low-price model and competitive pressures may inhibit our ability to reflect these increased costs in the prices of our products, and therefore reduce our profitability and materially adversely affect our business, financial condition and results of operations.

If we cannot open, relocate or remodel stores on schedule, it could have a material adverse impact on our business, future growth and financial condition.

Our growth strategy largely depends on our ability to identify and open future store locations and relocate or remodel existing store locations in new and existing markets. We opened 29 and 26 new stores in 2017 and 2018, respectively. Our ability to open stores in a timely manner depends in part on the following factors: the ability to attract and develop potential IOs; the availability of attractive store locations and rent prices; the absence of entitlement processes or occupancy delays; the ability to negotiate acceptable lease and development terms; our relationships with current and prospective landlords; the ability to secure and manage the inventory necessary for the launch and operation of new stores; general economic conditions; and the availability of capital funding for expansion. Any or all of these factors and conditions could materially adversely affect our growth and profitability.

Based on our experience and research conducted for us by eSite Analytics, we believe there is an opportunity to establish over 400 additional locations in the states in which we currently operate and approximately 1,600 additional locations when neighboring states are included. Over the long term, we believe the market potential exists to establish 4,800 locations nationally. We have 32 store openings planned for 2019, and our goal is to expand our store base by approximately 10% annually over the next several years. However, we cannot assure you that we will achieve this level of new store growth. We may not have the level of cash flow or financing necessary to support our growth strategy. Additionally, our proposed expansion will place increased demands on our operational, managerial and administrative resources. These increased demands could cause us to operate our existing business less efficiently, which in turn could cause deterioration in the financial performance of our existing stores. If we experience a decline in performance, we may slow or discontinue store openings, or we may decide to close stores that are unable to operate in a profitable manner. If we fail to successfully implement our growth strategy, including by opening new stores, our financial condition and operating results may be adversely affected.

Delays or failures in opening new stores or completing relocations or remodels could materially adversely affect our growth and/or profitability. Additionally, new stores might not always align with our expectations in terms of sales or capital expenditures and we may not achieve projected results.

Our newly opened stores may negatively impact our financial results in the short-term and may not achieve sales and operating levels consistent with our more mature stores on a timely basis or at all.

We have actively pursued new store growth, including in new markets, and plan to continue doing so in the future. Our new store openings may not be successful or reach the sales and profitability levels of our existing stores. Some new stores may be located in areas with different competitive and market conditions as well as different customer discretionary spending patterns than our existing markets. Some new stores and future new store opportunities may be located in new geographic areas where we have limited or no meaningful experience or brand recognition. We may experience a higher cost of entry in those markets as we build brand awareness

and drive customers to incorporate us into their shopping habits. For example, in Southern California our IOs have experienced slower growth and profitability than our existing stores as they continue to build brand awareness in the market.

New store openings may negatively impact our financial results in the short-term due to the effect of store opening costs and lower sales and contribution to overall profitability during the initial period following opening. New stores, particularly those in new markets, build their sales volume, brand recognition and customer base over time and, as a result, generally have lower margins and higher operating expenses as a percentage of sales than our more mature stores. New stores may not achieve sustained sales and operating levels consistent with our more mature store base on a timely basis or at all. This lack of performance may have a material adverse effect on our financial condition and operating results.

We may not anticipate all of the challenges imposed by the expansion of our operations into new geographic markets. We may not manage our expansion effectively, and our failure to achieve or properly execute our expansion plans could limit our growth or have a material adverse effect on our business, financial condition and results of operations. Further, we have experienced in the past, and expect to experience in the future, some sales cannibalization of our existing stores to our new stores. As some of our existing customers switch to new, closer locations within markets, our financial condition and operating results may be materially adversely affected.

Economic conditions and other economic factors may materially adversely affect our financial performance and other aspects of our business by negatively impacting our customers' disposable income or discretionary spending, increasing our costs and expenses, affecting our ability to plan and execute our strategic initiatives, and materially adversely affecting our sales, results of operations and performance.

General conditions in the United States and global economy that are beyond our control may materially adversely affect our business and financial performance. While we have not previously been materially adversely affected by periods of decreased consumer spending, any factor that could materially adversely affect the disposable income of our customers could decrease our customers' spending and number of trips to our stores, which could result in lower sales, increased markdowns on products, a reduction in profitability due to lower margins and may require increased selling and promotional expenses. These factors include but are not limited to unemployment, minimum wages, inflation and deflation, trade wars and interest and tax rates.

Many of the factors identified above also affect commodity rates, transportation costs, costs of labor, insurance and healthcare, the strength of the U.S. dollar, lease costs, measures that create barriers to or increase the costs associated with international trade, changes in laws, regulations and policies and other economic factors, all of which may impact our cost of goods sold and our selling, general and administrative expenses, which could materially adversely affect our business, financial condition and results of operations. These factors could also materially adversely affect our ability to plan and execute our strategic initiatives, invest in and open new stores, prevent current stores from closing, and may have other material adverse consequences which we are unable to fully anticipate or control, all of which may materially adversely affect our sales, cash flow, results of operations and performance. We have limited or no ability to control many of these factors.

Food retailers provide alternative options for consumers and compete aggressively to win those consumers; our failure to offer a compelling value proposition to consumers could limit our growth opportunities and materially adversely impact our financial performance.

The retail food industry includes mass and discount retailers, warehouse membership clubs, online retailers, conventional grocery stores and specialty stores. These businesses provide alternative options for the consumers whom we aim to serve. Our success relative to these retailers is driven by a combination of factors, primarily product selection and quality, price, location, customer engagement and store format. Our success depends on our ability to differentiate ourselves and provide value to our customers, and our failure to do so may

negatively impact our sales. To the extent that other food retailers lower prices or run promotions, our ability to maintain profit margins and sales levels may be negatively impacted. We and our IOs may have to increase marketing expense to attract customers, and may have to mark down prices to be competitive and not lose market share. This limitation may materially adversely affect our margins and financial performance.

Competition for customers has intensified as other discount food retailers, such as WinCo and Aldi, have moved into, or increased their presence in, our geographic and product markets. We expect this competition to continue to increase. In addition, we experience high levels of competition when we enter new markets. Some of the other food retailers may have been in the region longer and may benefit from enhanced brand recognition in such regions. For example, we recently expanded in Southern California and, as of March 30, 2019, had 64 stores in that area. Our new stores in this market are competing against more established retailers. Some food retailers may have greater financial or marketing resources than our IOs do and may be able to devote greater resources to sourcing, promoting and selling their products than our IOs. As competition in certain regions intensifies, or we move into new regions or other food retailers open stores in close proximity to our stores, our results of operations and cash flows may be negatively impacted through a loss of sales, decrease in market share, reduction in margin from competitive price changes or greater operating costs.

We may not be able to retain the loyalty of our customers, the failure of which could have a material adverse effect on our business, financial condition and results of operations.

We depend on repeat visits by our customer base to drive our consistent sales and sales growth. Our average customer typically shops two times per month at our stores and spends over $25 per transaction. Competition for customers has also intensified from the use of mobile and web-based technology that facilitates online shopping and real-time product and price comparisons. We expect this competition to continue to increase. We do not maintain a loyalty program for customers, and our competitors may be able to offer their customers promotions or loyalty program incentives that could result in fewer shopping trips to or purchases from our stores. If we are unable to retain the loyalty of our customers, our sales could decrease and we may not be able to grow our store base as planned, which could have a material adverse effect on our business, financial condition and results of operations.

Our success depends upon our marketing, advertising and promotional efforts. If costs associated with these efforts increase, or if we are unable to implement them successfully, it could have a material adverse effect on our business, financial condition and results of operations.

We use marketing and promotional programs to attract customers into our stores and to encourage purchases. If we are unable to develop and implement effective marketing, advertising and promotional strategies, we may be unable to achieve and maintain brand awareness and repeat store visits. We may not be able to advertise cost effectively in new or smaller markets in which we have fewer stores, which could slow growth at such stores. Changes in the amount and degree of promotional intensity or merchandising strategies by our competitors could cause us to have difficulties in retaining existing customers and attracting new customers. If the efficacy of our marketing or promotional activities declines or if such activities of our competitors are more effective than ours, it could have a material adverse effect on our business, financial condition and results of operations.

If we fail to maintain our reputation and the value of our brand, including protection of our intellectual property, our sales and operating results may decline.

We believe our continued success depends on our ability to maintain and grow the value of our brand. Brand value is based in large part on perceptions of subjective qualities. Even isolated incidents involving our company, our IOs and their employees, suppliers, agents or third-party service providers, or the products we sell can erode trust and confidence. This is particularly the case if they result in adverse publicity, governmental investigations or litigation. The reputation of our company and our brand may be damaged in all, one or some of

the markets in which we do business, by adverse events at the corporate level or by an IO acting outside of Grocery Outlet's brand standards. Similarly, challenges or reactions to action (or inaction) or perceived action (or inaction), by us on issues like social policies, merchandising, compliance related to social, product, labor and environmental standards or other sensitive topics, and any perceived lack of transparency about such matters, could harm our reputation, particularly as expectations of companies and of companies' corporate responsibility may continue to change. The increasing use of social media platforms and online forums may increase the chance that an adverse event could negatively affect the reputation of our brand. The online dissemination of negative information about our brand, including inaccurate information, could harm our reputation, business, competitive advantage and goodwill. Damage to our reputation could result in declines in customer loyalty and sales, affect our supplier relationships, business development opportunities and IO retention, divert attention and resources from management, including by requiring responses to inquiries or additional regulatory scrutiny, and otherwise materially adversely affect our results. Our brand could be materially adversely affected if our public image or reputation were to be tarnished by negative publicity.

We regard our intellectual property, including trademarks and service marks, as having significant value, and our brand is an important factor in the marketing of our stores. We monitor and protect against activities that might infringe, dilute or otherwise violate our trademarks and other intellectual property and rely on trademark and other laws of the United States, but we may not be able or willing to successfully enforce our trademarks or intellectual property rights against competitors or challenges by others. For example, we are aware of certain companies in jurisdictions where we do not currently operate using the term "GROCERY OUTLET." Moreover, we have disclaimed the terms "GROCERY OUTLET" and "MARKET" with respect to our "GROCERY OUTLET BARGAIN MARKET" trademarks, among other disclaimed terms with respect to our registered trademarks and trademark applications. If a third party uses such disclaimed terms in its trademarks, we cannot object to such use. If we fail to protect our trademarks or other intellectual property rights, others may copy or use our trademarks or intellectual property without authorization, which may harm the value of our brand, reputation, competitive advantages and goodwill and adversely affect our financial condition, cash flows or results of operations. The value of our intellectual property could diminish if others assert rights in or ownership of our trademarks and other intellectual property rights, or trademarks that are similar to our trademarks. We may be unable to successfully resolve these types of conflicts to our satisfaction. Additionally, adequate remedies may not be available in the event of an unauthorized use or disclosure of our trade secrets or other intellectual property. We are susceptible to others infringing, misappropriating or otherwise violating our intellectual property rights. Actions we have taken to establish and protect our intellectual property rights may not be adequate to prevent copying of our intellectual property by others or to prevent others from seeking to invalidate our trademarks as a violation of the trademarks and intellectual property rights of others. In addition, unilateral actions in the U.S. or other countries, including changes to or the repeal of laws recognizing trademark or other intellectual property rights, could have an impact on our ability to enforce those rights.

There may in the future be opposition and cancellation proceedings from time to time with respect to some of our intellectual property rights. In some cases, litigation may be necessary to protect or enforce our trademarks and other intellectual property rights. Furthermore, third parties may assert intellectual property claims against us, and we may be subject to liability, required to enter into costly license agreements, if available at all, required to rebrand our products and/or prevented from selling some of our products if third parties successfully oppose or challenge our trademarks or successfully claim that we infringe, misappropriate or otherwise violate their trademarks, copyrights, patents or other intellectual property rights. Bringing or defending any such claim, regardless of merit, and whether successful or unsuccessful, could be expensive and time-consuming and have a negative effect on our business, reputation, results of operations and financial condition.

Any significant disruption to our distribution network, the operations of our distributions centers and our timely receipt of inventory could materially adversely impact our operating performance.

We rely on our distribution and transportation network, including by means of truck, ocean and rail to provide goods to our distribution centers and stores in a timely and cost-effective manner. We use three primary

leased distribution centers that we operate and four primary distribution centers operated by third-parties. Deliveries to our stores occur from our distribution centers or directly from our suppliers. Any disruption, unanticipated or unusual expense or operational failure related to this process could affect store operations negatively. For example, delivery delays or increases in transportation costs (including through increased fuel costs, increased carrier rates or driver wages as a result of driver shortages, a decrease in transportation capacity, or work stoppages or slowdowns) could significantly decrease our ability to generate sales and earn profits. In addition, events beyond our control, such as disruptions in operations due to fire or other catastrophic events or labor disagreements, may result in delays in the delivery of merchandise to our stores. While we maintain business interruption insurance, in the event our distribution centers are shut down for any reason, such insurance may not be sufficient, and any related insurance proceeds may not be timely paid to us. Furthermore, there can be no guarantee that we will be able to renew the leases or third-party distribution and transportation contracts, as applicable, on our distribution centers on attractive terms or at all, which may increase our expenses and cause temporary disruptions in our distribution network.

As we expand, effectively managing our distribution network and distribution centers becomes more complex. Our new store locations receiving shipments may be further away from our distribution centers, which may increase transportation costs and may create transportation scheduling strains, or may require us to add additional facilities to the network.

If consumer trends move toward private label and away from name-brand products, our competitive position in the market may weaken and our sales may be materially adversely affected.

Our business model has traditionally relied on the sale of name-brand products at meaningful discounts. Consumer acceptance of, and even preference for, private label products has been increasing, however, and a trend away from name-brand products could weaken our competitive position in the market. Private label products tend to be lower priced than name-brand products and, as a result, we may have more difficulty competing against private label products on the basis of price. While we may invest more in the future in developing our own private labels, there can be no assurance that the performance of any such private label products would be sufficient to offset the potential decreased sales of name-brand products. In addition, if we invest in expanding our private label products, we will need to make significant investments in developing effective quality control procedures. Any failure to appropriately address some or all of these risks could have a material adverse effect on our sales, business, results of operations and financial condition.

We will require significant capital to fund our expanding business. If we are unable to maintain sufficient levels of cash flow from our operations, we may not be able to execute or sustain our growth strategy or we may require additional financing, which may not be available to us on satisfactory terms or at all.

To support our expanding business and execute our growth strategy, we will need significant amounts of capital, including funds to pay our lease obligations, build out new stores and distribution centers, remodel our stores, purchase opportunistic inventory, pay employees and further invest in the business. Further, our plans to grow our store base may create cash flow pressure if new locations do not perform as projected.

We expect to primarily depend on cash flow from operations to fund our business and growth plans. We cannot assure you that cash generated by our operations will be sufficient to allow us to fund our growth plans. If we do not generate sufficient cash flow from operations, we may need to obtain additional funds through public or private financings, collaborative relationships or other arrangements. We cannot assure you that this additional funding, if needed, will be available on terms attractive to us, if at all. Any equity financing or debt financing that is convertible into equity that we may pursue could result in additional dilution to our existing stockholders. Tightening in the credit markets, low liquidity and volatility in the capital markets could result in diminished availability of credit, higher cost of borrowing and lack of confidence in the equity market, making it more difficult to obtain additional financing on terms that are favorable to us. Furthermore, any additional debt financing, if available, will increase our leverage and may involve restrictive covenants that could affect our

ability to raise additional capital or operate our business. If such financing is not available to us, or is not available on satisfactory terms, our competitive position, business, financial condition and results of operations could be impeded and we may need to delay, limit or eliminate planned store openings or operations or other elements of our growth strategy. Such actions could harm our competitive position, business, financial condition and results of operations.

We are subject to risks associated with leasing substantial amounts of space, including future increases in occupancy costs.

We currently lease substantially all of our store locations, primary distribution centers and administrative offices (including our headquarters in Emeryville, California), and a number of these leases expire or are up for renewal each year. Our operating leases typically have initial lease terms of ten years with renewal options for two or three successive five-year periods at our discretion.

Typically, the largest portion of a store's operating expense that we bear is the cost associated with leasing the location. Our rent expense for fiscal years 2017 and 2018 totaled $79.4 million and $87.4 million, respectively. We are also generally responsible for property taxes, insurance and common area maintenance for our leased properties. Our future minimum rental commitments for all operating leases in existence as of December 29, 2018 was $89.1 million for fiscal year 2019 and $1.2 billion in aggregate for fiscal years 2020 through 2038. We expect that many of the new stores we open will also be leased to us under operating leases, which will further increase our operating lease expenditures. If we are unable to make the required payments under our leases, the lenders or owners of the relevant stores, distribution centers or administrative offices may, among other things, repossess those assets, which could adversely affect our ability to conduct our operations. In addition, our failure to make payments under our operating leases could trigger defaults under other leases or under our Credit Facilities, which could cause the counterparties under those agreements to accelerate the obligations due thereunder.

The operating leases for our store locations, distribution centers and administrative offices expire at various dates through 2038. When the lease term for our stores expire, we may be unable to negotiate renewals, either on commercially reasonable terms or at all, which could cause us to close stores or to relocate stores within a market on less favorable terms. Any of these factors could cause us to close stores in desirable locations, which could have a material adverse impact on our results of operations.

Over time, current store locations may not continue to be desirable because of changes in demographics within the surrounding area or a decline in shopping traffic. While we have the right to terminate some of our leases under specified conditions, we may not be able to terminate a particular lease if or when we would like to do so. If we decide to close stores, we are generally required to continue to perform obligations under the applicable leases, which generally include paying rent and operating expenses for the balance of the lease term. When we assign leases or sublease space to third parties, we can remain liable on the lease obligations if the assignee or sublessee does not perform.

Any failure to maintain the security of information we hold relating to personal information or payment card data of our customers, employees and suppliers, whether as a result of cybersecurity attacks or otherwise, could subject us to litigation, government enforcement actions and costly response measures, and could materially disrupt our operations and harm our reputation and sales.

In the ordinary course of business, we and our IOs collect, store, process and transmit confidential business information and certain personal information relating to customers, employees and suppliers. However, all customer payment data is encrypted, and we do not store such data. We rely in part on commercially available systems, software, hardware, services, tools and monitoring to provide security for collection, storage, processing and transmission of personal and/or confidential information. It is possible that cyberattackers might compromise our security measures and obtain the personal and/or confidential information of the customers, employees and suppliers that we hold or our business information. Cyberattacks are rapidly evolving and those threats and the

means for obtaining access to information in digital and other storage media are becoming increasingly sophisticated and may not immediately produce signs of intrusion.

Moreover, an employee, contractor or third party with whom we work or to whom we outsource business operations may fail to monitor their or our systems effectively, may fail to maintain appropriate safeguards, may misuse the personal and/or confidential information to which they have access, may attempt to circumvent our security measures, may purposefully or inadvertently allow unauthorized access to our systems or to personal and/or confidential information or may otherwise disrupt our business operations. We and our customers could suffer harm if valuable business data or employee, customer and other proprietary information were corrupted, lost or accessed or misappropriated by third parties due to a security failure in our systems or those of our suppliers or service providers. It could require significant expenditures to remediate any such failure or breach, severely damage our reputation and our relationships with customers, result in unwanted media attention and lost sales and expose us to risks of litigation and liability. In addition, as a result of recent security breaches at a number of prominent retailers, the media and public scrutiny of information security and privacy has become more intense and the regulatory environment has become increasingly uncertain, rigorous and complex. As a result, we may incur significant costs to comply with laws regarding the protection and unauthorized disclosure of personal information and we may not be able to comply with new regulations.

In addition, various federal, state and foreign legislative and regulatory bodies, or self-regulatory organizations, may expand current laws or regulations, enact new laws or regulations or issue revised rules or guidance regarding privacy, data protection, information security and consumer protection. For example, California recently enacted the California Consumer Privacy Act (“CCPA”), which will become effective on January 1, 2020 and will, among other things, require new disclosures to California consumers and afford such consumers new abilities to opt out of certain sales of personal information. It is likely that amendments will be proposed to this legislation in 2019, and it remains unclear what modifications, if any, will be made to the CCPA and how various provisions of the CCPA will be interpreted and enforced. The effects of the CCPA are potentially significant, and may require us to modify our data processing practices and policies and to incur substantial costs and expenses in an effort to comply. Any failure to comply with the laws and regulations surrounding the protection of personal information, privacy and data security could subject us to legal and reputational risks, including significant fines for non-compliance, any of which could have a negative impact on revenues and profits.

Because we and our IOs accept payments using a variety of methods, including cash and checks, credit and debit cards, Electronic Benefit Transfer (“EBT”) cards and gift cards, we may be subject to additional rules, regulations, compliance requirements and higher fraud losses. For certain payment methods, we or our IOs pay interchange and other related card acceptance fees, along with additional transaction processing fees. We and our IOs rely on third parties to provide payment transaction processing services, including the processing of credit cards, debit cards, EBT cards and gift cards, and it could disrupt 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 over time. For example, we and our IOs are subject to Payment Card Industry Data Security Standards, which contain compliance guidelines and standards with regard to our security surrounding the physical and electronic storage, processing and transmission of individual cardholder data. In addition, if our internal systems are breached or compromised, we and our IOs may be liable for card re-issuance costs, subject to fines and higher transaction fees and lose our ability to accept credit and/or debit card payments from our customers, and our business and operating results could be materially adversely affected.

We do not currently compete in the growing online retail marketplace and any online retail services or e-commerce activities that we may launch in the future may require substantial investment and may not be successful.

We do not currently provide online services or e-commerce. To the extent that we implement e-commerce selling operations, we would incur substantial expenses related to such activities, be exposed to

additional cybersecurity risks and potentially be subject to additional data privacy regulations. Further, any development of an online retail marketplace is a complex undertaking, and there is no guarantee that any resources we apply to this effort will result in increased sales or operating performance. Our failure to successfully respond to these risks and uncertainties might materially adversely affect sales in any e-commerce business that we establish in the future and could damage our reputation and brand. Additionally, certain of our competitors and a number of pure online retailers have established robust online operations. Increased competition from online grocery retailers and our lack of an online retail presence may reduce our customers' desire to purchase products from us and could have a material adverse effect on our business, financial condition and results of operations.

Any material disruption to our information technology systems as a result of external factors or challenges or difficulties in maintaining or updating our existing technology or developing or implementing new technology could have a material adverse effect on our business or results of operations.

We rely on a variety of information technology systems for the efficient functioning of our business, including point of sale, inventory management, purchasing, financials, logistics, accounts payable and human resources information systems. We are dependent on the integrity, security and consistent operation of these systems and related back-up systems. Such systems are subject to damage or interruption from power outages, facility damage, computer and telecommunications failures, computer viruses, cybersecurity breaches, cyberattacks (including malicious codes, worms, phishing and denial of service attacks and ransomware), software upgrade failures or code defects, natural disasters and human error. Damage or interruption to, or defects of design related to, these systems or the integration of such systems may require a significant investment to fix or replace, and we may suffer interruptions or disruptions in our operations in the interim, may experience loss or corruption of critical data and may receive negative publicity, all of which could have a material adverse effect on our business or results of operations. Although we have taken steps designed to reduce the risk of these events occurring, there can be no guarantee that we or a third party on which we rely will not suffer one of these events.

We modify, update and replace our systems and infrastructure from time to time, including by adding new hardware, software and applications; maintaining, updating or replacing legacy programs; converting to global systems; integrating new service providers; and adding enhanced or new functionality, such as cloud computing technologies. In addition, we have a customized ERP system, components of which we are planning to replace in the next few years. There is a risk of business disruption, liability and reputational damage associated with these actions, including from not accurately capturing and maintaining data, efficiently testing and implementing changes, realizing the expected benefit of the change and managing the potential disruption of the actions and diversion of internal teams' attention as the changes are implemented.

Further, potential issues associated with implementing technology initiatives and the time and resources required in seeking to optimize the benefits of new elements of our systems and its infrastructure could reduce the efficiency of our operations in the short term. The efficient operation and successful growth of our business depends upon our information systems, including our ability to operate, maintain and develop them effectively. A failure of those systems could disrupt our business, subject us to liability, damage our reputation, or otherwise impact our financial results.

Real or perceived concerns that products we and our IOs sell could cause unexpected side effects, illness, injury or death could expose us to lawsuits and harm our reputation, which could result in unexpected costs.

If our products do not meet applicable safety standards or our customers' expectations regarding safety, we could experience lost sales, increased costs, litigation or reputational harm. Any lost confidence on the part of our customers would be difficult and costly to reestablish. Issues regarding the quality or safety of any food items sold by us, regardless of the cause, could have a substantial and adverse effect on our sales and operating results.

There is increasing governmental scrutiny and regulation of and public awareness regarding food safety. Unexpected side effects, illness, injury or death caused by products we and our IOs sell or involving suppliers that supply us with products could result in the discontinuance of sales of these products or our relationship with such suppliers or prevent us from achieving market acceptance of the affected products. We cannot be sure that consumption or use of our products will not cause side effects, illness, injury or death in the future, as product deficiencies might not be identified before we sell such products to our customers.

We also may be subject to claims, lawsuits or government investigations relating to such matters resulting in costly product recalls and other liabilities that could materially adversely affect our business and results of operations. Even if a product liability claim is unsuccessful or is not fully pursued, negative publicity could materially adversely affect our reputation with existing and potential customers and our corporate and brand image, and these effects could persist over the long term. Any claims brought against us may exceed our existing or future insurance policy coverage or limits. Any judgment against us that is in excess of our policy limits would have to be paid from our cash reserves, which would reduce our capital resources. Further, we may not have sufficient capital resources to pay a judgment, in which case our creditors could levy against our assets.

We are subject to laws and regulations generally applicable to retailers. Compliance with, failure to comply with, or changes to such laws and regulations could have a material adverse effect on our business and financial performance.

Our business is subject to numerous and frequently changing federal, state and local laws and regulations. We routinely incur significant costs in complying with these regulations. The complexity of the regulatory environment in which we and our IOs operate and the related cost of compliance are increasing due to additional legal and regulatory requirements, our expanding operation and increased enforcement efforts. Further, uncertainties exist regarding the future application of certain of these legal requirements to our business. New or existing laws, regulations and policies, liabilities arising thereunder and the related interpretations and enforcement practices, particularly those dealing with environmental protection and compliance, taxation, zoning and land use, workplace safety, public health, community right-to-know, product safety or labeling, food safety, alcohol and beverage sales, vitamin and supplements, information security and privacy and labor and employment, among others, or changes in existing laws, regulations, policies and the related interpretations and enforcement practices, particularly those governing the sale of products, may result in significant added expenses or may require extensive system and operating changes that may be difficult to implement and/or could materially increase our cost of doing business. For example, we or our IOs have had to comply with recent new laws in many of the states or counties in which we operate regarding recycling, waste, minimum wages, sick time, vacation, plastic bag and straw bans and sugar taxes. In addition, we and our IOs are subject to environmental laws pursuant to which we and our IOs could be strictly and jointly and severally liable for any contamination at our current or former locations, or at third-party waste disposal sites, regardless of our knowledge of or responsibility for such contamination.

Approximately 9% of sales are in the form of EBT payments and a substantial portion of these payments may be related to benefits associated with the Supplemental Nutritional Assistance Program (“SNAP”). Accordingly, changes in EBT regulations by the U.S. Department of Agriculture or in SNAP benefits by Congress could adversely affect our financial performance.

We cannot assure you that we or our IOs will comply promptly and fully with all laws, regulations, policies and the related interpretations that apply to our stores. Untimely compliance or noncompliance with applicable regulations or untimely or incomplete execution of a required product recall, can result in the imposition of penalties (including loss of licenses, eligibility to accept certain government benefits such as SNAP or significant fines or monetary penalties), civil or criminal liability, damages, class action litigation or other litigation, in addition to reputational damage, which could have a material adverse effect on our business, financial condition and results of operations.

Legal proceedings from customers, suppliers, employees, governments or competitors could materially impact our business, reputation, financial condition, results of operations and cash flows.

From time to time, we are subject to allegations, and may be party to legal claims and regulatory proceedings, relating to our business operations. Such allegations, claims and proceedings may be brought by third parties, including our customers, suppliers, employees, governmental or regulatory bodies or competitors, and may include class actions. The outcome of litigation, particularly class action lawsuits, is difficult to assess or quantify. Plaintiffs in these types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. While our IOs and suppliers will typically indemnify us for certain adverse outcomes, we may still bear significant expenses related to such proceedings. While we maintain insurance, insurance coverage may not be adequate, and the cost to defend against future litigation may be significant.

From time to time, our employees may bring lawsuits against us regarding discrimination, creating a hostile workplace, sexual harassment and other employment issues. Our IOs may also experience similar lawsuits from their own employees. In recent years, companies have experienced an increase in the number of discrimination and harassment and wage and hour claims generally. Coupled with the expansion of social media platforms that allow individuals with access to a broad audience, these claims have had a significant negative impact on some businesses. Some companies that have faced employment- or harassment-related lawsuits have had to terminate management or other key personnel, and have suffered reputational harm. If we were to face any employment-related or other claims, our reputation and business could be negatively affected. In addition, such lawsuits brought against our IOs, even if we are not named or are ultimately not found liable, could adversely impact our reputation and business.

Our current insurance program may expose us to unexpected costs and negatively affect our financial performance, particularly if we incur losses not covered by our insurance or if claims differ from our estimates.

Our insurance coverage reflects deductibles, self-insured retentions, limits of liability and similar provisions that we believe are reasonable based on our operations. However, there are types of losses we may incur but against which we cannot be insured or which we believe are not economically reasonable to insure, such as losses due to acts of war, employee and certain other crime, certain wage and hour and other employment-related claims, including class actions, actions based on certain consumer protection laws, and some natural and other disasters or similar events. If we incur these losses and they are material, our business could suffer. Certain material events, such as earthquakes or the recent California wildfires, may result in sizable losses for the insurance industry and adversely impact the availability of adequate insurance coverage or result in excessive premium increases. Our retail stores located in California, and the inventory in those stores, are not currently insured against losses due to earthquakes. We have experienced significant challenges in renewing the insurance policies for our stores as insurers have incurred substantial losses related to property claims from fires, floods and other catastrophic events and are significantly increasing policy premiums, increasing their requirements around building engineering standards or cutting back capacity for coverage offerings to layered/quota share. To offset negative insurance market trends, we may elect to increase our self-insurance coverage, accept higher deductibles or reduce the amount of coverage.

In addition, we self-insure, or insure through captive insurance companies, a significant portion of expected losses under our workers' compensation, automobile liability and general liability insurance programs. Unanticipated changes in any applicable actuarial assumptions and management estimates underlying our recorded liabilities for these losses, including expected increases in medical and indemnity costs, could result in materially different expenses than expected under these programs, which could have a material adverse effect on our results of operations and financial condition. If we experience a greater number of these losses than we anticipate, it could have a material adverse effect on our business, financial condition and results of operations. IOs are required to maintain certain types and amounts of insurance coverage. If they fail to secure adequate insurance, injured parties may bring actions against us.

If we or our IOs are unable to attract, train and retain highly qualified employees, our financial performance may be negatively affected.

Our future growth, performance and positive customer experience depends on our and our IOs' ability to attract, train, retain and motivate qualified employees who understand and appreciate our culture and are able to represent our brand effectively and establish credibility with our business partners and customers. We and our IOs face intense competition for employees. If we and our IOs are unable to attract and retain adequate numbers of qualified employees, our operations, customer service levels and support functions could suffer. There is no assurance that we and our IOs will be able to attract or retain highly qualified employees to operate our business.

Labor relation difficulties could materially adversely affect our business.

Employees at two Company-operated stores are represented by the United Food and Commercial Workers Union. Our employees and those of our IOs have the right at any time to form or affiliate with a union. As we continue to grow, enter different regions and operate distribution centers, unions may attempt to organize the employees of our different IOs or our distribution centers within certain regions. We cannot predict the adverse effects that any future organizational activities will have on our business, financial condition and operating results. If we or our IOs were to become subject to work stoppages, we could experience disruption in our operations and increases in our labor costs, either of which could materially adversely affect our business, financial condition and operating results.

Our success depends in part on our executive officers and other key personnel. If we lose key personnel or are unable to hire additional qualified personnel, it could have a material adverse effect on our business, financial condition and results of operations.

We believe that our success depends to a significant extent on the skills, experience and efforts of our executive officers and other key personnel. The unexpected loss of services of any of our executive officers or other key personnel could have a material adverse effect on our business and operations. In addition, any such departure could be viewed in a negative light by investors and analysts, which may cause our stock price to decline. We do not maintain key person insurance on any of our key personnel. There can be no assurance that our executive succession planning, retention or hiring efforts will be successful. Competition for skilled and experienced management in our industry is intense, and we may not be successful in attracting and retaining qualified personnel. Failure to attract and retain qualified personnel could have a material adverse effect on our business, financial condition and results of operations.

Changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters may materially impact reporting of our financial condition and results of operations.

Accounting principles generally accepted in the United States and related accounting pronouncements, implementation guidelines, and interpretations we apply to a wide range of matters that are relevant to our business, such as accounting for long-lived asset impairment, goodwill, variable interest entities and stock-based compensation, are complex and involve subjective assumptions, estimates and judgments by our management. Changes in these rules or their interpretation or changes in underlying assumptions, estimates or judgements by our management could significantly change or add significant volatility to our reported or expected financial performance. For example, we expect a material impact on our financial statements related to the adoption of Accounting Standards Codification Topic 842, Leases. For more information see "Recently Issued Accounting Standards" in Note 1 to our audited consolidated financial statements included elsewhere in this prospectus.

Goodwill, other intangible assets and long-lived assets represent a significant portion of our total assets, and any impairment of these assets could materially adversely affect our financial condition and results of operations.

We monitor the recoverability of our long-lived assets, such as our store investments, and evaluate them annually to determine if impairment has occurred. Accounting rules require us to review the carrying value of our goodwill and other intangible assets for impairment annually or whenever events or changes in circumstances indicate that the carrying value of such assets may not be fully recoverable. Such indicators are based on market conditions and the operational performance of our business. If the testing performed indicates that impairment has occurred, we are required to record a non-cash impairment charge for the difference between the carrying value of the intangible assets or goodwill and the fair value of the intangible assets and the implied fair value of the goodwill, respectively, in the period the determination is made. The testing of long-lived assets, intangible assets and goodwill for impairment requires us to make estimates that are subject to significant assumptions about our future sales, profitability, cash flow, fair value of assets and liabilities, weighted average cost of capital, as well as other assumptions. Changes in these estimates, or changes in actual performance compared with these estimates, may affect the fair value of intangible assets or goodwill, which may result in an impairment charge.

We may take impairment charges in the future based on such assumptions. We cannot accurately predict the amount or timing of any impairment of assets. If a significant amount of our goodwill and other intangible assets were deemed to be impaired, our financial condition and results of operations could be materially adversely affected.

A significant decline in our operating profit and taxable income may impair our ability to realize the value of our deferred tax assets.

We are required by accounting rules to periodically assess our deferred tax assets for a valuation allowance, if necessary. In performing these assessments, we use our historical financial performance to determine whether we have potential valuation allowance concerns and as evidence to support our assumptions about future financial performance. A significant decline in our financial performance could negatively affect the results of our assessments of the recoverability of our deferred tax assets. A valuation allowance against our deferred tax assets could be material and could have a material adverse impact on our financial condition and results of operations.

Tax matters could materially adversely affect our results of operations and financial condition.

We are subject to federal and state income and other taxes in the United States. We compute our income tax provision based on enacted federal and state tax rates. Additionally, changes in the enacted tax rates, adverse outcomes in tax audits, or any change in the pronouncements relating to accounting for income taxes could have a material adverse effect on our financial condition and results of operations.

In December 2017, the U.S. Tax Cut and Jobs Act of 2017 (the “2017 Tax Act”) significantly revised the current federal income tax code with significant changes to corporate taxation, including reducing the corporate tax rate, limiting certain tax deductions and modifying or repealing many business deductions and credits. While the 2017 Tax Act reduced the federal income tax rate for corporations, it created certain limits and potentially changes the timing of certain deductions which could reduce our cash flow in certain periods. Many aspects of the new law are uncertain and are subject to further guidance from U.S. regulators and significant judgements will need to be made in the interpretation of various provisions. In addition, it is uncertain if and to what extent various states will conform to the newly enacted federal tax law, which could also impact our tax obligations.

As of December 29, 2018, we had a tax-effected deferred tax asset of $55.1 million. Our ability to use our deferred tax asset is dependent on our ability to generate future earnings within the operating loss carry-

forward periods, which are generally 20 years. Some or all of our deferred tax asset could expire unused if we are unable to generate taxable income in the future sufficient to utilize the deferred tax asset, or we enter into transactions that limit our right to use it. If a material portion of our deferred tax asset expires unused, it could have a material adverse effect on our future business, results of operations, financial condition and the value of our common stock. Our ability to realize the deferred tax asset is periodically reviewed and any necessary valuation allowance is recorded or adjusted accordingly.

In addition, certain states and local jurisdictions have recently approved or proposed gross receipt tax measures. For example, in November 2018, San Francisco voters approved a corporate tax measure, which establishes a new 0.5% gross receipts tax. Should these gross receipt tax measures succeed in other jurisdictions in which we operate, we anticipate an increase in our operating expenses.

Natural disasters and unusual weather conditions (whether or not caused by climate change), pandemic outbreaks, terrorist acts, global political events and other serious catastrophic events could disrupt business and result in lower sales and otherwise materially adversely affect our financial performance.

Natural disasters, such as fires, earthquakes, hurricanes, floods, tornadoes, unusual weather conditions, pandemic outbreaks, terrorist acts or disruptive global political events, or similar disruptions could materially adversely affect our business and financial performance. For example, our store in Paradise, California was lost due to the fires in that area in November 2018. Uncharacteristic or significant weather conditions can affect consumer shopping patterns, which could lead to lost sales or greater than expected markdowns and materially adversely affect our short-term results of operations. To the extent these events result in the closure of one or more of our distribution centers, a significant number of stores, or our administrative offices or impact one or more of our key suppliers, our operations and financial performance could be materially adversely affected through an inability to make deliveries or provide other support functions to our stores and through lost sales. In addition, these events could result in increases in fuel (or other energy) prices or a fuel shortage, delays in opening new stores, the temporary lack of an adequate work force in a market, the temporary or long-term disruption in the supply of products from some domestic and overseas suppliers, the temporary disruption in the transport of goods from overseas, delay or increased transportation costs in the delivery of goods to our distribution centers or stores, the inability of customers to reach or have transportation to our stores directly affected by such events, the temporary reduction in the availability of products in our stores and disruption of our utility services or to our information systems. These events also can have indirect consequences such as increases in the costs of insurance if they result in significant loss of property or other insurable damage.

The current geographic concentration of our stores creates an exposure to local or regional downturns, natural or man-made disasters or other catastrophic occurrences.

As of March 30, 2019, we operated 180 stores and distributed product from three distribution centers in California, making California our largest market, representing 56% of our total stores. As a result, our business is currently more susceptible to regional conditions than the operations of more geographically diversified competitors, and we are vulnerable to economic downturns in those regions. Any unforeseen events or circumstances that negatively affect these areas could materially adversely affect our sales and profitability. These factors include, among other things, changes in demographics, population and employee bases, wage increases, changes in economic conditions, severe weather conditions and climate change, property tax increases and other catastrophic occurrences, such as wildfires and flooding. Such conditions may result in reduced customer traffic and spending in our stores, physical damage to our stores, loss of inventory, closure of one or more of our stores, inadequate workforce in our markets, temporary disruption in the supply of products, delays in the delivery of goods to our stores, increased expenses and a reduction in the availability of products in our stores. Any of these factors may disrupt our business and materially adversely affect our financial condition and results of operations.

As a result of our IPO, our costs will increase significantly, and our management may be required to devote substantial time to complying with public company regulations, which could negatively impact our financial performance and cause our results of operations or financial condition to suffer.

As a result of our IPO, we will incur additional legal, accounting, insurance, investor relations and other expenses that we did not incur as a private company, including costs associated with public company reporting requirements. We have incurred and will incur costs associated with the rules of Nasdaq, the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and the Dodd-Frank Wall Street Reform and Consumer Protection Act and related rules implemented by the United States Securities and Exchange Commission (the "SEC"). The expenses incurred by public companies generally for director and officer liability insurance and reporting and corporate governance purposes have been increasing and may continue to increase. The Exchange Act requires us to file annual, quarterly and current reports with respect to our business and financial condition within specified time periods and to prepare a proxy statement with respect to our annual meeting of stockholders. Our management and other personnel will need to devote substantial amounts of time to ensure that we comply with all of the reporting requirements, limiting time spent focused on revenue-producing activities. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. Nasdaq requires that we comply with various corporate governance requirements. These rules and regulations, and applicable case law, may increase our legal and financial compliance costs and make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. These laws and regulations can also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. For example, the cost of director and officer liability insurance for California-based companies has recently increased significantly. These laws and regulations can also make it more difficult for us to attract and retain qualified persons to serve on our board, our board committees or as our executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory actions and potentially civil litigation.

Our management has limited experience managing a public company, and our current resources may not be sufficient to fulfill our public company obligations.

Following the completion of this offering, we will be subject to various regulatory requirements, including those of the SEC and Nasdaq. These requirements include record keeping, financial reporting and corporate governance rules and regulations. Our management team has limited experience in managing a public company. Our internal infrastructure may not be adequate to support our increased reporting obligations, and we may be unable to hire, train or retain necessary staff and may initially be reliant on engaging outside consultants or professionals to overcome our lack of experience. Our business could be adversely affected if our internal infrastructure is inadequate, we are unable to engage outside consultants, or are otherwise unable to fulfill our public company obligations.

Changes in accounting rules or interpretations thereof, changes to underlying legal agreements as well as other factors applicable to our analysis of the IO entities as variable interest entities could significantly impact our ability to issue our financial statements on a timely basis.

In accordance with the variable interest entities sub-section of Accounting Standards Codification Topic 810, Consolidation, we assess during each of our reporting periods whether we are considered the primary beneficiary of a variable interest entity ("VIE") and therefore are required to consolidate the VIE in our financial statements. We have concluded that the IO entities represent VIEs. However, we have concluded we are not such VIE's primary beneficiary and, accordingly, we do not consolidate the IO entities' financial information. Changes in accounting rules or interpretations thereof, changes to the underlying Operator Agreements (as defined elsewhere in this prospectus) as well as other factors that may impact the economic performance of the

IO entities which may be relevant to our analysis of whether to consolidate the IO entities as VIEs could significantly impact our ability to issue our financial statements on a timely basis if, as a result, we are determined to be the primary beneficiary of the IO entities and should consolidate such entities. For example, collecting the requisite accounting data from certain of our IO entities in order to consolidate their financial information would involve substantial time, effort and cost. For more information see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates."

Risks Related to Our IO Model

If our IOs are not successful in managing their business, our financial results and brand image could be negatively affected.

The financial health of our IOs is critical to their and our success. Our IOs are business entities owned by entrepreneurs who generally live in the same community as the store that they operate as our independent contractor. IOs are responsible for operating their store consistent with our brand standards, hiring and supervising store-level employees, merchandising and selling products and managing and paying the expenses associated with their business. Although we select IOs through a rigorous vetting and training process, and continue to help IOs develop their business skills after they enter into an Operator Agreement with us, it is difficult to predict in advance whether a particular IO will be successful. If an IO is unable to successfully establish, manage and operate the store, their store's performance and quality of service could be materially adversely affected. In addition, any poor performance could negatively affect our financial results and our brand reputation.

Failure of our IOs to repay notes outstanding to us may materially adversely affect our financial performance.

We extend financing to IOs for their initial startup costs in the form of notes payable to us that bear interest at a rate of 9.95%. We lower the interest rate and delay repayment obligations on the notes outstanding for certain of our IOs participating in our Temporary Commission Adjustment Program ("TCAP"). The TCAP allows us to provide a greater commission to participating IOs who are struggling to meet their working capital needs for various reasons, such as entry into a new market or new competition. There can be no assurance that any IO, particularly those participating in TCAP, will achieve long-term store volumes or profitability that will allow them to repay any amounts due nor is there any assurance that any IO will be able to repay amounts due through other means.

The outstanding aggregate balance of notes receivable from IOs has increased over time as we have accelerated new store growth and initial IO capital and working capital requirements have increased. This balance may continue to increase as we open new stores. There were $16.5 million and $23.5 million of notes to IOs outstanding as of December 30, 2017 and December 29, 2018, respectively, and $9.0 million and $9.1 million reserved as of December 30, 2017 and December 29, 2018, respectively.

If we are unable to attract and retain qualified IOs, our financial performance may be negatively affected.

Our future growth and performance depend on our ability to attract, develop and retain qualified IOs who understand and appreciate our culture and are able to represent our brand effectively. A material decrease in profitability of our IOs may make it more difficult for us to attract and retain qualified IOs. While we use a variety of methods to attract and develop our IOs, including through our Aspiring Operators in Training ("AOT") program, there can be no assurance that we will continue to be able to recruit and retain a sufficient number of qualified AOTs and other candidates to open successful new locations in order to meet our growth targets. Our ability to maintain our current performance and achieve future growth additionally depends on our IOs' ability to meet their labor needs while controlling wage and labor-related costs.

If our IOs are unable to avoid excess inventory shrink, our business and results of operations may be adversely affected.

Our IOs order merchandise solely from us, which we, in turn, deliver to IOs on a consignment basis. As a result, we retain ownership of all merchandise until the point in time that merchandise is sold to a customer. Our IOs, however, are responsible for inventory management at their stores. Any spoiled, damaged or stolen merchandise, markdowns or price changes impact gross margin and, therefore, IO commission. We generally split these losses equally with IOs, however, excessive levels of shrink are deducted from commissions paid to IOs. Excessive shrink generally indicates poor inventory management and the IO's failure to use due care to secure their store against theft. If IOs were to not effectively control or manage inventory in their stores, they could experience higher rates of inventory shrink which could have a material adverse effect on their financial health, which in turn, may materially and adversely affect our business and results of operations.

Our Operator Agreements may be terminated, and any loss or changeover of an IO may cause material business disruptions.

Each Operator Agreement is subject to termination by either party without cause upon 75 days' notice. We may also terminate immediately "for cause." The "for cause" termination triggers include, among other things, a failure to meet our brand standards, misuse of our trademarks and actions that in our reasonable business judgment threaten to harm our business reputation.

As of March 30, 2019, 315 of our 323 stores were operated by IOs, while the remaining 8 stores were operated by us. If we or an IO terminates the Operator Agreement then we must approve a new IO for that store. Any IO changeover consumes substantial time and resources. Often, a changeover will involve more than one transition, as an IO may move from an existing store, thereby creating an opening at the IO's previous store. A failure to transition a store successfully to another IO can negatively impact the customer experience or compromise our brand standards. Termination of an Operator Agreement could therefore result in the reduction of our sales and operating cash flow, and may materially adversely affect our business, financial condition and results of operations.

Legal proceedings initiated against our IOs could materially impact our business, reputation, financial condition, results of operations and cash flows.

We and our IOs are subject to a variety of litigation risks, including, but not limited to, individual personal injury, product liability, intellectual property, employment-related actions, litigation with or involving our relationship with IOs and property disputes and other legal actions in the ordinary course of our respective businesses. If the IOs are unable to provide an adequate remedy in a legal action, the plaintiffs may attempt to hold us liable. We maintain that under current applicable laws and regulations we are not joint employers with our IOs, and should not be held liable for their actions. However, these types of claims may increase costs and affect the scope and terms of insurance or indemnifications we and our IOs may have.

Our Operator Agreements require each IO to maintain certain insurance types and levels. Losses arising from certain extraordinary hazards, employment matters or other matters, however, may not be covered, and insurance may not be available (or may be available only at prohibitively expensive rates) with respect to many other risks, or IOs may fail to procure the required insurance. Moreover, any loss incurred could exceed policy limits and policy payments made to IOs may not be made on a timely basis.

Any legal actions against our IOs may negatively affect the reputation of our brand, which could result in a reduction of our sales and operating cash flow, which could be material and which could adversely affect our business, financial condition and results of operations.

In the past, certain business models that use independent contractors to sell directly to customers have been subject to challenge under various laws, including laws relating to franchising, misclassification and joint employment. If our business model is determined to be a franchise, if IOs are found not to be independent contractors, but our employees, or if we are found to be a joint employer of an IO's employees, our business and operations could be materially adversely affected.

Our IOs are independent contractors. Independent contractors and the companies that engage their services have come under increased legal and regulatory scrutiny in recent years as courts have adopted new standards for these classifications and federal legislators continue to introduce legislation concerning the classification of independent contractors as employees, including legislation that proposes to increase the tax and labor penalties against employers who intentionally or unintentionally misclassify employees as independent contractors and are found to have violated employees' overtime or wage requirements. Federal and state tax and other regulatory authorities and courts apply a variety of standards in their determination of independent contractor status. There is a risk that a governmental agency or court could disagree with our assessment that IOs are independent contractors or that these laws and regulations could change. If any IOs were determined to be our employees, we would incur additional exposure under federal and state tax, workers' compensation, unemployment benefits, labor, employment, environmental and tort laws, which could potentially include prior periods, as well as potential liability for employee benefits and tax withholdings.

Even if IOs are properly classified as independent contractors, there is a risk that a governmental agency or court might disagree with our assessment that each IO is the sole employer of its workers and seek to hold us jointly and separately responsible as a co-employer of an IO's workers. In this case, we would incur additional exposure under federal and state tax, workers' compensation, unemployment benefits, labor, employment and tort laws, which could potentially include prior periods, as well as potential liability for employee benefits and tax withholdings since joint employers are each separately responsible for their co-employees' benefits. A misclassification ruling would mean that both IOs and IOs' employees are our employees, it would also mean that an IOs' employees are also our employees.

We continue to observe and monitor our compliance with current applicable laws and regulations, but we cannot predict whether laws and regulations adopted in the future, or standards adopted by the courts, regarding the classification of independent contractors will materially adversely affect our business or operations. Further, if we were to become subject to franchise laws or regulations, it would require us to provide additional disclosures, register with state franchise agencies, impact our ability to terminate our Operator Agreements and may increase the expense of, or adversely impact our recruitment of new IOs.

Our success depends on our ability to maintain positive relationships with our IOs and any failure to maintain our relationships on positive terms could materially adversely affect our business, reputation, financial condition and results of operations.

Our IOs develop and operate their stores under terms set forth in our Operator Agreements. These agreements give rise to relationships that involve a complex set of mutual obligations and depends on mutual cooperation and trust. We have a standard Operator Agreement that we use with our IOs, which contributes to uniformity of brand standards. We generally have positive relationships with our IOs, based in part on our common understanding of our mutual rights and obligations under the Operator Agreement. However, we and our IOs may not always maintain a positive relationship or always interpret the Operator Agreement in the same way. Our failure to maintain positive relationships with our IOs could individually or in the aggregate cause us to change or limit our business practices, which may make our business model less attractive to our IOs or stockholders or more costly to operate. Active and/or potential disputes with IOs could damage our brand image and reputation.

The success of our business depends in large part on our ability to maintain IOs in profitable stores. If we fail to maintain our IO relationships on acceptable terms, or if one or more of the more profitable IOs were to

terminate their Operator Agreements, become insolvent or otherwise fail to comply with brand standards, our business, reputation, financial condition and results of operations could be materially and adversely affected.

Our IOs could take actions that could harm our business.

Our IOs are contractually obligated to operate their stores in accordance with the brand standards set forth in the Operator Agreements. However, IOs are independent contractors whom we do not control. The IOs operate and oversee the daily operations of their stores and have sole control over all of their employees and other workforce decisions. As a result, IOs make decisions independent of us that bear directly on the ultimate success and performance of their store. Nevertheless, the nature of the brand license creates a symbiotic relationship between our outcome and each IO. Indeed, because we and each of our IOs associate our separate businesses with the Grocery Outlet name and brand reputation, the failure of any IO to comply with our brand standards could potentially have repercussions that extend beyond that IO's own market area and materially adversely affect not only our business, but the business of other IOs and the general brand image and reputation of the Grocery Outlet name. This, in turn, could materially and adversely affect our business and operating results. If any particular IO operates a store in a manner inconsistent with our brand standards, we cannot assure you that we will be able to terminate the Operator Agreement of that IO without disruptions to the operations and sales of that IO's store or other stores.

Risks Associated with Our Indebtedness

Our substantial indebtedness could materially adversely affect our financial condition and our ability to operate our business, react to changes in the economy or industry or pay our debts and meet our obligations under our debt and could divert our cash flow from operations for debt payments.

We have a significant amount of indebtedness. As of March 30, 2019, our total borrowings under our Credit Facilities was $873.2 million. Although we expect to use substantially all of the proceeds from this offering to repay indebtedness, we will continue to have a significant amount of indebtedness. See "Use of Proceeds." In addition, as of March 30, 2019, we had a $100.0 million revolving credit facility under our First Lien Credit Agreement under which we had $96.6 million of availability after giving effect to outstanding letters of credit. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities." In addition, subject to restrictions in the agreements governing our Credit Facilities, we may incur additional debt.

Our substantial debt could have important consequences to you, including the following:

- it may be difficult for us to satisfy our obligations, including debt service requirements under our outstanding debt, resulting in possible defaults on and acceleration of such indebtedness;
- our ability to obtain additional financing for working capital, capital expenditures, debt service requirements or other general corporate purposes may be impaired;
- a substantial portion of cash flow from operations may be dedicated to the payment of principal and interest on our debt, therefore reducing our ability to use our cash flow to fund our operations, capital expenditures, future business opportunities, acquisitions and other purposes;
- we are more vulnerable to economic downturns and adverse industry conditions and our flexibility to plan for, or react to, changes in our business or industry is more limited;
- our ability to capitalize on business opportunities and to react to competitive pressures, as compared to our competitors, may be compromised due to our high level of debt; and
- our ability to borrow additional funds or to refinance debt may be limited.

Furthermore, all of our debt under our Credit Facilities bears interest at variable rates. If these rates were to increase significantly, whether because of an increase in market interest rates or a decrease in our creditworthiness, our ability to borrow additional funds may be reduced and the risks related to our substantial debt would intensify.

Servicing our debt requires a significant amount of cash. Our ability to generate sufficient cash depends on numerous factors beyond our control, and we may be unable to generate sufficient cash flow to service our debt obligations.

Our business may not generate sufficient cash flow from operating activities to service our debt obligations. Our ability to make payments on and to refinance our debt and to fund planned capital expenditures depends on our ability to generate cash in the future. To some extent, this is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

If we are unable to generate sufficient cash flow from operations to service our debt and meet our other commitments, we may need to refinance all or a portion of our debt, sell material assets or operations, delay capital expenditures or raise additional debt or equity capital. We may not be able to effect any of these actions on a timely basis, on commercially reasonable terms or at all, and these actions may not be sufficient to meet our capital requirements. In addition, the terms of our existing or future debt agreements may restrict us from pursuing any of these alternatives.

Restrictive covenants in the agreements governing our Credit Facilities may restrict our ability to pursue our business strategies, and failure to comply with any of these restrictions could result in acceleration of our debt.

The operating and financial restrictions and covenants in the agreements governing our Credit Facilities may materially adversely affect our ability to finance future operations or capital needs or to engage in other business activities. Such agreements limit our ability, among other things, to:

- incur additional debt or issue certain preferred shares;
- pay dividends on or make distributions in respect of our common stock or make other restricted payments;
- make certain investments;
- sell certain assets;
- create liens on certain assets to secure debt;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- make certain payments in respect of certain junior debt obligations, including under our First Lien Credit Agreement;
- enter into certain transactions with our affiliates; and
- designate our subsidiaries as unrestricted subsidiaries.

A breach of any of these covenants could result in a default under our Credit Facilities. Upon the occurrence of an event of default under our Credit Facilities, the lenders could elect to declare all amounts outstanding under our Credit Facilities to be immediately due and payable and terminate all commitments to

extend further credit. If we were unable to repay those amounts, the lenders under our Credit Facilities could proceed against the collateral granted to them to secure that indebtedness. We have pledged a significant portion of our assets as collateral to secure our Credit Facilities. Our future operating results may not be sufficient to enable compliance with the financial maintenance covenant in our First Lien Credit Agreement, or any other indebtedness and we may not have sufficient assets to repay amounts outstanding under our Credit Facilities. In addition, in the event of an acceleration of our debt upon a default, we may not have or be able to obtain sufficient funds to make any accelerated payments.

Furthermore, the terms of any future indebtedness we may incur could have further additional restrictive covenants. We may not be able to maintain compliance with these covenants in the future, and in the event that we are not able to maintain compliance, we cannot assure you that we will be able to obtain waivers from the lenders or amend the covenants.

Despite current debt levels, we and our subsidiaries may still be able to incur substantially more debt. This could further exacerbate the risks associated with our substantial leverage.

We and our subsidiaries may be able to incur substantial additional debt in the future. Although the agreements governing our Credit Facilities contain restrictions on the incurrence of additional debt, these restrictions are subject to a number of qualifications and exceptions, and the debt incurred in compliance with these restrictions could be substantial. Additionally, we may successfully obtain waivers of these restrictions. If we incur additional debt above the levels currently in effect, the risks associated with our leverage, including those described above, would increase. Our First Lien Credit Agreement includes a $100.0 million revolving credit facility under which we had $96.6 million of availability as of March 30, 2019 after giving effect to outstanding letters of credit.

Risks Related to this Offering and Ownership of Our Common Stock

No market currently exists for our common stock, and an active, liquid trading market for our common stock may not develop, which may cause our common stock to trade at a discount from the initial offering price and make it difficult for you to sell the common stock you purchase.

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 Nasdaq or otherwise or how active and liquid that market may become. If an active and liquid trading market does not develop or continue, you may have difficulty selling any shares of our common stock that you purchase. The initial public offering price for the shares will be determined by negotiations between us and the underwriters and may not be indicative of prices that will prevail in the open market following this offering. The market price of our common stock may decline below the initial offering price, and you may not be able to sell your shares of our common stock at or above the price you paid in this offering, or at all.

You will incur immediate dilution in the net tangible book value of the shares you purchase in this offering.

The initial public offering price of our common stock will be higher than the net tangible book value per share of outstanding common stock prior to completion of this offering. Based on our net tangible book value as of March 30, 2019 and upon the issuance and sale of shares of common stock by us at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, if you purchase our common stock in this offering, you will suffer immediate dilution of approximately $ per share in net tangible book value. Dilution is the amount by which the offering price paid by purchasers of our common stock in this offering will exceed the pro forma net tangible book value per share of our common stock upon completion of this offering. If the underwriters exercise their option to purchase additional shares, you will experience future dilution. A total of shares of common stock

have been reserved for future issuance under our 2019 Equity Incentive Plan. You may experience additional dilution upon future equity issuances or the exercise of stock options to purchase common stock granted to our directors, officers and employees under our current and future stock incentive plans, including our 2019 Equity Incentive Plan. See “Dilution.”

Our stock price may change significantly following this offering, and you may not be able to resell shares of our common stock at or above the price you paid or at all, and you could lose all or part of your investment as a result.

The trading price of our common stock is likely to be volatile. The stock market has experienced extreme volatility. This volatility often has been unrelated or disproportionate to the operating performance of particular companies. We and the underwriters will negotiate to determine the initial public offering price. You may not be able to resell your shares at or above the initial public offering price due to a number of factors such as those listed in “—Risks Related to Our Business” and the following:

- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates and investment recommendations by securities analysts and investors;
- declines in the market prices of stocks generally;
- strategic actions by us or our competitors;
- announcements by us or our competitors of significant contracts, new products, acquisitions, joint marketing relationships, joint ventures, other strategic relationships or capital commitments;
- changes in general economic or market conditions or trends in our industry or markets;
- changes in business or regulatory conditions;
- additions or departures of key management personnel;
- future sales of our common stock or other securities by us or our existing stockholders, or the perception of such future sales;
- investor perceptions of the investment opportunity associated with our common stock relative to other investment alternatives;
- the public’s response to press releases or other public announcements by us or third parties, including our filings with the SEC;
- announcements relating to litigation;
- guidance, if any, that we provide to the public, any changes in this guidance or our failure to meet this guidance;
- the development and sustainability of an active trading market for our stock;
- changes in accounting principles; and

- other events or factors, including those resulting from natural disasters, war, acts of terrorism or responses to these events.

These broad market and industry fluctuations may materially adversely affect the market price of our common stock, regardless of our actual operating performance. In addition, price volatility may be greater if the public float and trading volume of our common stock are low.

In the past, following periods of market volatility, stockholders have instituted securities class action litigation. If we were involved in securities litigation, it could have a substantial cost and divert resources and the attention of executive management from our business regardless of the outcome of such litigation.

Our quarterly operating results fluctuate and may fall short of prior periods, our projections or the expectations of securities analysts or investors, which could materially adversely affect our stock price.

Our operating results have fluctuated from quarter to quarter at points in the past, and they may do so in the future. Therefore, results of any one fiscal quarter are not a reliable indication of results to be expected for any other fiscal quarter or for any year. If we fail to increase our results over prior periods, to achieve our projected results or to meet the expectations of securities analysts or investors, our stock price may decline, and the decrease in the stock price may be disproportionate to the shortfall in our financial performance. Results may be affected by various factors, including those described in these risk factors. We maintain a forecasting process that seeks to plan sales and align expenses. If we do not control costs or appropriately adjust costs to actual results, or if actual results differ significantly from our forecast, our financial performance could be materially adversely affected.

We are a holding company with no operations and rely on our operating subsidiaries to provide us with funds necessary to meet our financial obligations.

We are a holding company with no material direct operations. Our principal assets are the shares of common stock of Globe Intermediate Corp. that we hold. Globe Intermediate Corp. is the indirect parent of Grocery Outlet Inc. which, together with its subsidiaries, owns substantially all of our operating assets. As a result, we are dependent on loans, dividends and other payments from our subsidiaries to generate the funds necessary to meet our financial obligations. Our subsidiaries are legally distinct from us and may be prohibited or restricted from paying dividends or otherwise making funds available to us under certain conditions. If we are unable to obtain funds from our subsidiaries, we may be unable to meet our financial obligations.

We currently do not intend to declare dividends on our common stock in the foreseeable future and, as a result, your only opportunity to achieve a return on your investment is if the price of our common stock appreciates.

We currently do not expect to declare any dividends on our common stock in the foreseeable future. Instead, we anticipate that all of our earnings in the foreseeable future will be used to provide working capital, to support our operations and to finance the growth and development of our business. Any determination to declare or pay dividends in the future will be at the discretion of our board of directors, subject to applicable laws and dependent upon a number of factors, including our earnings, capital requirements and overall financial conditions. In addition, our ability to pay dividends on our common stock is currently limited by the covenants of our Credit Facilities and may be further restricted by the terms of any future debt or preferred securities. Accordingly, your only opportunity to achieve a return on your investment in our company may be if the market price of our common stock appreciates and you sell your shares at a profit. The market price for our common stock may never exceed, and may fall below, the price that you pay for such common stock.

If securities analysts do not publish research or reports about our business or if they downgrade our stock or our sector, our stock price and trading volume could decline.

The trading market for our common stock will rely in part on the research and reports that industry or financial analysts publish about us or our business or industry. We do not control these analysts. Furthermore, if one or more of the analysts who do cover us downgrade our stock or our industry, or the stock of any of our competitors, or publish inaccurate or unfavorable research about our business or industry, the price of our stock could decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline.

Future sales, or the perception of future sales, by us or our existing stockholders in the public market following this offering could cause the market price for our common stock to decline.

After this offering, the sale of shares of our common stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of our common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Upon consummation of this offering, we will have a total of shares of common stock outstanding. All shares sold in this offering will be freely tradable without restriction or further registration under the Securities Act, except that any shares held by our affiliates, as that term is defined under Rule 144 of the Securities Act ("Rule 144"), including our directors, executive officers and other affiliates (including the H&F Investor), may be sold only in compliance with the limitations described in "Shares Eligible for Future Sale."

The shares held by the H&F Investor and certain of our directors, officers and employees immediately following the consummation of this offering will represent approximately % of our total outstanding shares of common stock following this offering, based on the number of shares outstanding as of March 30, 2019. Such shares will be "restricted securities" within the meaning of Rule 144 and subject to certain restrictions on resale following the consummation of this offering. Restricted securities may be sold in the public market only if they are registered under the Securities Act or are sold pursuant to an exemption from registration such as Rule 144, as described in "Shares Eligible for Future Sale."

In connection with this offering, we, our directors and executive officers, and holders of substantially all of our common stock prior to this offering have each agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of our or their common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date 180 days after the date of this prospectus, except with the prior written consent of certain representatives of the underwriters. See "Underwriting (Conflicts of Interest)" for a description of these lock-up agreements.

Upon the expiration of the contractual lock-up agreements pertaining to this offering, up to an additional shares will be eligible for sale in the public market, of which are held by directors, executive officers and other affiliates and will be subject to volume, manner of sale and other limitations under Rule 144. Following completion of this offering, shares covered by registration rights would represent approximately % of our outstanding common stock (or %, if the underwriters exercise in full their option to purchase additional shares). Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. See "Shares Eligible for Future Sale."

As restrictions on resale end or if these stockholders exercise their registration rights, the market price of our shares of common stock could drop significantly if the holders of these shares sell them or are perceived by the market as intending to sell them. These factors could also make it more difficult for us to raise additional funds through future offerings of our shares of common stock or other securities.

In addition, the shares of our common stock reserved for future issuance under our 2019 Incentive Plan will become eligible for sale in the public market once those shares are issued, subject to provisions relating to various vesting agreements, lock-up agreements and Rule 144, as applicable. A total of shares of common stock have been reserved for future issuance under our 2019 Incentive Plan.

In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to you.

Provisions in our organizational documents could delay or prevent a change of control.

Certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws may have the effect of delaying or preventing a merger, acquisition, tender offer, takeover attempt or other change of control transaction that a stockholder might consider to be in its best interest, including attempts that might result in a premium over the market price of our common stock.

These provisions provide for, among other things:

- the division of our board of directors into three classes, as nearly equal in size as possible, which directors in each class serving three-year terms and with terms of the directors of only one class expiring in any given year;
- that at any time when the H&F Investor and certain of its affiliates beneficially own, in the aggregate, less than 40% in voting power of the stock of our company entitled to vote generally in the election of directors, directors may only be removed for cause, and only by the affirmative vote of the holders of at least two-thirds in voting power of all the then-outstanding shares of stock entitled to vote thereon, voting together as a single class;
- the ability of our board of directors to issue one or more series of preferred stock with voting or other rights or preferences that could have the effect of impeding the success of an attempt to acquire us or otherwise effect a change of control;
- advance notice for nominations of directors by stockholders and for stockholders to include matters to be considered at stockholder meetings;
- the right of the H&F Investor and certain of its affiliates to nominate a number of members of our board of directors proportionate to their collective ownership of our common stock and the obligation of certain of our other pre-IPO stockholders to support such nominees;
- the right of certain other pre-IPO investors to nominate one member of our board of directors and the obligation of the H&F Investor and certain of our other pre-IPO stockholders to support such nominee;
- certain limitations on convening special stockholder meetings; and
- that certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws may be amended only by the affirmative vote of the holders of at least two-thirds in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class, if the H&F Investor and certain of its affiliates beneficially own, in the aggregate, less than 40% in voting power of our stock entitled to vote generally in the election of directors.

These provisions could make it more difficult for a third party to acquire us, even if the third-party's offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares. See "Description of Capital Stock."

We are controlled by the H&F Investor, whose interests may be different than the interests of other holders of our securities.

Upon the completion of this offering, the H&F Investor will own approximately % of our outstanding common stock, or approximately % if the underwriters exercise in full their option to purchase additional shares, and will have the ability to nominate a majority of the members of our board of directors. As a result, the H&F Investor is able to control actions to be taken by us, including future issuances of our common stock or other securities, the payment of dividends, if any, on our common stock, amendments to our organizational documents and the approval of significant corporate transactions, including mergers, sales of substantially all of our assets, distributions of our assets, the incurrence of indebtedness and any incurrence of liens on our assets.

The interests of the H&F Investor may be materially different than the interests of our other stakeholders. In addition, the H&F Investor may have an interest in pursuing acquisitions, divestitures and other transactions that, in their judgment, could enhance its investment, even though such transactions might involve risks to you. For example, the H&F Investor may cause us to take actions or pursue strategies that could impact our ability to make payments under our Credit Facilities or that cause a change of control. In addition, to the extent permitted by agreements governing our Credit Facilities, the H&F Investor may cause us to pay dividends rather than make capital expenditures or repay debt. The H&F Investor 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. Our amended and restated certificate of incorporation will provide that none of the H&F Investor, any of its affiliates or any director who is not employed by us (including any non-employee director who serves as one of our officers in both his director and officer capacities) or his or her affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. The H&F Investor also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us.

So long as the H&F Investor continues to own a significant amount of our outstanding common stock, even if such amount is less than 50%, it will continue to be able to strongly influence or effectively control our decisions and, so long as the H&F Investor continues to own shares of our outstanding common stock, nominate individuals to our board of directors pursuant to a stockholders agreement to be entered into in connection with this offering. See "Certain Relationships and Related Party Transactions—Stockholders Agreement." In addition, the H&F Investor will be able to determine the outcome of all matters requiring stockholder approval and will be able to cause or prevent a change of control of our company or a change in the composition of our board of directors and could preclude any unsolicited acquisition of our company. The concentration of ownership could deprive you of an opportunity to receive a premium for your shares of common stock as part of a sale of our company and ultimately might affect the market price of our common stock.

We will be a "controlled company" within the meaning of the Nasdaq rules and the rules of the SEC. As a result, we will qualify for, and intend to rely on, exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.

After completion of this offering, the H&F Investor and the other parties to our stockholders agreement will continue to own a majority of our outstanding common stock. As a result, we will be a "controlled company" within the meaning of the corporate governance standards of Nasdaq. Under these rules, 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 requirements, including:

- the requirement that a majority of our board of directors consist of "independent directors" as defined under the rules of Nasdaq;

- the requirement that we have a compensation committee that is composed entirely of directors who meet the Nasdaq independence standards for compensation committee members with a written charter addressing the committee's purpose and responsibilities; and

- 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 and that we adopt a written charter or board resolution addressing the nominations process.

Following this offering, we intend to utilize these exemptions. As a result, we will not have a majority of independent directors, our nominating/corporate governance committee, if any, and compensation committee will not consist entirely of independent directors and such committees will not be subject to annual performance evaluations. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of Nasdaq.

Failure to comply with requirements to design, implement and maintain effective internal controls could have a material adverse effect on our business and stock price.

As a privately-held company, we were not required to evaluate our internal control over financial reporting in a manner that meets the standards of publicly traded companies required by Section 404(a) of the Sarbanes-Oxley Act ("Section 404"). As a public company, we will have significant requirements for enhanced financial reporting and internal controls. The process of designing and implementing effective internal controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. If we are unable to establish or maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our consolidated financial statements and harm our results of operations. In addition, we will be required, pursuant to Section 404, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting in the second annual report following the completion of this offering. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. Testing and maintaining internal controls may divert our management's attention from other matters that are important to our business. Our independent registered public accounting firm will be required to issue an attestation report on effectiveness of our internal controls in the second annual report following the completion of this offering.

In connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we may identify deficiencies that we may not be able to remediate in time to meet the deadline imposed by the Sarbanes-Oxley Act for compliance with the requirements of Section 404. In addition, we may encounter problems or delays in completing the remediation of any deficiencies identified by our independent registered public accounting firm in connection with the issuance of their attestation report.

Our testing, or the subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses. A material weaknesses in internal control could result in our failure to detect a material misstatement of our annual or quarterly consolidated financial statements or disclosures. We may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404. If we are unable to conclude that we have effective internal control over financial reporting, investors could lose confidence in our reported financial information, which could have a material adverse effect on the trading price of our common stock.

Our amended and restated certificate of incorporation will provide, subject to limited exceptions, that the Court of Chancery of the State of Delaware and, to the extent enforceable, the federal district courts of the United States of America will be the sole and exclusive forums for certain stockholder litigation matters, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation will provide, subject to limited exceptions, that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for any (i) derivative action or proceeding brought on behalf of our company, (ii) action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of our company to the Company or our stockholders, (iii) action asserting a claim against the Company or any director, officer or other employee of the Company arising pursuant to any provision of the Delaware General Corporation Law, or the DGCL, or our amended and restated certificate of incorporation or our amended and restated bylaws or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) action asserting a claim against the Company or any director, officer or other employee of the Company governed by the internal affairs doctrine. These provisions shall not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Unless the Company consents in writing to the selections of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action 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. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation.

These choice of forum provisions may limit a stockholder's ability to bring a claim in a different judicial forum, including one that it may find favorable or convenient for disputes with us or any of our directors, officers or other employees which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provisions that will be contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results and financial condition. For example, the Court of Chancery of the State of Delaware recently determined that a provision stating that U.S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable. However, this decision may be reviewed and ultimately overturned by the Delaware Supreme Court.

Our board of directors will be authorized to issue and designate shares of our preferred stock in additional series without stockholder approval.

Our amended and restated certificate of incorporation will authorize our board of directors, without the approval of our stockholders, to issue shares of our preferred stock, subject to limitations prescribed by applicable law, rules and regulations and the provisions of our amended and restated certificate of incorporation, as shares of preferred stock in series, to establish from time to time the number of shares to be included in each such series and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof. The powers, preferences and rights of these additional series of preferred stock may be senior to or on parity with our common stock, which may reduce its value.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements (other than statements of historical facts) in this prospectus regarding the prospects of the industry and our prospects, plans, financial position and business strategy may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “should,” “expect,” “intend,” “will,” “estimate,” “anticipate,” “believe,” “predict,” “potential” or “continue” or the negatives of these terms or variations of them or similar terminology. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot provide any assurance that these expectations will prove to be correct. Such statements reflect the current views of our management with respect to our business, results of operations and future financial performance. The following factors are among those that may cause actual results to differ materially from the forward-looking statements:

- failure of suppliers to consistently supply us with opportunistic products at attractive pricing;
- inability to successfully identify trends and maintain a consistent level of opportunistic products;
- failure to maintain or increase comparable store sales;
- changes affecting the market prices of the products we sell;
- failure to open, relocate or remodel stores on schedule;
- risks associated with newly opened stores;
- risks associated with economic conditions;
- competition in the retail food industry;
- inability to retain the loyalty of our customers;
- costs and implementation difficulties associated with marketing, advertising and promotions;
- failure to maintain our reputation and the value of our brand, including protecting our intellectual property;
- any significant disruption to our distribution network, the operations of our distributions centers and our timely receipt of inventory;
- movement of consumer trends toward private labels and away from name-brand products;
- inability to maintain sufficient levels of cash flow from our operations;
- risks associated with leasing substantial amounts of space;
- failure to maintain the security of information we hold relating to personal information or payment card data of our customers, employees and suppliers;
- failure to participate effectively or at all in the growing online retail marketplace;
- material disruption to our information technology systems;
- risks associated with products we and our IOs sell;

- risks associated with laws and regulations generally applicable to retailers;
- legal proceedings from customers, suppliers, employees, governments or competitors;
- unexpected costs and negative effects associated with our insurance program;
- inability to attract, train and retain highly qualified employees;
- difficulties associated with labor relations;
- loss of our key personnel or inability to hire additional qualified personnel;
- changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters;
- impairment of goodwill and other intangible assets;
- any significant decline in our operating profit and taxable income;
- risks associated with tax matters;
- natural disasters and unusual weather conditions (whether or not caused by climate change), pandemic outbreaks, terrorist acts, global political events and other serious catastrophic events;
- economic downturns or natural or man-made disasters in geographies where our stores are located;
- management's limited experience managing a public company;
- risks associated with IOs being consolidated into our financial statements;
- failure of our IOs to successfully manage their business;
- failure of our IOs to repay notes outstanding to us;
- inability to attract and retain qualified IOs;
- inability of our IOs to avoid excess inventory shrink;
- any loss or changeover of an IO;
- legal proceedings initiated against our IOs;
- legal challenges to the independent contractor business model;
- failure to maintain positive relationships with our IOs;
- risks associated with actions our IOs could take that could harm our business;
- the significant influence of the H&F Investor over us;
- our ability to generate cash flow to service our substantial debt obligations; and
- the other factors discussed under "Risk Factors."

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. The forward-looking statements are based on our beliefs, assumptions and expectations of future performance, taking into account the information currently available to us. These statements are only predictions based upon our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. Other sections of this prospectus may include additional factors that could adversely impact our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time and it is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. Before investing in our common stock, investors should be aware that the occurrence of the events described under the caption “Risk Factors” and elsewhere in this prospectus could have a material adverse effect on our business, results of operations and future financial performance.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or occur. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this prospectus to conform these statements to actual results or to changes in our expectations.

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately $ million from the sale of shares of our common stock in this offering, based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, and after deducting assumed underwriting discounts and commissions and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering to repay the term loan outstanding under our Second Lien Credit Agreement totaling $ million, plus accrued interest thereon of approximately $ and the remainder to repay certain term loan outstanding under our First Lien Credit Agreement totaling $ million, plus accrued interest thereon of approximately $. To the extent we raise more proceeds in this offering than currently estimated, we will use such proceeds for general corporate purposes, which may include, among other things, further repayment of indebtedness. To the extent we raise less in this offering than currently estimated, we may, if necessary, reduce the amount of the indebtedness that will be repaid. For information about the applicable interest rates, maturity dates and use of proceeds of loans under our Second Lien Credit Agreement and our First Lien Credit Agreement see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities.”

We entered into the Credit Facilities on October 22, 2018 in order to refinance our Existing Credit Facilities (as defined elsewhere in this prospectus). The proceeds of the Credit Facilities were used to repay the amounts outstanding under the Existing Credit Facilities and to pay a cash dividend and related fees in connection with the 2018 Recapitalization. For additional information see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting the Comparability of our Results of Operations—Financing Transactions and Payments to Stockholders.”

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, based on the midpoint of the price range set forth on the front cover of this prospectus, would increase (decrease) the net proceeds to us from this offering by $ million, assuming the number of shares offered by us, as set forth on the front cover of this prospectus, remains the same and after deducting the assumed underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 100,000 shares from the expected number of shares to be sold by us in this offering, assuming no change in the assumed initial public offering price per share, which is the midpoint of the price range set forth on the front cover of this prospectus, would increase (decrease) our net proceeds from this offering by $ million.

DIVIDEND POLICY

We currently do not expect to declare any dividends on our common stock in the foreseeable future. Instead, we anticipate that all of our earnings in the foreseeable future will be used to provide working capital, to support our operations, to finance the growth and development of our business and to reduce our net debt. Any determination to declare dividends in the future will be at the discretion of our board of directors, subject to applicable laws, and will be dependent on a number of factors, including our earnings, capital requirements and overall financial condition. In addition, because we are a holding company, our ability to pay dividends on our common stock may be limited by restrictions on our ability to obtain sufficient funds through dividends from subsidiaries, including restrictions under the covenants of the credit agreements governing our Credit Facilities, and may be further restricted by the terms of any future debt or preferred securities. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities” for more information about our Credit Facilities.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of March 30, 2019:

- on an actual basis; and
- on an as adjusted basis, giving effect to (1) the sale by us of approximately shares of our common stock in this offering based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, after deducting assumed underwriting discounts and commissions and estimated offering expenses payable by us, (2) the application of the estimated net proceeds from the offering to repay the outstanding term loan under our Second Lien Credit Agreement and the remainder to repay a portion of the outstanding term loan under our First Lien Credit Agreement, as described in "Use of Proceeds," (3) the conversion of our nonvoting common stock into voting common stock on a one-for-one basis and the redemption of our Series A Preferred Stock upon the closing of this offering and (4) the filing and effectiveness of our amended and restated certificate of incorporation and the effectiveness of our amended and restated bylaws in connection with the closing of this offering.

You should read this table together with "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes appearing elsewhere in this prospectus.

	As of March 30, 2019	
	Actual	As Adjusted (1)
	(dollars in thousands)	
Cash and cash equivalents	$ 19,596	$
Long-term debt, including current portion of long-term debt:		
First Lien Credit Agreement (2)	$ 723,188	$
Second Lien Credit Agreement	150,000	
Other long-term debt (3)	426	
Combined aggregate unamortized debt discount and debt issuance costs	(18,958)	
Total debt	854,656	
Equity:		
Common stock, $0.001 par value, voting common stock; 107,536,215 shares authorized, actual, 48,095,326 shares issued and outstanding, actual, shares authorized, as adjusted, shares issued and outstanding, as adjusted	48	
Common stock, $0.001 par value, nonvoting common stock; 17,463,785 shares authorized, actual, 740,139 shares issued and outstanding, actual, no shares authorized, as adjusted, no shares issued and outstanding, as adjusted	1	—
Preferred stock, $0.001 par value; 1 share authorized, actual, 1 share issued and outstanding, actual, shares authorized, as adjusted, no shares issued and outstanding, as adjusted	—	—
Additional paid-in capital	287,687	
Retained earnings	16,115	
Total equity	303,851	
Total capitalization	$1,158,507	$

(1) A $1.00 increase or decrease in an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, would not significantly increase

or decrease, as applicable, cash and cash equivalents, additional paid-in capital, total equity and total capitalization by $ million, assuming, in each case, the number of shares offered by us, as set forth on the front cover of this prospectus, remains the same and after deducting assumed underwriting discounts and commissions and the estimated offering expenses payable by us. An increase or decrease of 100,000 shares in the number of shares sold in this offering by us would not increase or decrease, as applicable, cash and cash equivalents, and would increase or decrease, as applicable, total debt by $ million and additional paid-in capital, total equity and total capitalization by $ million, assuming, in each case, an initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, and after deducting assumed underwriting discounts and commissions and the estimated offering expenses payable by us.

(2) As of March 30, 2019, we had a $100.0 million revolving credit facility under our First Lien Credit Agreement under which we had $96.6 million of availability thereunder after giving effect to outstanding letters of credit as of such date.

(3) Represents remaining balance of a store capital lease.

The number of shares of our common stock to be authorized and outstanding immediately after this offering is based on shares authorized and shares outstanding as of March 30, 2019 (after giving effect to the increase in authorized shares of common stock effected on , 2019 and a for 1 forward stock split effected on , 2019) and excludes:

- 50,113 shares of common stock underlying 50,113 restricted stock units that were outstanding as of March 30, 2019;
- 8,304,510 shares of common stock issuable upon exercise of outstanding options to purchase shares of our common stock as of March 30, 2019; and
- shares of our common stock available for future issuance under our 2019 Incentive Plan, which we intend to adopt in connection with this offering.

DILUTION

If you invest in our common stock in this offering, your ownership interest in us will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the net tangible book value per share of our common stock as adjusted to give effect to this offering. Dilution results from the fact that the per share offering price of the common stock is substantially in excess of the book value per share attributable to the shares of common stock held by existing stockholders.

Our net tangible book value (deficit) as of March 30, 2019 was approximately $(511.1) million or $(10.47) per share. We calculate net tangible book value per share by taking the amount of our total tangible assets, reduced by the amount of our total liabilities, and then dividing that amount by the total number of shares of common stock outstanding.

After giving effect to our sale of the shares in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, and after deducting assumed underwriting discounts and commissions and estimated offering expenses payable by us, our net tangible book value as adjusted to give effect to this offering on March 30, 2019 would have been $ million, or $ per share. This amount represents an immediate increase in net tangible book value of $ per share to existing stockholders and an immediate dilution in net tangible book value of $ per share to new investors purchasing shares in this offering at the assumed initial public offering price.

The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$
Net tangible book value (deficit) per share as of March 30, 2019	$(10.47)	
Increase in net tangible book value per share attributable to new investors purchasing shares in this offering		
Net tangible book value (deficit) per share as adjusted to give effect to this offering		
Dilution per share to new investors in this offering		$

Dilution is determined by subtracting net tangible book value per share of common stock as adjusted to give effect to this offering, from the initial public offering price per share of common stock.

Assuming the number of shares offered by us, as set forth on the front cover of this prospectus, remains the same, after deducting assumed underwriting discounts and commissions and estimated offering expenses payable by us, a $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, would increase or decrease the net tangible book value attributable to new investors purchasing shares in this offering by $ per share and the dilution to new investors by $ per share and increase or decrease the net tangible book value per share, as adjusted to give effect to this offering, by $ per share.

The following table summarizes, as of March 30, 2019, the differences between the number of shares purchased from us, the total consideration paid to us, and the average price per share paid by existing stockholders and by new investors. As the table shows, new investors purchasing shares in this offering will pay an average price per share substantially higher than our existing stockholders paid. The table below is based on shares of common stock outstanding immediately after the consummation of this offering and does not give effect to the shares of common stock reserved for future issuance under our 2019 Incentive Plan. A total of shares of common stock have been reserved for future issuance under our 2019 Incentive Plan. The table below assumes an initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, for shares purchased in this offering excludes assumed underwriting discounts and commissions and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration (1)		Average Price Per Share (1)
	Number	Percent	Amount (millions)	Percent	
Existing stockholders		%	$	%	$
New investors					
Total		100.0%	$	100.0%	

(1) Total consideration and average price per share for existing stockholders does not take into account any return of capital as a result of our 2016 Recapitalization or our 2018 Recapitalization.

If the underwriters were to fully exercise the underwriters' option to purchase additional shares of our common stock, the percentage of shares of our common stock held by existing stockholders who are directors, officers or affiliated persons would be % and the percentage of shares of our common stock held by new investors would be %.

Assuming the number of shares offered by us, as set forth on the front cover of this prospectus, remains the same, after deducting assumed underwriting discounts and estimated commissions and offering expenses payable by us, a $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus, would increase or decrease total consideration paid by new investors and total consideration paid by all stockholders by approximately $ million.

SELECTED CONSOLIDATED FINANCIAL DATA

The following table sets forth the selected consolidated financial data of the Company for the periods presented. The selected consolidated financial data for the fiscal years 2016, 2017 and 2018 and the summary balance sheet data as of December 30, 2017 and December 29, 2018 are derived from our audited consolidated financial statements and the related notes appearing elsewhere in this prospectus. The selected consolidated financial data for the period from December 29, 2013 through October 7, 2014, for the period from October 8, 2014 through January 3, 2015 and for fiscal year 2015 and the summary balance sheet data as of January 3, 2015 and January 2, 2016 presented below were derived from unaudited consolidated financial statements which are not included in this prospectus. The selected consolidated financial data for the fiscal quarters ended March 31, 2018 and March 30, 2019 and the summary balance sheet data as of March 30, 2019 are derived from our unaudited condensed consolidated financial statements and the related notes appearing elsewhere in this prospectus. All unaudited consolidated financial statements referenced herein were prepared on a basis consistent with the audited consolidated financial statements and in the opinion of management reflect all adjustments necessary for a fair statement of the financial information. The summary balance sheet data as of December 31, 2016 presented below was derived from audited consolidated financial statements which are not included in this prospectus. The historical results presented below are not necessarily indicative of financial results to be achieved in future periods. We operate on a fiscal year that ends on the Saturday closest to December 31st each year. Fiscal years 2015 through 2018 all contained 52 weeks and the fiscal year ended January 3, 2015 contained 53 weeks. Both first quarters 2018 and 2019 contained 13 weeks.

The selected consolidated financial data set forth below should be read in conjunction with “Capitalization,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the related notes included elsewhere in this prospectus.

	Predecessor	Successor						
			Fiscal Year Ended				Fiscal Quarter Ended	
	Period from December 29, 2013 through October 7, 2014	Period from October 8, 2014 through January 3, 2015	January 2, 2016	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
	(in thousands, except per share data)							
Statement of Operations Data:								
Net sales	$ 1,139,429	$ 371,015	$1,627,306	$ 1,831,531	$ 2,075,465	$ 2,287,660	$ 550,558	$ 606,271
Cost of sales	793,227	266,929	1,135,090	1,270,354	1,443,582	1,592,263	381,989	419,254
Gross profit	346,202	104,086	492,216	561,177	631,883	695,397	168,569	187,017
Operating expenses:								
Selling, general and administrative expenses	292,628	91,867	401,204	457,051	510,136	557,100	136,736	152,854
Depreciation and amortization expenses	28,829	7,384	31,243	37,152	43,152	45,421	11,178	12,296
Stock-based compensation expenses	68,502	—	172	2,905	1,659	10,409	134	211
Total operating expenses	389,959	99,251	432,619	497,108	554,947	612,930	148,048	165,361
Income/(loss) from operations	(43,757)	4,835	59,597	64,069	76,936	82,467	20,521	21,656
Other expense:								
Interest expense, net	24,348	11,573	45,900	47,147	49,698	55,362	12,912	16,438
Debt extinguishment and modification costs	—	12,695	5,473	—	1,466	5,253	—	—
Total other expense	24,348	24,268	51,373	47,147	51,164	60,615	12,912	16,438
Income/(loss) before income taxes	(68,105)	(19,433)	8,224	16,922	25,772	21,852	7,609	5,218
Income tax expense/(benefit)	(24,753)	(7,644)	3,459	6,724	5,171	5,984	2,084	1,444
Net income/(loss)	$ (43,352)	$ (11,789)	$ 4,765	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774

	Predecessor	Successor						
	Period from December 29, 2013 through October 7, 2014	Period from October 8, 2014 through January 3, 2015	Fiscal Year Ended				Fiscal Quarter Ended	
			January 2, 2016	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
			(in thousands, except per share data)					
Per Share Data (1):								
Net income per share (basic and diluted)								
Basic		$ (0.24)	$ 0.10	$ 0.21	$ 0.42	$ 0.33	$ 0.11	$ 0.08
Diluted		$ (0.24)	$ 0.10	$ 0.21	$ 0.42	$ 0.32	$ 0.11	$ 0.08
Weighted average shares outstanding (basic and diluted)								
Basic		48,741	48,624	48,653	48,633	48,805	48,801	48,834
Diluted		48,790	48,657	48,698	48,704	48,857	48,835	48,862
Statement of Cash Flows Data:								
Net cash provided by (used in) operating activities	$ 46,136	$ (80,770)	$ 43,176	$ 70,875	$ 84,703	$ 105,811	$ 31,545	$ 22,240
Net cash used in investing activities	(35,104)	(1,027,156)	(50,624)	(65,416)	(77,820)	(73,550)	(15,277)	(19,997)
Net cash provided by (used in) financing activities	(3,067)	1,106,426	(7,773)	(4,328)	(7,935)	(16,999)	(1,424)	(3,710)

	Predecessor	Successor						
	Period from December 29, 2013 through October 7, 2014	Period from October 8, 2014 through January 3, 2015	Fiscal Year Ended				Fiscal Quarter Ended	
			January 2, 2016	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
			(dollars in thousands)					
Other Financial and Operations Data:								
Number of new stores	14	3	20	29	29	26	3	8
Number of stores open at end of period	216	218	237	265	293	316	296	323
Comparable store sales growth (2)	5.3%	5.0%	4.2%	3.6%	5.3%	3.9%	4.5%	4.2%
Gross margin	30.4%	28.1%	30.2%	30.6%	30.4%	30.4%	30.6%	30.8%
EBITDA (3)	$ (14,928)	$ (476)	$ 85,367	$ 101,221	$ 118,622	$ 124,271	$ 32,056	$ 34,505
Adjusted EBITDA (3)	$ 58,326	$ 43,047	$ 108,236	$ 123,415	$ 136,319	$ 153,578	$ 36,112	$ 39,123
Adjusted net income (3)	$ 5,506	$ 17,932	$ 27,642	$ 33,765	$ 48,655	$ 49,308	$ 11,552	$ 9,947

	Successor					
	As of					
	January 3, 2015	January 2, 2016	December 31, 2016	December 30, 2017	December 29, 2018	March 30, 2019
	(in thousands)					
Balance Sheet Data:						
Cash and cash equivalents	$ 20,943	$ 5,722	$ 6,853	$ 5,801	$ 21,063	$ 19,596
Working capital (4)	59,345	62,746	68,186	76,224	89,448	63,000
Total assets (5)	1,201,628	1,220,853	1,268,470	1,317,871	1,376,862	2,059,912
Total debt (6)	624,455	625,782	711,866	710,886	857,368	854,656
Total liabilities (5)	726,782	741,070	862,118	890,738	1,076,911	1,756,061
Total stockholders' equity	474,846	479,783	406,352	427,133	299,951	303,851
Total liabilities and stockholders' equity (5)	1,201,628	1,220,853	1,268,470	1,317,871	1,376,862	2,059,912

(1) We have not presented per share data for the 2014 predecessor period as we believe the information will not be meaningful to investors due to the differences in the legal entity structure and capitalization.

(2) See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors and Measures We Use to Evaluate Our Business—Comparable Store Sales."

(3) For more information on our use of EBITDA, adjusted EBITDA and adjusted net income see "Management's Discussion and Analysis of Financial Condition and Results of Operations —Key Factors

and Measures We Use to Evaluate Our Business—EBITDA, Adjusted EBITDA and Adjusted Net Income." The following table provides a reconciliation from our net income to EBITDA and adjusted EBITDA and our net income to adjusted net income for the period from December 29, 2013 through October 7, 2014 and the period from October 8, 2014 through January 3, 2015, the fiscal years 2015, 2016, 2017 and 2018 and first quarters 2018 and 2019.

	Predecessor	Successor						
	Period from December 29, 2013 through October 7, 2014	Period from October 8, 2014 through January 3, 2015	Fiscal Year Ended				Fiscal Quarter Ended	
			January 2, 2016	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
			(in thousands)					
Net (loss) income	$ (43,352)	$ (11,789)	$ 4,765	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774
Interest expense, net	24,348	11,573	45,900	47,147	49,698	55,362	12,912	16,438
Income tax (benefit) expense	(24,753)	(7,644)	3,459	6,724	5,171	5,984	2,084	1,444
Depreciation and amortization expenses	28,829	7,384	31,243	37,152	43,152	47,057	11,535	12,849
EBITDA	(14,928)	(476)	85,367	101,221	118,622	124,271	32,056	34,505
Stock-based compensation expenses (a)	68,502	—	172	2,905	1,659	10,409	134	211
Purchase accounting inventory adjustments (b)	—	7,100	—	—	—	—	—	—
Debt extinguishment and modification costs (c)	—	12,695	5,473	—	1,466	5,253	—	—
Non-cash rent (d)	1,422	2,356	9,937	8,451	8,401	7,903	1,840	1,862
Asset impairment and gain or loss on disposition (e)	(49)	48	889	519	549	1,306	(52)	182
New store pre-opening expenses (f)	745	205	1,693	2,580	1,807	1,555	270	421
Rent for acquired leases (g)	—	—	2,385	2,388	72	—	—	—
Provision for accounts receivable reserves (h)	700	1,100	1,225	4,018	3,004	749	1,538	1,483
Other (i)	1,934	20,019	1,095	1,333	739	2,132	326	459
Adjusted EBITDA	$ 58,326	$ 43,047	$ 108,236	$ 123,415	$ 136,319	$ 153,578	$ 36,112	$ 39,123

	Predecessor	Successor						
	Period from December 29, 2013 through October 7, 2014	Period from October 8, 2014 through January 3, 2015	Fiscal Year Ended				Fiscal Quarter Ended	
			January 2, 2016	December 31, 2016	December 30, 2017	December 29, 2018	March 31, 2018	March 30, 2019
			(in thousands)					
Net (loss) income	$ (43,352)	$ (11,789)	$ 4,765	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774
Stock-based compensation expenses (a)	68,502	—	172	2,905	1,659	10,409	134	211
Purchase accounting inventory adjustment (b)	—	7,100	—	—	—	—	—	—
Debt extinguishment and modification costs (c)	—	12,695	5,473	—	1,466	5,253		
Non-cash rent (d)	1,422	2,356	9,937	8,451	8,401	7,903	1,840	1,862
Asset impairment and gain or loss on disposition (e)	(49)	48	889	519	549	1,306	(52)	182
New store pre-opening expenses (f)	745	205	1,693	2,580	1,807	1,555	270	421
Rent for acquired leases (g)	—	—	2,385	2,388	72	—	—	—
Provision for accounts receivable reserves (h)	700	1,100	1,225	4,018	3,004	749	1,538	1,483
Other (i)	1,934	20,019	1,095	1,333	739	2,132	327	459
Amortization of purchase accounting assets and deferred financing costs (j)	4,310	3,659	16,618	16,914	17,399	16,744	4,243	3,916
Tax effect of total adjustments (k)	(28,706)	(17,461)	(16,610)	(15,541)	(7,042)	(12,611)	(2,273)	(2,361)
Adjusted net income	$ 5,506	$ 17,932	$ 27,642	$ 33,765	$ 48,655	$ 49,308	$ 11,552	$ 9,947

(a) Represents non-cash stock compensation expense of $68.5 million in 2014 related to the 2014 H&F Acquisition, $0.2 million in 2015, $0.3 million in 2016, $0.4 million in each of 2017 and 2018 and $0.1 million in each of the first quarters 2018 and 2019, with the remainder representing dividend cash payments made in respect of vested options as a result of dividends declared in connection with our 2016 Recapitalization and our 2018 Recapitalization. We expect to pay an additional $4.3 million in the aggregate on options as they vest in respect of such dividends, of which $3.5 million is expected to be paid in the remainder of fiscal 2019.

(b) Reflects an inventory step-up resulting from the application of purchase accounting relating to the 2014 H&F Acquisition.

(c) Represents debt extinguishment and modification costs related to the write-off of debt issuance costs and non-capitalizable expenses related to the 2014 H&F Acquisition, June 2017 repricing of our first and second lien credit facilities and the modification of our first and second lien credit facilities in connection with our 2018 Recapitalization.

(d) Consists of the non-cash portion of rent expense, which reflects the extent to which our straight-line rent expense recognized under GAAP exceeds or is less than our cash rent payments. The adjustment can vary depending on the average age of our lease portfolio, which has been impacted by our significant growth in recent years.

(e) Represents impairment charges with respect to planned store closures and gains or losses on dispositions of assets in connection with store transitions to new IOs.

(f) Includes marketing, occupancy and other expenses incurred in connection with store grand openings, including costs that will be the IO's responsibility after store opening.

(g) Represents cash occupancy expenses on leases acquired from Fresh & Easy Inc. in 2015 for the periods prior to opening new stores on such sites (commonly referred to as "dead rent").

(h) Represents non-cash changes in reserves related to our IO notes and accounts receivable.

(i) Transaction expenses relating to the 2014 H&F Acquisition and other non-recurring, non-cash or discrete items as determined by management, including personnel-related costs, strategic project costs, legal expenses and miscellaneous costs.

(j) Represents amortization of debt issuance costs and incremental amortization of an asset step-up resulting from purchase price accounting related to the 2014 H&F Acquisition which included trademarks, customer lists and below-market leases.

(k) Represents the tax effect of the total adjustments at our estimated effective tax rate.

(4) Working capital is defined as current assets minus current liabilities.

(5) In connection with the adoption of Accounting Standards Codification Topic 842, we have recognized an operating right-of-use asset of $659.7 million and a lease liability of $730.4 million as of March 30, 2019.

(6) Total debt consists of the current and long-term portions of our total debt outstanding, net of debt discount and debt issuance costs. Total gross debt outstanding was $650.0 million, $645.5 million, $730.3 million, $725.0 million, $875.0 million and $873.2 million as of January 3, 2015, January 2, 2016, December 31, 2016, December 30, 2017, December 29, 2018 and March 30, 2019, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read together with the section titled "Selected Consolidated Financial Data" and our consolidated financial statements and related notes which are included elsewhere in this prospectus. This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" or in other sections of this prospectus.

We operate on a fiscal year that ends on the Saturday closest to December 31st each year. References to the years 2016, 2017 and 2018 refer to the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, each of which contained 52 weeks. References to the first quarter 2019 and the first quarter 2018 refer to the 13 weeks ended March 30, 2019 and March 31, 2018, respectively.

Our Company

We are a high-growth, extreme value retailer of quality, name-brand consumables and fresh products sold through a network of independently operated stores. Each of our stores offers a fun, treasure hunt shopping experience in an easy-to-navigate, small-box format. An ever-changing assortment of "WOW!" deals, complemented by everyday staple products, generates customer excitement and encourages frequent visits from bargain-minded shoppers. Our flexible buying model allows us to offer quality, name-brand opportunistic products at prices generally 40% to 70% below those of conventional retailers. Entrepreneurial independent operators ("IOs") run our stores and create a neighborhood feel through personalized customer service and a localized product offering. This differentiated approach has driven 15 consecutive years of positive comparable store sales growth.

Our differentiated model for buying and selling delivers a "WOW!" shopping experience, which generates customer excitement, inspires loyalty and supports profitable sales growth:

- ***How we buy:*** We source quality, name-brand consumables and fresh products opportunistically through a large, centralized purchasing team that leverages long-standing and actively managed supplier relationships to acquire merchandise at significant discounts. Our speed and efficiency in responding to supplier needs combined with our specialized supply chain capabilities and flexible merchandising strategy enhance our access to discounted products and allow us to turn inventory quickly and profitably. Our buyers proactively source on-trend products based on changing consumer preferences, including a wide selection of Natural, Organic, Specialty and Healthy ("NOSH") products. We also source everyday staple products to complement our opportunistic offerings. We purchase over 85,000 stock keeping units ("SKUs") from approximately 1,500 suppliers annually. Each store offers a curated and ever-changing assortment of approximately 5,000 SKUs, creating a "buy now" sense of urgency that promotes return visits and fosters customer loyalty.

- ***How we sell:*** Our stores are independently operated by entrepreneurial small business owners that have a relentless focus on selecting the best products for their communities, providing personalized customer service and driving improved store performance. Unlike a store manager of a traditional retailer, IOs are independent businesses and are responsible for store operations, including ordering, merchandising and managing inventory, marketing locally and directly hiring, training and employing their store workers. IOs also initially contribute capital to establish their business and share store-level gross profits with us. This both aligns our interests and incentivizes IOs to aggressively grow their business to realize substantial financial upside. This combination of local decision-making supported by our purchasing scale and corporate resources results in a "small business at scale" model that we believe is difficult for competitors to replicate.

Our Growth Strategies

We plan to continue to drive sales growth and profitability by maintaining a relentless focus on our value proposition and executing on the following strategies:

- ***Drive Comparable Sales Growth*.** We expect that our compelling value proposition will continue to attract new customers, drive repeat visits, increase basket sizes and, as a result, generate strong comparable store sales growth. We plan to:

  - ***Deliver More "WOW!" Deals and Expand Our Offerings.*** We intend to drive incremental traffic and increase our share of wallet by further leveraging our purchasing model. We continue to deepen existing and develop new supplier relationships to ensure that we are the preferred partner and the first call for opportunistic inventory. As a result, we believe there is a significant opportunity to source and offer more "WOW!" deals within existing and new product categories, thereby offering greater value and variety to customers. For example, in response to growing consumer preferences for fresh and healthy options, we have grown NOSH primarily through opportunistic purchasing to represent over 15% of our current product mix. More recently, we have expanded our offerings to include fresh seafood and grass-fed meat in order to increase sales to existing and new customers.

  - ***Support IOs in Enhancing the "WOW!" Customer Experience.*** We continue to implement operational initiatives to support IOs in enhancing the customer experience. We develop and improve tools that provide IOs with actionable insights on sales, margin and customer behavior, enabling them to further grow their business. Our recently enhanced inventory planning tools help IOs make better local assortment decisions while reducing out-of-stock items and losses related to product markdowns, throwaways and theft ("shrink"). We also regularly deploy updated fixtures, signage and enhanced in-store marketing to further improve the shopping experience, which we believe results in higher customer traffic and average basket sizes.

  - ***Increase Customer Awareness and Engagement.*** Our marketing strategy is focused on growing awareness, encourage new customers to visit our stores and increasing engagement with all bargain-minded consumers. Our recent emphasis on digital marketing is enabling us to deliver specific and real-time information to our customers about the most compelling "WOW!" deals at their local store. We have over one million email subscribers in our database, most of whom receive daily and weekly "WOW! Alerts." Along with our IOs, we have begun to utilize social media to increase our brand affinity and interact with customers more directly on a daily basis. Looking forward, we see an opportunity to further personalize our digital communications to both increase engagement with our existing customers and introduce new customers to our stores. We will continue to supplement our digital marketing with traditional print and broadcast advertising including through our new marketing campaign, "Welcome to Bargain Bliss."

- ***Execute on Store Expansion Plans.*** We believe the success of our stores across a broad range of geographies, population densities and demographic groups creates a significant opportunity to profitably increase our store count. Our new stores typically require an average net cash investment of approximately $2.0 million and realize a payback on investment within four years. In 2018, we opened 26 new stores and expect to open 32 new stores in 2019. Based on our experience, in addition to research conducted by eSite Analytics, we believe there is an opportunity to establish over 400 additional locations in the states in which we currently operate and approximately 1,600 additional locations when neighboring states are included. Our goal is to expand our store base by approximately 10% annually by penetrating existing and contiguous regions. Over the long term, we believe the market potential exists to establish 4,800 locations nationally.

- ***Implement Productivity Improvements to Reinvest in Our Value Proposition*.** Our seasoned management team has a proven track record of growing our business while maintaining a disciplined cost structure. Since the 2014 H&F Acquisition, we have made significant investments that have laid a

solid foundation for future growth. For example, we recently implemented a new warehouse management system that has yielded increased distribution labor productivity and improved store ordering capabilities to help reduce shrink. We have implemented and will continue to identify and implement productivity improvements through both operational initiatives and system enhancements, such as category assortment optimization, improved inventory management tools and greater purchasing specialization. We intend to reinforce our value proposition and drive further growth by reinvesting future productivity improvements into enhanced buying and selling capabilities.

Key Factors and Measures We Use to Evaluate Our Business

We consider a variety of financial and operating measures in assessing the performance of our business. The key GAAP measures we use are sales, gross profit and gross margin, selling, general and administrative expenses ("SG&A") and operating income. The key non-GAAP measures we use are number of new stores, comparable store sales, EBITDA, adjusted EBITDA and adjusted net income.

Number of New Stores

The number of new stores reflects the number of stores opened during a particular reporting period. New stores require an initial capital investment in the store build-outs, fixtures and equipment which we amortize over time as well as cash required for inventory and pre-opening expenses.

We opened 29 new stores in each of fiscal years 2016 and 2017, opened 26 new stores in fiscal year 2018, three new stores in the first quarter 2018 and eight new stores in the first quarter 2019, all of which are operated by IOs. We closed one store in each of fiscal years 2016 and 2017 and closed three stores in fiscal year 2018. Those store closures included two company operated stores closed at the end of their lease terms, one company operated store closed due to landlord site redevelopment, one IO store destroyed by wildfire and one IO store closed at the end of its lease term. We closed no stores in the first quarter 2018 and one store in the first quarter 2019. We expect new store growth of IO stores to be the primary driver of our sales growth. We lease substantially all of our store locations. Our initial lease terms on stores are typically ten years with options to renew for two or three successive five-year periods.

Sales

We recognize revenues from the sale of products at the point of sale, net of any taxes or deposits collected and remitted to governmental authorities. Discounts provided to customers by us are recognized at the time of sale as a reduction in sales as the products are sold. Discounts that are funded solely by IOs are not recognized as a reduction in sales as the IO bears the incidental costs arising from the discount. We do not accept manufacturer coupons. Sales consist of sales from comparable stores and non-comparable stores, described below under "Comparable Store Sales." Growth of our sales is primarily driven by expansion of our store base in existing and new markets as well as comparable store sales growth. Sales are impacted by product mix and availability, as well as promotional and competitive activities and the spending habits of our customers. Our ever-changing selection of offerings across diverse product categories supports growth in sales by attracting new customers and encouraging repeat visits from our existing customers.

The spending habits of our customers are subject to macroeconomic conditions and changes in discretionary income. Our customers' discretionary income is primarily impacted by wages, fuel and other cost-of-living increases including food-at-home inflation, as well as consumer trends and preferences, which fluctuate depending on the environment. Because we offer a broad selection of merchandise at extreme values, in the past we have benefited from periods of economic uncertainty.

Comparable Store Sales

Comparable store sales measure performance of a store during the current reporting period against the performance of the same store in the corresponding period of the previous year. Comparable store sales are impacted by the same factors that impact sales.

Comparable store sales consist of sales from our stores beginning on the first day of the fourteenth full fiscal month following the store's opening, which is when we believe comparability is achieved. Included in our comparable store definition are those stores that have been remodeled, expanded, or relocated in their existing location or respective trade areas. Excluded from our comparable store definition are those stores that have been closed for an extended period as well as any planned store closures or dispositions. When applicable, we exclude the sales in the non-comparable week of a 53-week year from the same store sales calculation.

Opening new stores is a primary component of our growth strategy and, as we continue to execute on our growth strategy, we expect a significant portion of our sales growth will be attributable to non-comparable store sales. Accordingly, comparable store sales are only one measure we use to assess the success of our growth strategy.

Prior to 2014, we calculated comparable store sales growth based on gross sales for stores beginning on the 366th day after opening. While we believe results under this prior method do not materially differ from results under our current method, we believe that our current methodology more appropriately adjusts for higher sales volumes that typically occur in conjunction with a store's grand opening events.

Gross Profit and Gross Margin

Gross profit is equal to our sales less our cost of sales. Cost of sales includes, among other things, merchandise costs, inventory markdowns, shrink and transportation, distribution and warehousing costs, including depreciation. Gross margin is gross profit as a percentage of our sales. Gross margin is a measure used by management to indicate whether we are selling merchandise at an appropriate gross profit.

Gross margin is impacted by product mix and availability, as some products generally provide higher gross margins, and by our merchandise costs, which can vary. Gross margin is also impacted by the costs of distributing and transporting product to our stores, which can vary.

Our gross profit is variable in nature and generally follows changes in sales. Our disciplined buying approach has produced consistent gross margins throughout economic cycles which we believe has helped to mitigate adverse impacts on gross profit and results of operations.

The components of our cost of sales may not be comparable to the components of cost of sales or similar measures of our competitors and other retailers. As a result, our gross profit and gross margin may not be comparable to similar data made available by our competitors and other retailers.

Prior to 2014, we calculated gross margin based on gross sales, not deducting for deposits collected or discounts provided, and excluding warehouse depreciation.

Selling, General and Administrative Expenses

SG&A expenses are comprised of both store-related expenses and corporate expenses. Store-related expenses include commissions paid to IOs, occupancy and shared maintenance costs, Company-operated store expenses, including payroll, benefits, supplies and utilities and the cost of opening new IO stores. Corporate expenses include payroll and benefits for corporate and field support, marketing and advertising, insurance and professional services and AOT recruiting and training costs. SG&A generally increases as we grow our store base and invest in corporate infrastructure. SG&A expenses related to commissions paid to IOs are variable in nature and generally increase as gross profits rise. The remainder of our expenses are primarily fixed in nature. We continue to closely manage our expenses and monitor SG&A as a percentage of sales.

The components of our SG&A may not be comparable to the components of similar measures of other retailers. We expect that our SG&A will continue to increase in future periods as we grow.

Operating Income

Operating income is gross profit less SG&A, depreciation and amortization and stock-based compensation. Operating income excludes interest expense, net, debt extinguishment and modification costs and income tax expense. We use operating income as an indicator of the productivity of our business and our ability to manage expenses.

EBITDA, Adjusted EBITDA and Adjusted Net Income

EBITDA, adjusted EBITDA and adjusted net income are key metrics used by management and our board of directors to assess our financial performance. EBITDA, adjusted EBITDA and adjusted net income are also frequently used by analysts, investors and other interested parties to evaluate companies in our industry. We use EBITDA, adjusted EBITDA and adjusted net income to supplement GAAP measures of performance to evaluate the effectiveness of our business strategies, to make budgeting decisions and to compare our performance against that of other peer companies using similar measures. In addition, we use EBITDA to supplement GAAP measures of performance to evaluate our performance in connection with compensation decisions. Management believes it is useful to investors and analysts to evaluate these non-GAAP measures on the same basis as management uses to evaluate our operating results. We believe that excluding items from operating income, net income and net income per diluted share 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 provides a better baseline for analyzing trends in our business.

We define EBITDA as net income before net interest expense, income taxes and depreciation and amortization expenses. Adjusted EBITDA represents EBITDA adjusted to exclude stock-based compensation expense, purchase accounting inventory adjustments, debt extinguishment and modification costs, non-cash rent, asset impairment and gain or loss on disposition, new store pre-opening expenses, dead rent for acquired leases, provision for accounts receivable reserves and other expenses. Adjusted net income represents net income adjusted for the previously mentioned EBITDA adjustments, further adjusted for costs related to amortization of purchase accounting assets and deferred financing costs and tax effect of total adjustments. EBITDA, adjusted EBITDA and adjusted net income are non-GAAP measures and may not be comparable to similar measures reported by other companies. EBITDA, adjusted EBITDA and adjusted net income have 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. We address the limitations of the non-GAAP measures through the use of various GAAP measures. In the future we may incur expenses or charges such as those added back to calculate adjusted EBITDA or adjusted net income. Our presentation of adjusted EBITDA and adjusted net income should not be construed as an inference that our future results will be unaffected by these items. For further discussion of EBITDA, adjusted EBITDA and adjusted net income and for reconciliations of EBITDA, adjusted EBITDA and adjusted net income to net income, the most directly comparable GAAP measure, see “—Results of Operations.”

Other Return Metrics

Cash-on-cash return is a supplemental measure of operating performance that is neither required by nor presented in accordance with GAAP and our calculations thereof may not be comparable to those presented by other companies. We present this measure as we believe it is frequently used by securities analysts, investors and other interested parties to evaluate companies in our industry and we use it internally as a benchmark to compare our performance to that of our competitors. We define cash-on-cash returns for a given store for a given period as the EBITDA generated solely by such store for that period divided by the total initial net cash investment for that store.

Factors Affecting the Comparability of our Results of Operations

Our results over the past three years have been affected by the following events, which must be understood in order to assess the comparability of our period-to-period financial performance and condition.

Store Openings and Closings

In the first quarter 2018, we opened three stores and in the first quarter 2019 we opened eight stores. We opened 29 new stores in each of fiscal years 2016 and 2017 and opened 26 new stores in fiscal year 2018. All of the stores we opened in the first quarters 2018 and 2019 and in the fiscal years 2016, 2017 and 2018 are operated by IOs. In the first quarter 2018, we closed no stores and in first quarter 2019 we closed one store. We closed one store in each of fiscal years 2016 and 2017 and closed three stores in fiscal year 2018. Those store closures included two Company-operated stores closed at the end of their lease terms, one Company-operated store closed due to landlord site redevelopment, one IO store destroyed by wildfire and one IO store closed at the end of its lease term. In fiscal 2019, we expect to open 32 new stores and close three stores.

Financing Transactions and Payments to Stockholders

On October 22, 2018, we entered into our First Lien Credit Agreement, which included a term loan facility, in an amount equal to $725.0 million and a revolving credit facility in an amount equal to $100.0 million and our Second Lien Credit Facility in an amount equal to $150.0 million, refinancing the existing first lien credit facility and the existing second lien credit facility (together the "Existing Credit Facilities"). The proceeds of the Credit Facilities were used to repay the amounts outstanding under the Existing Credit Facilities in an aggregate amount of $724.5 million, pay an aggregate cash dividend of $152.2 million to holders of our common stock, and pay bank fees and related transaction expenses of $10.0 million (the "2018 Recapitalization").

On June 23, 2016, we increased the aggregate principal of our first lien credit agreement by $90.0 million. This increase was used to pay an aggregate cash dividend of $86.5 million to holders of our common stock (the "2016 Recapitalization").

The 2014 H&F Acquisition

As a result of the 2014 H&F Acquisition, we recorded certain fair value adjustments related to acquired assets and liabilities in accordance with Accounting Standards Codification ("ASC") Topic 805, Business Combinations. These fair value adjustments included an increase in the carrying value of inventory, an increase in the depreciable carrying values of property and equipment, an increase in the carrying values of amortizing intangible assets, including trademarks, customer lists and below market leases, and goodwill. These fair value adjustments, except for goodwill, are amortized and expensed in our consolidated statements of operations based on the estimated useful lives of the related assets.

Depreciation and Amortization Expenses

Depreciation and amortization (exclusive of depreciation included in cost of sales) primarily consists of depreciation and amortization for buildings, store leasehold improvements and equipment. Property and equipment are stated at original cost less accumulated depreciation and amortization. Depreciation and amortization are calculated over the estimated useful lives of the related assets, or in the case of leasehold improvements, the lesser of the useful lives or the remaining term of the lease. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are expensed as incurred. Depreciation is computed on the straight-line method for financial reporting purposes.

In addition to depreciation and amortization incurred in the normal course of business, we also expense depreciation and amortization resulting from the various purchase accounting adjustments described above in "—The 2014 H&F Acquisition" as well as our subsequent financing transactions which totaled $3.9 million in the first quarter 2019 and $4.2 million in the first quarter of 2018. For the first quarter 2019, this amount included

approximately $1.4 million of fixed asset depreciation related to the fair market value of assets, $0.7 million of amortization of debt issuance costs, $1.0 million of amortization of trademarks and $0.8 million of amortization of below market leases. For the first quarter 2018, this amount included approximately $1.4 million of fixed asset depreciation related to the fair market value of assets, $1.1 million of amortization of debt issuance costs, $1.0 million of amortization of trademarks and $0.7 million of amortization of below market leases.

Stock-based Compensation Expenses

We recognize stock-based compensation expense related to restricted stock units ("RSUs") held by directors. We have not recognized stock-based compensation expense related to time-based or performance-based options as a change in control event or initial public offering is not deemed probable until such event occurs, and, until such an event occurs our time-based and performance-based options are subject to a post-termination repurchase right by us, and as a result, other than in limited circumstances, stock issued upon the exercise of the option could be repurchased at our discretion. This repurchase feature results in no compensation expense being recognized in connection with options granted by us until such time as the exercise of the options could occur without our repurchase of the shares (that is, on or after a liquidity event, such as a change in control or an initial public offering of shares of our common stock). Upon the consummation of this offering, the repurchase feature will lapse, and we will accordingly begin to recognize compensation expense with respect to outstanding option awards. We also recognize stock-based compensation expense for compensatory payments related to vested options such as the dividend payments related to the 2016 Recapitalization and 2018 Recapitalization.

Impacts of the Initial Public Offering

Impact of Debt Extinguishment

Assuming net proceeds after expenses to us of $ in connection of the sale of common stock in this offering and the application of such net proceeds to repay term loans under our Credit Facilities as described in "Use of Proceeds," we expect to incur debt extinguishment costs of $ related to the write-off of deferred financing costs and $ related to the write-off of unamortized debt discounts.

Stock-based Compensation Expenses

Upon the completion of an initial public offering, we will recognize stock-based compensation expense of $ in connection with our vested Time Options (as defined elsewhere in this prospectus) and $ in connection with our Performance Options (as defined elsewhere in this prospectus). Remaining compensation expense of $ for unvested Time Options at the time of the initial public offering will be expensed upon vesting. For Performance Options, we expect to recognize compensation expense of $ over a period of to years based on the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the front cover of this prospectus. Future equity awards will be issued under a new equity plan.

Incremental Public Company Expenses

Following our initial public offering, we will incur significant expenses on an ongoing basis that we did not incur as a private company. Those costs include additional director and officer liability insurance expenses, as well as third-party and internal resources related to accounting, auditing, Sarbanes-Oxley Act compliance, legal and investor and public relations expenses. These costs will generally be expensed under SG&A.

Results of Operations

The following tables summarize key components of our results of operations for the periods indicated, both in dollars and as a percentage of our sales.

We derived the consolidated statements of income for the fiscal years 2016, 2017 and 2018 and the first quarters 2018 and 2019 from our consolidated financial statements and related notes. Our historical results are not necessarily indicative of the results that may be expected in the future.

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	First Quarter 2018	First Quarter 2019
			(dollars in thousands)		
Net sales	$1,831,531	$2,075,465	$2,287,660	$ 550,558	$ 606,271
Cost of sales	1,270,354	1,443,582	1,592,263	381,989	419,254
Gross profit	561,177	631,883	695,397	168,569	187,017
Operating expenses:					
Selling, general and administrative expenses	457,051	510,136	557,100	136,736	152,854
Depreciation and amortization expenses	37,152	43,152	45,421	11,178	12,296
Stock-based compensation	2,905	1,659	10,409	134	211
Total operating expenses	497,108	554,947	612,930	148,048	165,361
Income from operations	64,069	76,936	82,467	20,521	21,656
Other expense:					
Interest expense, net	47,147	49,698	55,362	12,912	16,438
Debt extinguishment and modification costs	—	1,466	5,253	—	—
Total other expense	47,147	51,164	60,615	12,912	16,438
Income before income taxes	16,922	25,772	21,852	7,609	5,218
Income tax expense	6,724	5,171	5,984	2,084	1,444
Net income	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774
Percentage of sales (1):					
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of sales	69.4%	69.6%	69.6%	69.4%	69.2%
Gross margin	30.6%	30.4%	30.4%	30.6%	30.8%
Selling, general and administrative expenses	25.0%	24.6%	24.4%	24.8%	25.2%
Depreciation and amortization expenses	2.0%	2.1%	2.0%	2.0%	2.0%
Stock-based compensation	0.2%	0.1%	0.5%	0.0%	0.0%
Total operating expenses	27.1%	26.7%	26.8%	26.9%	27.3%
Income from operations	3.5%	3.7%	3.6%	3.7%	3.6%
Interest expense, net	2.6%	2.4%	2.4%	2.3%	2.7%
Debt extinguishment and modification costs	0.0%	0.1%	0.2%	0.0%	0.0%
Total other expense	2.6%	2.5%	2.6%	2.3%	2.7%
Income before income taxes	0.9%	1.2%	1.0%	1.4%	0.9%
Income tax expense	0.4%	0.2%	0.3%	0.4%	0.2%
Net income	0.6%	1.0%	0.7%	1.0%	0.6%
Other Financial and Operations Data:					
Number of new stores	29	29	26	3	8
Number of stores open at end of period	265	293	316	296	323
Comparable store sales growth (2)	3.6%	5.3%	3.9%	4.5%	4.2%
EBITDA (3)	$ 101,221	$ 118,622	$ 124,271	$ 32,056	$ 34,505
Adjusted EBITDA (3)	$ 123,415	$ 136,319	$ 153,578	$ 36,112	$ 39,123
Adjusted net income (3)	$ 33,765	$ 48,655	$ 49,308	$ 11,552	$ 9,947

(1) Components may not add to totals due to rounding.

(2) Comparable store sales consist of sales from our stores beginning on the first day of the fourteenth full fiscal month following the store's opening, which is when we believe comparability is achieved. See "—Comparable Store Sales."

(3) The following table provides a reconciliation from our net income to EBITDA and adjusted EBITDA and our net income to adjusted net income for the fiscal years 2016, 2017 and 2018 and the first quarters 2018 and 2019.

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	First Quarter 2018	First Quarter 2019
			(in thousands)		
Net income	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774
Interest expense, net	47,147	49,698	55,362	12,912	16,438
Income tax expense	6,724	5,171	5,984	2,084	1,444
Depreciation and amortization expenses	37,152	43,152	47,057	11,535	12,849
EBITDA	101,221	118,622	124,271	32,056	34,505
Stock-based compensation expenses (a)	2,905	1,659	10,409	134	211
Debt extinguishment and modification costs (b)	—	1,466	5,253	—	—
Non-cash rent (c)	8,451	8,401	7,903	1,840	1,862
Asset impairment and gain or loss on disposition (d)	519	549	1,306	(52)	182
New store pre-opening expenses (e)	2,580	1,807	1,555	270	421
Rent for acquired leases (f)	2,388	72	—	—	—
Provision for accounts receivable reserves (g)	4,018	3,004	749	1,538	1,483
Other (h)	1,333	739	2,132	326	459
Adjusted EBITDA	$123,415	$136,319	$153,578	$ 36,112	$ 39,123

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	First Quarter 2018	First Quarter 2019
			(in thousands)		
Net income	$ 10,198	$ 20,601	$ 15,868	$ 5,525	$ 3,774
Stock-based compensation expenses (a)	2,905	1,659	10,409	134	211
Debt extinguishment and modification costs (b)	—	1,466	5,253	—	—
Non-cash rent (c)	8,451	8,401	7,903	1,840	1,862
Asset impairment and gain or loss on disposition (d)	519	549	1,306	(52)	182
New store pre-opening expenses (e)	2,580	1,807	1,555	270	421
Rent for acquired leases (f)	2,388	72	—	—	—
Provision for accounts receivable reserve (g)	4,018	3,004	749	1,538	1,483
Other (h)	1,333	739	2,132	327	459
Amortization of purchase accounting assets and deferred financing costs (i)	16,914	17,399	16,744	4,243	3,916
Tax effect of total adjustments (j)	(15,541)	(7,042)	(12,611)	(2,273)	(2,361)
Adjusted net income	$ 33,765	$ 48,655	$ 49,308	$ 11,552	$ 9,947

(a) Represents non-cash stock compensation expense of $0.3 million in 2016, $0.4 million in each of 2017 and 2018 and $0.1 million in each of first quarter 2018 and 2019, with the remainder representing dividend cash payments made in respect of vested options as a result of dividends declared in connection with our 2016 Recapitalization and our 2018 Recapitalization. We expect to pay an additional $4.3 million in the aggregate on options as they vest in respect of such dividends, of which $3.5 million is expected to be paid in the remainder of fiscal 2019.

(b) Represents debt extinguishment and modification costs related to the write-off of debt issuance costs and non-capitalizable expenses related to the repricing of first and second lien credit facilities in June

2017 and the modification of our first and second lien credit facilities in connection with our 2018 Recapitalization.

(c) Consists of the non-cash portion of rent expense, which reflects the extent to which our straight-line rent expense recognized under GAAP exceeds or is less than our cash rent payments. The adjustment can vary depending on the average age of our lease portfolio, which has been impacted by our significant growth in recent years.

(d) Represents impairment charges with respect to planned store closures and gains or losses on dispositions of assets in connection with store transitions to new IOs.

(e) Includes marketing, occupancy and other expenses incurred in connection with store grand openings, including costs that will be the IO's responsibility after store opening.

(f) Represents cash occupancy expenses on leases acquired from Fresh & Easy Inc. in 2015 for the periods prior to opening new stores on such sites (commonly referred to as "dead rent").

(g) Represents non-cash changes in reserves related to our IO notes and accounts receivable.

(h) Other non-recurring, non-cash or discrete items as determined by management, including personnel-related costs, strategic project costs, legal expenses, transaction related costs and miscellaneous costs.

(i) Represents amortization of debt issuance costs and incremental amortization of an asset step-up resulting from purchase price accounting related to the 2014 H&F Acquisition which included trademarks, customer lists and below-market leases.

(j) Represents the tax effect of the total adjustments at our estimated effective tax rate.

First Quarter 2019 Compared to First Quarter 2018

Sales

Sales increased to $606.3 million for the first quarter 2019 from $550.6 million for the first quarter 2018, an increase of $55.7 million or 10.1%. The increase was the result of a comparable store sales increase of 4.2% and non-comparable store sales growth attributable to the net 27 stores opened over the last 12 months.

Comparable store sales increased 4.2% for the first quarter 2019 relative to the first quarter 2018. Comparable store sales in the first quarter 2019 were driven by increases in both the average transaction size, which benefited from a strong opportunistic purchasing inventory composition, and number of customer transactions, driven by the expansion of our digital marketing initiatives and continued growth of our NOSH business.

Cost of Sales

Cost of sales increased $37.3 million for the first quarter 2019 to $419.3 million, or 69.2% of sales, from $382.0 million, or 69.4% of sales, for the first quarter 2018. The increase in cost of sales was primarily the result of new store growth and an increase in comparable store sales. Costs as a percentage of sales remained relatively flat.

Gross Profit and Gross Margin

Gross profit increased to $187.0 million for the first quarter 2019 from $168.6 million for the first quarter 2018, an increase of $18.4 million, or 10.9%. The increase in gross profit was primarily the result of new store growth and an increase in comparable store sales. Our gross margin remained relatively flat at 30.8% for the first quarter 2019 and 30.6% for the first quarter 2018.

Selling, General and Administrative Expenses

SG&A increased to $152.9 million for the first quarter 2019 from $136.7 million for the first quarter 2018, an increase of $16.1 million, or 11.8%. The increase in SG&A was primarily driven by increased selling expenses related to new store growth and higher sales volume. These increased expenses consisted primarily of commissions, store occupancy and shared maintenance costs, as well as investments in general and

administrative infrastructure to support continued growth in the business. As a percentage of sales, SG&A increased to 25.2% for the first quarter 2019 compared to 24.8% for the first quarter 2018.

Depreciation and Amortization Expense

Depreciation and amortization expenses (exclusive of depreciation included in cost of sales) increased to $12.3 million for the first quarter 2019 from $11.2 million for the first quarter 2018, an increase of $1.1 million, or 10.0%. The increase is primarily a result of new store growth and other capital investments.

Stock-based Compensation

Stock-based compensation increased to $0.2 million for the first quarter 2019 from $0.1 million for the first quarter 2018, an increase of $0.1 million. The increase is a result of dividend cash payments made in respect of vested options as a result of dividends declared in connection with our 2018 Recapitalization and 2016 Recapitalization. We expect to pay an additional $4.3 million in the aggregate on options as they vest in respect of such dividends, $3.5 million of which is expected to be paid in the remainder of fiscal year 2019.

Interest Expense, net

Interest expense, net, increased to $16.4 million for the first quarter 2019 from $12.9 million for the first quarter 2018, an increase of $3.5 million or 27.3%. The increase in the first quarter 2019 was driven by an increase of $150.0 million in our total debt related to the 2018 Recapitalization.

Income Tax Expense

Income tax expense decreased to $1.4 million for the first quarter 2019 from $2.1 million for the first quarter 2018, a decrease of $0.6 million, or 30.7%. This decrease in income tax expense was the result of a decrease in income before taxes of $2.4 million.

Net Income

As a result of the foregoing, net income decreased to $3.8 million for the first quarter 2019 from $5.5 million for the first quarter 2018, a decrease of $1.8 million, or 31.7%.

Adjusted EBITDA

Adjusted EBITDA increased to $39.1 million for the first quarter 2019 from $36.1 million for the first quarter 2018, an increase of $3.0 million, or 8.3%. The increase in adjusted EBITDA for the first quarter 2019 is due primarily to our increase in sales, which was driven by a 4.2% increase in comparable store sales and an increase in quarter-end store count compared to first quarter 2018 of 27 stores.

Adjusted Net Income

Adjusted net income decreased to $9.9 million for the first quarter 2019 from $11.6 million for the first quarter 2018, a decrease of $1.6 million, or 13.9%. The decrease in adjusted net income for first quarter 2019 is due primarily to our decrease in net income, which was driven primarily by an increase in interest expense.

Fiscal Year 2018 Compared to Fiscal Year 2017

Sales

Sales increased to $2.3 billion for 2018 from $2.1 billion for 2017, an increase of $212.2 million or 10.2%. The increase was the result of comparable store sales increase of 3.9% and non-comparable store sales at stores that have not been open for a full 13 fiscal months.

Comparable store sales increased 3.9% for 2018. Comparable store sales in 2018 were driven by increases in both the average transaction size and number of customer transactions. Comparable store sales growth was driven by strong opportunistic purchasing, the expansion of our digital marketing initiatives and the continued growth of our NOSH business.

Cost of Sales

Cost of sales increased $148.7 million in 2018 to $1.6 billion, or 69.6% of sales, from $1.4 billion, or 69.6% of sales, for 2017. The increase in cost of sales was primarily the result of new store growth and an increase in comparable store sales. Costs as a percentage of sales remained flat.

Gross Profit and Gross Margin

Gross profit increased to $695.4 million for 2018 from $631.9 million for 2017, an increase of $63.5 million, or 10.0%. The increase in gross profit was primarily the result of new store growth and an increase in comparable store sales. Our gross margin remained flat at 30.4% for 2018 and 2017, respectively.

Selling, General and Administrative Expenses

SG&A increased to $557.1 million for 2018 from $510.1 million for 2017, an increase of $47.0 million, or 9.2%. The increase in SG&A was primarily driven by increased selling expenses related to new store growth and higher sales volume. These increased expenses consisted primarily of commissions, store occupancy and shared maintenance costs, as well as investments in general and administration infrastructure to support continued growth in the business. As a percentage of sales, SG&A improved to 24.4% for 2018 compared to 24.6% for 2017. This improvement was driven partially by a decrease in the provision for IO notes and receivables. The provision decreased in 2018 compared to 2017 due to a combination of improved store performance and operational efficiencies which have helped mitigate rising costs for IOs, improving the collectability of IO notes and receivables. As a percentage of total IO notes and receivables, our 2018 reserve was 32.7%. However, IOs manage their own finances and their financial acumen and expense management practices vary significantly. As we do not control the management decisions in the stores, and as IOs implement a variety of practices with variability in their individual and collective outcomes, we experience variability in the provision and allowance over time as we assess the ability of each IO to repay the notes.

Depreciation and Amortization Expense

Depreciation and amortization expenses (exclusive of depreciation included in cost of sales) increased to $45.4 million for 2018 from $43.2 million for 2017, an increase of $2.3 million, or 5.3%. The increase is primarily a result of new store growth and other capital investments.

Stock-based Compensation

Stock-based compensation increased to $10.4 million for 2018 from $1.7 million for 2017, an increase of $8.7 million. The increase is a result of dividend cash payments made in respect of vested options as a result of dividends declared in connection with our 2018 Recapitalization and 2016 Recapitalization.

Interest Expense, net

Interest expense, net, increased to $55.4 million for 2018 from $49.7 million for 2017, an increase of $5.7 million or 11.4%. The increase in 2018 was driven by rising interest rates and an increase of $150.0 million in our total debt related to the 2018 Recapitalization.

Debt Extinguishment and Modification Costs

Debt extinguishment and modification costs increased to $5.3 million for 2018 from $1.5 million for 2017, an increase of $3.8 million or 258.3%. The increase in 2018 was driven by the write-off of debt issuance costs and non-capitalizable modification costs related to the 2018 Recapitalization.

Income Tax Expense

Income tax expense increased to $6.0 million for 2018 from $5.2 million for 2017, an increase of $0.8 million, or 15.7%. This increase in income tax expense was the result of an increase in our effective tax rate, which was due to a $5.4 million provisional tax benefit recorded in the 2017 fiscal year pursuant to the provisions of Tax Cuts and Jobs Act (the "2017 Tax Act"). As a result, our effective tax rate increased to 27.4% for 2018 from 20.1% for 2017. The effective tax rate increase was partially offset by a $3.9 million decrease in income before taxes. The 2017 Tax Act was enacted on December 22, 2017 and among other things, decreased the existing maximum federal corporate income tax rate from 35% to 21%. The provisional tax benefit of $5.4 million recorded in the previous fiscal year was primarily due to the net impact of the revaluation of net deferred tax liability balances at fiscal year-end.

Net Income

As a result of the foregoing, net income decreased to $15.9 million for 2018 from $20.6 million for 2017, a decrease of $4.7 million, or 23.0%.

Adjusted EBITDA

Adjusted EBITDA increased to $153.6 million for 2018 from $136.3 million for 2017, an increase of $17.3 million, or 12.7%. The increase in adjusted EBITDA for 2018 is due primarily to our increase in sales, which was driven by a 3.9% increase in comparable store sales and an increase in year-end store count compared to 2017 of 23 stores.

Adjusted Net Income

Adjusted net income increased to $49.3 million for 2018 from $48.7 million for 2017, an increase of $0.6 million, or 1.3%. The increase in adjusted net income for 2018 is due primarily to our increase in sales, which was driven by a 3.9% increase in comparable store sales and an increase in year-end store count compared to 2017 of 23 stores.

Fiscal Year 2017 Compared to Fiscal Year 2016

Sales

Sales increased to $2.1 billion for 2017 from $1.8 billion for 2016, an increase of $243.9 million, or 13.3%. The increase was the result of comparable store sales increase of 5.3% and non-comparable store sales at stores that have not been open for a full 13 fiscal months.

Comparable store sales increased 5.3% for 2017. Comparable store sales in 2017 were driven by increases in both the average transaction size, in part due to food-at-home inflation, as well as the number of customer transactions. Comparable store sales growth was driven by continued customer excitement in response to our "WOW!" deals and the ongoing growth of fresh and healthy products.

Cost of Sales

Cost of sales increased $173.2 million in 2017 to $1.4 billion, or 69.6% of sales, from $1.3 billion, or 69.4% of sales, for 2016. The increase as a percentage of sales of 0.2% was primarily attributable to higher product costs which included the impact of inflation.

Gross Profit and Gross Margin

Gross profit increased to $631.9 million for 2017 from $561.2 million for 2016, an increase of $70.7 million, or 12.6%. The increase in gross profit was primarily the result of new store growth and increases in comparable store sales. Our gross margin decreased to 30.4% from 30.6% for 2017 and 2016, respectively. The modest gross margin decline in 2017 is due to slightly decreasing merchandise margins which were impacted by inflation.

Selling, General and Administrative Expenses

SG&A increased to $510.1 million for 2017 from $457.1 million for 2016, an increase of $53.1 million, or 11.6%. As a percentage of sales, SG&A improved to 24.6% for 2017 compared to 25.0% for 2016. These increased expenses consisted primarily of commissions, store occupancy and shared maintenance costs, as well as investments in general and administration infrastructure to support continued growth in the business.

Depreciation and Amortization Expense

Depreciation and amortization expenses increased to $43.2 million for 2017 from $37.2 million for 2016, an increase of $6.0 million, or 16.1%. The increase is primarily a result of new store growth.

Stock-based Compensation

Stock-based compensation decreased to $1.7 million for 2017 from $2.9 million for 2016, a decrease of $1.2 million. The decrease is a result of dividend cash payments made in respect of vested options as a result of dividends declared in connection with our 2016 Recapitalization.

Interest Expense, net

Interest expense, net, increased to $49.7 million for 2017 from $47.1 million for 2016, an increase of $2.6 million or 5.4%. The increase is primarily the result of rising interest rates and the full year impact of the $90.0 million increase to our first lien term loan related to our 2016 Recapitalization.

Debt Extinguishment and Modification Costs

Loss on extinguishment of debt increased to $1.5 million for 2017 from zero for 2016. The 2017 expenses were a write-off of debt issuance costs related to the repricing of our first and second lien credit facilities in June 2017.

Income Tax Expense

Income tax expense decreased to $5.2 million for 2017 from $6.7 million for 2016, a decrease of $1.6 million, or 23.1%. The decrease in income tax expense was primarily the result of the 2017 Tax Act, partially offset by the $8.9 million increase in pre-tax net income. Pursuant to the provisions of the 2017 Tax Act, we recorded a provisional tax benefit of $5.4 million primarily due to the net impact of the revaluation of net deferred tax liability balances at fiscal year-end. As a result, our effective tax rate decreased to 20.1% for 2017 from 39.7% for 2016.

Net Income

As a result of the foregoing, net income increased to $20.6 million for 2017 from $10.2 million for 2016, an increase of $10.4 million, or 102.0%.

Adjusted EBITDA

Adjusted EBITDA increased to $136.3 million for 2017 from $123.4 million for 2016, an increase of $12.9 million, or 10.5%. The increase in adjusted EBITDA for 2017 is due primarily to our increase in sales, which was driven by a 5.3% increase in comparable store sales and an increase in store count over 2016 of 28 stores.

Adjusted Net Income

Adjusted net income increased to $48.7 million for 2017 from $33.8 million for 2016, an increase of $14.9 million, or 44.1%. The increase in adjusted net income for 2017 is due to our increase in sales, which was driven by a 5.3% increase in comparable store sales and an increase in store count over 2016 of 28 stores, as well as a reduction in our effective tax rate.

Quarterly Results of Operations

The following table sets forth certain financial and operating information for each of our last nine fiscal quarters. The quarterly information has been prepared on the same basis as the consolidated financial statements and includes all adjustments (consisting of normal recurring adjustments) that, in the opinion of management, are necessary for a fair presentation of the information presented. This information should be read in conjunction with the consolidated financial statements and related notes thereto included elsewhere in this prospectus. Operating results for interim periods are not necessarily indicative of the results that may be expected for a full fiscal year.

	First Quarter 2017	Second Quarter 2017	Third Quarter 2017	Fourth Quarter 2017	First Quarter 2018	Second Quarter 2018	Third Quarter 2018	Fourth Quarter 2018	First Quarter 2019
	(unaudited) (dollars in thousands)								
Selected Statements of Operations Data:									
Net sales	$488,822	$527,250	$525,406	$533,987	$550,558	$575,058	$576,843	$585,201	$606,271
Gross profit	150,985	161,479	158,905	160,514	168,569	175,115	175,548	176,165	187,017
Income from operations	17,297	22,297	20,531	16,811	20,521	24,007	24,088	13,851	21,656
Net income (loss) (1)	2,837	4,924	4,842	7,999	5,525	7,286	7,669	(4,612)	3,774
Selected Other Financial and Operations Data:									
Number of new stores	8	7	3	11	3	4	8	11	8
Number of stores open at end of period	273	280	282	293	296	300	307	316	323
Comparable store sales growth	4.9%	5.9%	5.3%	5.1%	4.5%	2.7%	4.2%	4.1%	4.2%
Gross margin	30.9%	30.6%	30.2%	30.1%	30.6%	30.5%	30.4%	30.1%	30.8%
EBITDA (2)	$ 27,487	$ 31,684	$ 31,758	$ 27,692	$ 32,056	$ 35,670	$ 35,990	$ 20,555	$ 34,505
Adjusted EBITDA (2)	$ 31,223	$ 36,660	$ 34,600	$ 33,842	$ 36,112	$ 39,122	$ 39,026	$ 39,318	$ 39,123

(1) The increase to net income in fourth quarter 2017 is primarily the result of the 2017 Tax Act. The reduction in income from operations in fourth quarter 2018 is primarily related to stock-based compensation associated with the 2018 Recapitalization. The reduction in net income in fourth quarter 2018 is primarily related to stock-based compensation and debt extinguishment and modification costs associated with the 2018 Recapitalization.

(2) The following table provides a reconciliation from our net income to EBITDA and adjusted EBITDA for each of our last nine fiscal quarters.

	First Quarter 2017	Second Quarter 2017	Third Quarter 2017	Fourth Quarter 2017	First Quarter 2018	Second Quarter 2018	Third Quarter 2018	Fourth Quarter 2018	First Quarter 2019
	(unaudited) (in thousands)								
Net income (loss) (1)	$ 2,837	$ 4,924	$ 4,842	$ 7,999	$ 5,525	$ 7,286	$ 7,669	$ (4,612)	$ 3,774
Interest expense, net	12,473	12,495	12,261	12,469	12,912	13,974	13,526	14,950	16,438
Income tax expense (benefit) (1)	1,987	3,449	3,391	(3,656)	2,084	2,748	2,892	(1,739)	1,444
Depreciation and amortization	10,190	10,816	11,264	10,880	11,535	11,662	11,903	11,956	12,849
EBITDA	27,487	31,684	31,758	27,692	32,056	35,670	35,990	20,555	34,505
Stock-based compensation expenses (a)	103	120	127	1,308	134	129	121	10,025	211
Debt extinguishment and modification cost (b)	—	1,429	37	—	—	—	—	5,253	—
Non-cash rent (c)	2,440	1,995	2,008	1,958	1,840	1,683	2,201	2,179	1,862
Asset impairment and gain or loss on disposition (d)	(2)	67	(177)	661	(52)	24	51	1,282	182
New store pre-opening expenses (e)	420	467	348	572	270	431	337	517	421
Rent for acquired leases (f)	72	—	—	—	—	—	—	—	—
Provision for accounts receivable reserves (g)	649	792	348	1,215	1,538	810	(106)	(1,493)	1,483
Other (h)	54	106	151	436	326	375	432	1,000	459
Adjusted EBITDA	$31,223	$36,660	$34,600	$33,842	$36,112	$39,122	$39,026	$39,318	$39,123

(1) The increase to net income and the tax benefit recognized in fourth quarter 2017 is primarily the result of the 2017 Tax Act. The net loss recognized in fourth quarter 2018 and resulting tax benefit is related to stock-based compensation and debt extinguishment and modification costs associated with the 2018 Recapitalization.

(a) Represents non-cash stock compensation expense of approximately $0.1 million per quarter with the remainder representing dividend cash payments made in respect of vested options as a result of dividends declared in connection with our 2016 Recapitalization (as defined below) and our 2018 Recapitalization (as defined below). We expect to pay an additional $4.3 million in the aggregate on options as they vest in respect of such dividends, of which $3.5 million is expected to be paid in the remainder of fiscal year 2019.

(b) Represents debt extinguishment and modification costs related to the write-off of debt issuance costs and non-capitalizable expenses related to the repricing of first and second lien credit facilities in June 2017 and the modification of our first and second lien credit facilities in connection with our 2018 Recapitalization.

(c) Consists of the non-cash portion of rent expense, which reflects the extent to which our straight-line rent expense recognized under GAAP exceeds or is less than our cash rent payments. The adjustment can vary depending on the average age of our lease portfolio, which has been impacted by our significant growth in recent years.

(d) Represents impairment charges with respect to planned store closures and gains or losses on dispositions of assets in connection with store transitions to new IOs.

(e) Includes marketing, occupancy and other expenses incurred in connection with store grand openings, including costs that will be the IO's responsibility after store opening.

(f) Represents cash occupancy expenses on leases acquired from Fresh & Easy Inc. in 2015 for the periods prior to opening new stores on such sites (commonly referred to as "dead rent").

(g) Represents non-cash changes in reserves related to our IO notes and accounts receivable.

(h) Other non-recurring, non-cash or discrete items as determined by management, including personnel related costs, strategic project costs, legal expenses, transaction related costs and miscellaneous costs.

Liquidity and Capital Resources

Overview

Our primary sources of liquidity are net cash provided by operating activities and borrowings and availability under our Credit Facilities. Historically, we have funded our capital expenditures and working capital

requirements with internally generated cash on hand. We also have a $100.0 million revolving credit facility available under our First Lien Credit Agreement described below. Our primary cash needs are for capital expenditures, working capital and to meet debt service requirements. As of March 30, 2019, we did not have any outstanding borrowings under the revolving credit facility available under our First Lien Credit Agreement. As of such date we had outstanding letters of credit of $3.4 million under that revolving credit facility with $96.6 million available to be borrowed thereunder, and $19.6 million of cash and cash equivalents on hand.

On October 22, 2018, we used proceeds from the term loan under our First Lien Credit Agreement to pay an aggregate cash dividend of $152.2 million to holders of our common stock in connection with the 2018 Recapitalization. On June 23, 2016 we used proceeds from the existing first lien credit agreement to pay an aggregate cash dividend of $86.5 million to holders of our common stock in connection with the 2016 Recapitalization.

Our capital expenditures are primarily related to new store openings, ongoing store maintenance and improvements, expenditures related to our distribution centers and infrastructure-related investments, including investments related to upgrading and maintaining our information technology systems and corporate offices. We spent $19.1 million in the first quarter 2019 and $62.9 million, $74.1 million and $67.9 million for capital expenditures in 2016, 2017 and 2018, respectively. We expect to fund capital expenditures from net cash provided by operating activities.

Our primary working capital requirements are for the purchase of inventory, payroll, rent, issuance of IO notes, other store facilities costs, distribution costs and general and administrative costs. Our working capital requirements fluctuate during the year, driven primarily by the timing of opportunistic inventory purchases and new store openings.

The percentage of allowance on independent operator receivables and notes on the current and long-term portions are 18% and 37%, respectively. The current portion of IO notes and receivables is reserved for at a lower rate as the current portion is primarily comprised of operational payables which IOs typically prioritize over making loan payments based upon historical experience. The allowance is also based on an evaluation of overall credit quality, the estimated value of the underlying collateral and historical collections experience of stores with similar economic performance.

Based on our new store growth plans, we believe our cash and cash equivalents position, net cash provided by operating activities and availability under our Credit Facilities will be adequate to finance our planned capital expenditures, working capital requirements and debt service over the next 12 months. If cash provided by operating activities and borrowings under our Credit Facilities are not sufficient or available to meet our capital requirements, then we will be required to obtain additional equity or debt financing in the future. There can be no assurance equity or debt financing will be available to us when we need it or, if available, the terms will be satisfactory to us and not dilutive to our then-current stockholders.

Summary of Cash Flows

A summary of our cash flows from operating, investing and financing activities is presented in the following table:

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	First Quarter 2018	First Quarter 2019
			(in thousands)		
Net cash provided by operating activities	$ 70,875	$ 84,703	$105,811	$ 31,545	$ 22,240
Net cash used in investing activities	(65,416)	(77,820)	(73,550)	(15,277)	(19,997)
Net cash used in financing activities	(4,328)	(7,935)	(16,999)	(1,424)	(3,710)
Net increase (decrease) in cash and cash equivalents	$ 1,131	$ (1,052)	$ 15,262	$ 14,844	$ 1,467

Cash Provided by Operating Activities

Net cash provided by operating activities for the first quarter 2019 was $22.2 million, a decrease from $31.5 million for the first quarter 2018. The decrease in net cash provided by operating activities was primarily the result of the lease liability recognized upon adoption of ASU 2016-02. See "—Recently Adopted Accounting Standards" for more information.

Net cash provided by operating activities for 2018 was $105.8 million, an increase from $84.7 million for 2017. The increase in net cash provided by operating activities was primarily the result of increased operating income, as adjusted for the impact of stock-based compensation related to the 2018 Recapitalization.

Net cash provided by operating activities for 2017 was $84.7 million, an increase from $70.9 million for 2016. The increase in net cash provided by operating activities was primarily the result of increased operating income.

Cash Used in Investing Activities

Net cash used in investing activities increased for the first quarter 2019 to $20.0 million from $15.3 million for the first quarter 2018. The increase in net cash used in investing activities relates to capital expenditures for 8 new store openings in the first quarter 2019 compared to 3 new store openings in the first quarter 2018. We plan to invest capital of between $85.0 million and $90.0 million, net of tenant improvement allowances, in fiscal year 2019. We expect approximately 65% of our 2019 capital investment will be directed towards the opening of 32 new stores in the aggregate and one store relocation.

Net cash used in investing activities decreased for 2018 to $73.6 million from $77.8 million for 2017. The decrease in net cash used in investing activities relates to capital expenditures for 26 new store openings in 2018 compared to 29 new store openings in 2017, partially offset by a net increase in cash advances to IOs.

Net cash used in investing activities increased for 2017 to $77.8 million from $65.4 million for 2016, primarily relating to capital expenditures for new stores and a net increase in advances to IOs. We opened 29 stores in both years. Additional 2017 capital expenditures included investments in additional corporate office space, a new warehouse management system and upgraded point of sale technology.

Cash Used in Financing Activities

Net cash used in financing activities increased for the first quarter 2019 to $3.7 million from $1.4 million for the first quarter 2018. The increase in net cash used in first quarter 2019 is primarily the result of deferred offering costs paid.

Net cash used in financing activities increased for 2018 to $17.0 million from $7.9 million for 2017. The increase in net cash used in 2018 is primarily the result of the net cash used to pay bank fees and transaction expenses related to the refinancing of our Existing Credit Facilities in connection with the 2018 Recapitalization.

Net cash used in financing activities increased for 2017 to $7.9 million from $4.3 million for 2016. The increase in net cash used in 2017 is primarily the result of cash provided in connection with the 2016 Recapitalization in order to fund future cash payments to be made in respect of options as they vest as a result of dividends declared in connection with our 2016 Recapitalization and our 2018 Recapitalization.

Credit Facilities

First Lien Credit Agreement

One of our subsidiaries, GOBP Holdings, Inc. (the "Borrower"), is party to a first lien credit agreement (the "First Lien Credit Agreement") providing for a $725.0 million senior term loan and commitments under a

revolving credit facility in an aggregate principal amount of $100.0 million, with a sub-commitment for issuance of letters of credit of $35.0 million and a sub-commitment for $20.0 million of swingline loans. The First Lien Credit Agreement matures on October 22, 2025, with respect to the term loan thereunder, and October 23, 2023, with respect to the revolving credit facility thereunder.

Borrowings under the First Lien Credit Agreement bear interest at a rate per annum equal to either (a) the Eurodollar rate, with a floor of 0.00%, as adjusted for the reserve percentage required under regulations issued by the Federal Reserve Board for determining maximum reserve requirements with respect to Eurocurrency funding, plus an applicable margin rate of 3.75% for the term loan and between 3.25% and 3.75% for revolving credit loans, depending on the applicable first lien secured leverage ratio or (b) an ABR rate, with a floor of 0.00%, plus an applicable margin rate of 2.75% for the term loan or between 2.25% and 2.75% for revolving credit loans, depending on the applicable first lien secured leverage ratio. The ABR rate is determined as the greater of (a) the prime rate, (b) the federal funds effective rate, plus 0.50% or (c) the Eurodollar rate plus 1.00%.

The First Lien Credit Agreement provides that the Borrower may request increased commitments and additional term loans or additional term or revolving facilities under the First Lien Credit Agreement, in each case, subject to certain conditions and in an aggregate principal amount not to exceed the sum of (a) the greater of (i) $160.0 million and (ii) 100% of Consolidated EBITDA (as defined in the First Lien Credit Agreement) for the most recently completed four fiscal quarter period for which internal financial statements are available and ended on or prior to the date of any such incurrence, plus (b) an additional amount, subject to compliance on a pro forma basis with (i) a consolidated first lien debt to Consolidated EBITDA ratio of no greater than 4.50 to 1.00 for incremental first lien debt or (ii) if incurred in connection with a permitted acquisition or other investment, the applicable ratio immediately prior to such acquisition or other investment plus certain other amounts as specified in the First Lien Credit Agreement. The First Lien Credit Agreement also provides for the incurrence of junior secured and unsecured debt, subject to certain conditions specified in the First Lien Credit Agreement.

The term loan under the First Lien Credit Agreement amortizes at a rate of 1.00% per annum, paid in quarterly installments equal to the product of (a) 0.25% times (b) the aggregate principal amount of the initial term loan outstanding immediately after the borrowing of the initial term loan on the closing date (with respect to each initial term loan repayment date prior to the initial term loan maturity date, as such product may be reduced by, and after giving pro forma effect to, any voluntary and mandatory prepayments as described in the First Lien Credit Agreement).

The First Lien Credit Agreement requires the Borrower to prepay, subject to certain exceptions, outstanding term loan thereunder with:

- 50% (which percentage will be reduced to 25% and 0% based upon the achievement and maintenance of first lien secured leverage ratios equal to or less than 4.00 to 1.00 and 3.75 to 1.00, respectively) of our annual excess cash flow;
- 100% (which percentage will be reduced to 50% and 0% based upon the achievement and maintenance of first lien secured leverage ratios equal to or less than 4.00 to 1.00 and 3.75 to 1.00, respectively) of net cash proceeds of non-ordinary course asset sales or other dispositions of property, in excess of the amount permitted under the First Lien Credit Agreement; and
- 100% of net cash proceeds of certain issuances of debt obligations of the Borrower and its restricted subsidiaries after the closing date, except as permitted under the First Lien Credit Agreement.

There is no scheduled amortization under the revolving credit facility. The Borrower may voluntarily reduce the unutilized portion of the commitment amount and repay outstanding loans under the First Lien Credit

Agreement at any time without premium or penalty. In the event of a repricing transaction closing prior to the six-month anniversary of the closing date, the Borrower shall pay a fee in an amount equal to 1.0% of either (x) the aggregate principal amount of the initial term loan prepaid in connection with a repricing transaction that includes the incurrence of any term loan or (y) the aggregate principal amount of all initial term loans outstanding on such date that are subject to an effective pricing reduction pursuant to a repricing transaction that effectively reduces the effective yield for the initial term loan (except for a reduction in connection with an initial public offering, change of control or other material permitted acquisition).

All obligations under the Credit Facilities are unconditionally guaranteed by Globe Intermediate Corp. ("Holdings"), the Borrower and certain of the Borrower's existing and future direct and indirect wholly-owned domestic subsidiaries, subject to certain exceptions. All obligations under the First Lien Credit Facility, and the guarantees of those obligations, are secured on a first lien basis, subject to certain exceptions, by substantially all of Holdings' and the Borrower's assets and the assets of the other guarantors.

The First Lien Credit Agreement contains covenants that, among other things, limit our ability to incur additional debt; create liens against our assets; make acquisitions; pay dividends on our capital stock or redeem, repurchase or retire our capital stock; make investments, acquisitions, loans and advances; create negative pledges; and merge or consolidate with another entity and transfer or sell assets.

In addition, the revolving credit facility is subject to a first lien secured leverage ratio test of 7.00 to 1.00, tested quarterly if, and only if, on the last day of any fiscal quarter, the revolving facility, letters of credit (to the extent not cash collateralized or backstopped or, in the aggregate, not in excess of the greater of (x) $10.0 million and (y) the stated face amount of letters of credit of the Borrower and its subsidiaries outstanding on the closing date) and swingline loans are outstanding and/or issued, as applicable, in an aggregate principal amount exceed 35% of the total amount of the revolving credit facility commitments thereunder.

The First Lien Credit Agreement also contains certain customary representations and warranties, affirmative covenants and reporting obligations. In addition, the lenders under the First Lien Credit Agreement will be 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 include, among others, payment defaults, breaches of representations and warranties, covenant defaults, cross-defaults to certain material indebtedness, certain events of bankruptcy and insolvency, certain pension plan related events, material judgments and any change of control.

As of March 30, 2019, we had $723.2 million of outstanding borrowing on the first lien term loan, and no outstanding borrowings under the revolving credit facility, with $96.6 million of borrowing availability and outstanding letters of credit of $3.4 million under the First Lien Credit Agreement.

Second Lien Credit Agreement

The Borrower is party to a second lien credit agreement (the "Second Lien Credit Agreement" and, together with the First Lien Credit Agreement, the "Credit Facilities") providing for a $150.0 million senior term loan. The term loan under the Second Lien Credit Agreement matures on October 22, 2026.

Borrowings under the Second Lien Credit Agreement bear interest at a rate per annum equal to either (a) the Eurodollar rate, with a floor of 0.00%, as adjusted for the reserve percentage required under regulations issued by the Federal Reserve Board for determining maximum reserve requirements with respect to Eurocurrency funding, plus an applicable margin rate of 7.25%, or (b) an ABR rate, with a floor of 0.00%, plus an applicable margin rate of 6.25%. The ABR rate is determined as the greater of (a) the prime rate, (b) the federal funds effective rate, plus 0.50% or (c) the Eurodollar rate plus 1.00%.

The Second Lien Credit Agreement provides that the Borrower may request additional term loans or additional term facilities secured on a junior priority basis, subject to certain conditions and in an aggregate

principal amount not to exceed the sum of (a) the greater of (i) $160.0 million and (ii) 100% of Consolidated EBITDA (as defined in the Second Lien Credit Agreement) for the most recently completed four fiscal quarter period for which internal financial statements are available and ended on or prior to the date of any such incurrence, plus (b) an additional amount, subject to compliance on a pro forma basis with (i) a consolidated secured debt to Consolidated EBITDA ratio of no greater than 5.50 to 1.00 or (ii) if incurred in connection with a permitted acquisition or other investment, the applicable ratio immediately prior to such acquisition or other investment plus certain other amounts as specified in the Second Lien Credit Agreement. The Second Lien Credit Agreement also provides for the incurrence of unsecured debt, subject to certain conditions specified in the Second Lien Credit Agreement.

Except as provided below, the Second Lien Credit Agreement requires the Borrower to prepay, subject to certain exceptions, outstanding term loans thereunder with:

- 50% (which percentage will be reduced to 25% and 0% based upon the achievement and maintenance of first lien secured leverage ratios equal to or less than 4.00 to 1.00 and 3.75 to 1.00, respectively) of our annual excess cash flow;

- 100% (which percentage will be reduced to 50% and 0% based upon the achievement and maintenance of first lien secured leverage ratios equal to or less than 4.00 to 1.00 and 3.75 to 1.00, respectively) of net cash proceeds of non-ordinary course asset sales or other dispositions of property, in excess of the amount permitted under the Second Lien Credit Agreement; and

- 100% of net cash proceeds of certain issuances of debt obligations of the Borrower and its restricted subsidiaries after the closing date, except as permitted under the Second Lien Credit Agreement.

None of the above prepayments will be applied to the Second Lien Credit Facility while there are outstanding obligations under the First Lien Credit Facility.

The term loan under the Second Lien Credit Agreement does not amortize.

Except as provided below, the Borrower may repay outstanding term loans under the Second Lien Credit Agreement at any time without premium or penalty. In the event of any voluntary prepayment of the initial term loan under the Second Lien Credit Agreement, any prepayment of such initial term loans as a result of any debt incurrence prepayment event or any repricing transaction (a) closing prior to the first anniversary of the closing date, the Borrower shall pay a fee in an amount equal to 2.0% of the aggregate principal amount of the initial term loan so prepaid or outstanding on such date and (b) closing on or after the first anniversary of the closing date, but prior to the second anniversary of the closing date, the Borrower shall pay a fee in an amount equal to 1.0% of the aggregate principal amount of the initial term loan so prepaid or outstanding. However, the term loan under the Second Lien Credit Agreement may be prepaid without penalty with the proceeds of this offering.

All obligations under the Second Lien Credit Agreement are unconditionally guaranteed by Holdings, the Borrower and certain of the Borrower’s existing and future direct and indirect wholly-owned domestic subsidiaries, subject to certain exceptions. Subject to the intercreditor agreement which provides that liens under the Second Lien Credit Agreement are junior to the liens under the First Lien Credit Agreement, all obligations under the Second Lien Credit Agreement, and the guarantees of those obligations, are secured on a junior priority basis, subject to certain exceptions, by the substantially all of Holdings’ and the Borrower’s assets and the assets of the other guarantors.

The Second Lien Credit Agreement contains covenants that, among other things, limit our ability to incur additional debt; create liens against our assets; make acquisitions; pay dividends on our capital stock or redeem, repurchase or retire our capital stock; make investments, acquisitions, loans and advances; create negative pledges; and merge or consolidate with another entity and transfer or sell assets. The Second Lien Credit Agreement does not contain a financial maintenance covenant.

The Second Lien Credit Agreement also contains certain customary representations and warranties, affirmative covenants and reporting obligations. In addition, the lenders under the Second Lien Credit Agreement will be 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 will include, among others, payment defaults, breaches of representations and warranties, covenant defaults, cross-defaults to certain material indebtedness, certain events of bankruptcy and insolvency, certain pension plan related events, material judgments and any change of control.

As of March 30, 2019, we had $150.0 million of outstanding term loans under our Second Lien Credit Agreement.

As of March 30, 2019, we were in compliance with the covenants of each of the First Lien Credit Agreement and the Second Lien Credit Agreement.

Contractual Obligations

We enter into long-term contractual obligations and commitments in the normal course of business, primarily operating leases.

As of December 29, 2018, our contractual obligations and other commitments were:

	Less than 1 year	2-3 Years	4-5 Years	Thereafter	Total
			(in thousands)		
Lease obligations (1)	$ 89,123	$ 197,126	$ 197,256	$ 850,746	$ 1,334,251
Principal payments of long-term debt (2)	7,349	16,556	14,789	835,096	873,790
Interest on long-term debt (3)	49,463	131,710	115,169	117,430	413,772
Purchase commitments (4)	10,000	20,000	8,206	—	38,206
Total	$ 155,935	$ 365,392	$ 335,420	$ 1,803,272	$ 2,660,019

(1) Includes the initial lease term and optional renewal terms that are included in the lease term of our headquarters, store and distribution center leases.
(2) Not reflected in this table is the expected repayment of a portion of term loans under the Credit Facilities as detailed in “Use of Proceeds.”
(3) Represents the expected cash payments for interest on our long-term debt based on the amounts outstanding as of the end of each period and the interest rates applicable on such debt as of December 29, 2018.
(4) Represents a purchase commitment for fresh meat with our primary fresh meat vendor.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of March 30, 2019.

Critical Accounting Policies and Estimates

Our consolidated financial statements have been prepared in accordance with GAAP. A summary of our significant accounting policies can be found in Note 1 to our audited consolidated financial statements included elsewhere in this prospectus. The preparation of these consolidated financial statements requires us to make judgments and estimates that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures. These judgements and estimates are based on historical and other factors believed to be reasonable under the circumstances.

Management evaluated the development and selection of our critical accounting policies and estimates and believes that the following involve a higher degree of judgment or complexity and are most significant to

reporting our results of operations and financial position, and are therefore discussed as critical. 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 results can potentially have a materially favorable or unfavorable impact on sequent results of operations. More information on all of our significant accounting policies can be found in Note 1 to our audited consolidated financial statements included elsewhere in this prospectus.

Long-Lived Asset Impairment—We evaluate events and changes in circumstances that could indicate carrying amounts of long-lived assets, including property and equipment, may not be recoverable. When such events or changes in circumstances occur, we assess the recoverability of long-lived assets by determining whether or not the carrying value of such assets will be recovered through undiscounted future cash flows derived from their use and eventual disposition. For purposes of this assessment, long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If the sum of the undiscounted future cash flows is less than the carrying amount of an asset, we record an impairment loss for the amount by which the carrying amount of the assets exceeds its fair value.

Goodwill—We have goodwill recorded on our consolidated balance sheet. Goodwill is not amortized, but rather is subject to an annual impairment test. The annual impairment testing date is the first day of the fourth quarter. Should certain events or indicators of impairment occur between annual impairment tests, we would perform an impairment test of goodwill at that date. In this analysis, our assets and liabilities, including goodwill and other intangible assets, are assigned to the respective reporting unit. Measurement of an impairment loss would be based on the excess of the carrying amount of the reporting unit over its fair value.

The fair value of the reporting unit is determined using a combination of the income approach, which estimates the fair value of the reporting unit based on its discounted future cash flows, and two market approach methodologies, which estimate the fair value of the reporting unit based on market prices for publicly traded comparable companies as well as revenue and earnings multiples for merged and acquired companies in a similar industry.

Stock-based Compensation—Stock-based compensation cost is measured at grant date, based on the fair value of the award, and is recognized on a straight-line method over the requisite service period for awards expected to vest. We estimate the fair value of employee stock-based payment awards subject to only a service condition on the date of grant using the Black-Scholes valuation model. The Black-Scholes model requires the use of highly subjective and complex assumptions, including the option's expected term and the price volatility of the underlying stock. We estimate the fair value of employee stock-based payment awards subject to both a market condition and the occurrence of a performance condition on the date of grant using a Monte Carlo simulation model that assumes the performance criteria will be met and the target payout levels will be achieved. We will continue to use the Black-Scholes and Monte Carlo models for option pricing following the consummation of this offering.

Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. We recognize compensation expense for awards expected to vest with only a service condition on a straight-line basis over the requisite service period, which is generally the award's vesting period. Vesting of these awards is accelerated for certain employees in the event of a change in control. Compensation expense for employee stock-based awards whose vesting is subject to the fulfillment of both a market condition and the occurrence of a performance condition is recognized on a graded-vesting basis at the time the achievement of the performance condition becomes probable.

The expected stock price volatility for the common stock was estimated by taking the average historic price volatility for industry peers based on daily price observations over a period equivalent to the expected term of the stock option grants. Industry peers consist of several public companies in our industry which are of similar

size, complexity and stage of development. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury implied yield at the date of grant. The weighted-average expected term is determined with reference to historical exercise and post-vesting cancellation experience and the vesting period and contractual term of the awards. The forfeitures rate is estimated based on historical experience and expected future activity.

The fair value of shares of common stock underlying the stock options has historically been the determined by our board of directors, with input from management. Because there has been no public market for our common stock, the board of directors determined the fair value of common stock at the time of grant by considering a number of objective and subjective factors including quarterly independent third-party valuations of our common stock, operating and financial performance, the lack of liquidity of our capital stock and general and industry specific economic outlook, among other factors. The third-party valuation of our common stock used a combination of the discounted cash flow method under the income approach, the guideline public company method under the market approach and the guideline merged and acquired method under the market approach. The material assumptions used in the income approach method is the estimated future cash flows and the associated discount rate used to discount such cash flows. The material assumptions used in the market approach methods are estimated future revenue and EBITDA. While these material assumptions are subjective in nature, we have not deemed them complex. Following the consummation of this offering, the fair value of our common stock will be the closing price of our common stock as reported on the date of grant.

Variable Interest Entities—In accordance with the variable interest entities sub-section of ASC Topic 810, Consolidation, we assess at each reporting period whether we, or any consolidated entity, is considered the primary beneficiary of a variable interest entity ("VIE") and therefore required to consolidate it. Determining whether to consolidate a VIE may require judgment in assessing (i) whether an entity is a VIE, and (ii) if a reporting entity is a VIE's primary beneficiary. A reporting entity is determined to be a VIE's primary beneficiary if it has the power to direct the activities that most significantly impact a VIE's economic performance and the obligation to absorb losses or rights to receive benefits that could potentially be significant to a VIE.

We had 283 stores operated by independent operators as of December 30, 2017, 308 stores operated by independent operators as of December 29, 2018 and 315 stores operated by independent operators as of March 30, 2019. We have Operator Agreements in place with each IO. The IO orders its merchandise exclusively from us which is provided to the independent operator on consignment. Under the Operator Agreement, the IO may select a majority of merchandise that we consign to the IO, which the IO chooses from our merchandise order guide according to IO's knowledge and experience with local customer purchasing trends, preferences, historical sales and similar factors. The Operator Agreement gives the IO discretion to adjust our initial prices if the overall effect of all price changes at any time comports with the reputation of our Grocery Outlet retail stores for selling quality, name-brand consumables and fresh products and other merchandise at extreme discounts. IOs are required to furnish initial working capital and to acquire certain store and safety assets. The IO is required to hire, train, and employ a properly trained workforce sufficient in number to enable the IO to fulfill its obligations under the Operator Agreement. The IO is responsible for expenses required for business operations, including all labor costs, utilities, credit card processing fees, supplies, taxes, fines, levies, and other expenses. Either party may terminate the Operator Agreement without cause upon 75 days' notice.

As consignor of all merchandise to each IO, the aggregate sales proceeds from merchandise sales belongs to us. We, in turn, pay IOs a commission based on a share of the gross profit of the store. Inventories and related sales proceeds are our property, and we are responsible for store rent and related occupancy costs.

IOs may fund their initial store investment from existing capital, a third-party loan or most commonly through a note from us (Note 2). To ensure IO performance on their notes, the Operator Agreements grant us security interests in the assets owned by the IO. The total investment at risk associated with each IO is not sufficient to permit each IO to finance its activities without additional subordinated financial support and, as a result, the IO are VIEs which we have variable interests in. To determine if we are the primary beneficiary of

these VIEs, we evaluate whether we have (i) the power to direct the activities that most significantly impact the IO's economic performance and (ii) the obligation to absorb losses or the right to receive benefits of the IO that could potentially be significant to the IO. Our evaluation includes identification of significant activities and an assessment of our ability to direct those activities.

Activities that most significantly impact the IO economic performance relate to sales and labor. Sales activities that significantly impact the IO's economic performance include determining what merchandise the IO will order and sell and the price of such merchandise, both of which the IO controls. The IO is also responsible for all of their own labor. Labor activities that significantly impact the IO's economic performance include hiring, training, supervising, directing, compensating (including wages, salaries and employee benefits) and terminating all of the employees of the IO, activities which the IO controls. Accordingly, the IO has the power to direct the activities that most significantly impact the IO's economic performance. Furthermore, the mutual termination rights associated with the Operator Agreements do not give us power over the independent operator.

Our maximum exposure to the IOs is generally limited to the gross receivable due from these entities. Additional information can be found in Note 2 to our audited consolidated financial statements included elsewhere in this prospectus.

Recently Issued Accounting Standards

In June 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"). ASU 2016-13, which was further updated and clarified by the FASB through issuance of additional related ASUs, amends the guidance surrounding measurement and recognition of credit losses on financial assets measured at amortized cost, including trade receivables and debt securities, by requiring recognition of an allowance for credit losses expected to be incurred over an asset's lifetime based on relevant information about past events, current conditions, and supportable forecasts impacting its ultimate collectability. This "expected loss" model will result in earlier recognition of credit losses than the current "as incurred" model, under which losses are recognized only upon an occurrence of an event that gives rise to the incurrence of a probable loss. ASU 2016-13 is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, and is to be adopted on a modified retrospective basis. The Company will adopt ASU 2016-13 beginning in the first quarter of fiscal 2020 and is currently evaluating the impact on the consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract* ("ASU 2018-15"). ASU 2018-15 aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. ASU 2018-15 is effective retrospectively for fiscal years and interim periods within those years beginning after December 15, 2019. The Company will adopt ASU 2018-15 beginning in the first quarter of fiscal year 2020. The Company does not expect the adoption of ASU 2018-15 to have a material effect on the Company's financial statements.

Recently Adopted Accounting Standards

The Company adopted ASU 2016-02, *Leases (Topic 842)*, on December 30, 2018, using the modified retrospective approach with the cumulative effect of transition. The modified retrospective approach provides a method for recording existing leases at adoption with the comparative reporting periods being presented in accordance with ASU No. 2018-11, *Leases (Topic 840)*. The Company elected a number of the practical expedients permitted under the transition guidance within the new standard. This included the election to apply the practical expedient package upon transition, which comprised the following:

- the Company did not reassess whether expired or existing contracts are or contain a lease;

- the Company did not reassess the classification of existing leases; and
- the Company did not reassess the accounting treatment for initial direct costs.

In addition, the Company elected the practical expedient related to short-term leases, which allows the Company not to recognize a right of use asset and lease liability for leases with an initial expected term of 12 months or less.

Adoption of the new standard resulted in the recording of additional lease assets of $646 million and lease liabilities of $709 million on the consolidated balance sheet as of December 30, 2018, which includes the reclassification of amounts presented in comparative periods as deferred rent as a reduction to the lease assets. The adoption of the new standard did not result in a material cumulative-effect adjustment to the opening balance of retained earnings. The standard did not materially impact the consolidated statement of income and other comprehensive income and had no impact on cash flows. See Note 3 of our unaudited condensed consolidated financial statements appearing elsewhere in this prospectus for further discussion on the adoption of ASU 2016-02.

For additional information on recently issued and recently adopted accounting pronouncements, see Note 1 to our unaudited condensed consolidated financial statements included elsewhere in this prospectus.

Quantitative and Qualitative Disclosures About Market Risks

Interest Rate Risk

Our operating results are subject to risk from interest rate fluctuations on our credit facilities, which carry variable interest rates. Our Credit Facilities include a term loan under the First Lien Credit Agreement, a term loan under the Second Lien Credit Agreement and a revolving credit facility under the First Lien Credit Agreement which provides for revolving loans of up to $100.0 million, with a sub-commitment for issuance of letters of credit of $35.0 million. Because our Credit Facilities bear interest at a variable rate, we are exposed to market risks relating to changes in interest rates. As of March 30, 2019, we had $723.2 million and $150.0 million of outstanding variable rate loans outstanding under term loans under the First Lien Credit Agreement and Second Lien Credit Agreement, respectively, and no outstanding variable rate debt under our revolving credit facility under the First Lien Credit Agreement. Based on our March 30, 2019 credit facility balance, an increase or decrease of 1% in the effective interest rate would cause an increase or decrease in interest cost of approximately $8.8 million over the next 12 months. We do not use derivative financial instruments for speculative or trading purposes, but this does not preclude our adoption of specific hedging strategies in the future.

Impact of Inflation

Our results of operations and financial condition are presented based on historical cost. While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we believe the effects of inflation, if any, on our historical results of operations and financial condition have been immaterial. We cannot be assured that our results of operations and financial condition will not be materially impacted by inflation in the future.

BUSINESS

Our Company

We are a high-growth, extreme value retailer of quality, name-brand consumables and fresh products sold through a network of independently operated stores. Each of our stores offers a fun, treasure hunt shopping experience in an easy-to-navigate, small-box format. An ever-changing assortment of "WOW!" deals, complemented by everyday staple products, generates customer excitement and encourages frequent visits from bargain-minded shoppers. Our flexible buying model allows us to offer quality, name-brand opportunistic products at prices generally 40% to 70% below those of conventional retailers. Entrepreneurial IOs run our stores and create a neighborhood feel through personalized customer service and a localized product offering. This differentiated approach has driven 15 consecutive years of positive comparable store sales growth.

Our differentiated model for buying and selling delivers a "WOW!" shopping experience, which generates customer excitement, inspires loyalty and supports profitable sales growth:

- ***How we buy:*** We source quality, name-brand consumables and fresh products opportunistically through a large, centralized purchasing team that leverages long-standing and actively managed supplier relationships to acquire merchandise at significant discounts. Our speed and efficiency in responding to supplier needs, combined with our specialized supply chain capabilities and flexible merchandising strategy, enhance our access to discounted products and allow us to turn inventory quickly and profitably. Our buyers proactively source on-trend products based on changing consumer preferences, including a wide selection of NOSH products. We also source everyday staple products to complement our opportunistic offerings. We purchase over 85,000 stock keeping units ("SKUs") from approximately 1,500 suppliers annually. Each store offers a curated and ever-changing assortment of approximately 5,000 SKUs, creating a "buy now" sense of urgency that promotes return visits and fosters customer loyalty.

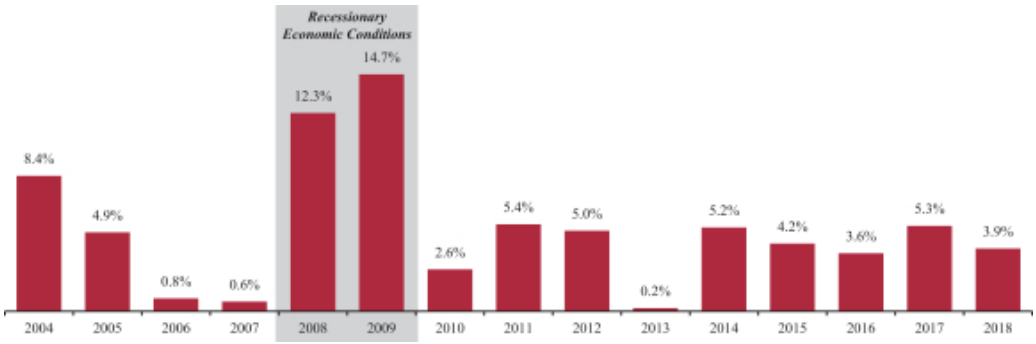
- ***How we sell:*** Our stores are independently operated by entrepreneurial small business owners who have a relentless focus on selecting the best products for their communities, providing personalized customer service and driving improved store performance. Unlike a store manager of a traditional retailer, IOs are independent businesses and are responsible for store operations, including ordering, merchandising and managing inventory, marketing locally and directly hiring, training and employing their store workers. IOs also initially contribute capital to establish their business and share store-level gross profits with us. These factors both align our interests and incentivize IOs to aggressively grow their businesses to realize substantial financial upside. This combination of local decision-making supported by our purchasing scale and corporate resources results in a "small business at scale" model that we believe is difficult for competitors to replicate.

Our value proposition has broad appeal with bargain-minded customers across all income levels, demographics and geographies. Customers visited our stores over 85 million times in 2018 with the average customer shopping twice per month and spending over $25 per transaction. We believe that our sustained focus on delivering ever-changing "WOW!" deals within a fun, treasure hunt shopping environment has generated strong customer loyalty and brand affinity. This customer enthusiasm is evidenced by our high scores on surveys designed to measure customer experience of and likelihood to recommend our brand ("net promoter scores") and 11 consecutive years of positive comparable store traffic growth. We believe that our broad customer appeal supports significant new store growth opportunities, and we plan to continue to expand our reach to additional customers and geographies across the United States.

Our stores have performed well across all economic cycles, as demonstrated by our 15 consecutive years of positive comparable store sales growth and consistent gross margins of between 30.1% and 30.8% since 2010.(1) In fact, our value proposition attracts even more customers in periods of economic uncertainty as evidenced by our average 13.5% comparable store sales growth during the recessionary economic conditions

experienced in 2008 and 2009. Our model is also insulated from store labor-related variability because IOs directly employ their store workers. The result is lower corporate fixed costs, providing further protection in the event of an economic downturn.

15 Consecutive Years of Positive Comparable Store Sales Growth (2004 – 2018) (1)

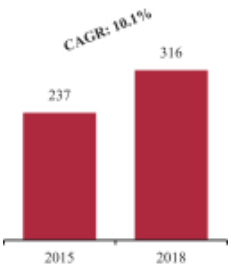


(1) See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors and Measures We Use to Evaluate Our Business—Comparable Store Sales" and "—Gross Profit and Gross Margin."

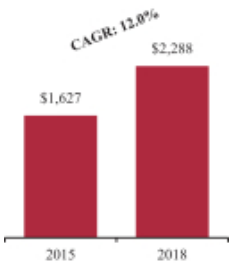
Following the 2014 H&F Acquisition (as defined below), we made significant infrastructure investments and have continued to grow our business, as evidenced by the following achievements since 2015:

- Expanded our store count from 237 to 316 (as of December 29, 2018), a CAGR of 10.1%
- Grown comparable store sales at an average annual rate of 4.2%
- Increased sales from $1.6 billion to $2.3 billion, a CAGR of 12.0%
- Maintained consistent gross margins of between 30.2% and 30.6% on an annual basis
- Increased net income from $4.8 million to $15.9 million, a CAGR of 49.3%
- Increased adjusted EBITDA from $108.2 million to $153.6 million, a CAGR of 12.4%

Store count



Sales ($MM)



Net income ($MM)

Adjusted EBITDA ($MM)

Our Competitive Strengths

We believe that the following competitive strengths are key drivers of our current success and position us for continued growth.

- ***Powerful Customer Value Proposition Supported by a "WOW!" Experience.*** Delivering thrilling "WOW!" deals to our customers is a cornerstone of our business. We offer customers quality, name-brand consumables and fresh products at deep discounts in a fun, treasure hunt shopping environment. Our product offering is ever-changing with a constant rotation of opportunistic products, complemented by an assortment of competitively priced everyday staples across grocery, produce, refrigerated and frozen foods, beer and wine, fresh meat and seafood, general merchandise and health and beauty care. A typical Grocery Outlet basket is priced approximately 40% lower than conventional grocers and approximately 20% lower than the leading discounters. Our stores are convenient, easy to navigate and require neither membership fees nor bulk purchases for customers to save money. Upon entering a store, customers encounter a curated selection of fresh produce and perishables, complemented by a "Power Wall" showcasing many of our most exciting "WOW!" offerings. Our stores have wide aisles, clear signage and a high level of customer service. Upon checkout, a cashier "circles the savings" on each customer's receipt, which reinforces the compelling value that we provide.

- ***Flexible Sourcing and Distribution Model That Is Difficult to Replicate.*** Our flexible sourcing and distribution model differentiates us from traditional retailers and allows us to provide customers quality, name-brand products at exceptional values. As strong stewards of our suppliers' brands, we are a preferred partner with a reputation for making rapid decisions, purchasing significant volumes and creatively solving suppliers' inventory challenges to arrive at "win-win" outcomes. We take advantage of opportunities to acquire merchandise at substantial discounts that regularly arise from order cancellations, manufacturer overruns, packaging changes and approaching "sell-by" dates. We supplement our "WOW!" deals with everyday staples in order to provide a convenient shopping experience. Our buying strategy is deliberately flexible, which allows us to react to constantly changing opportunities. With over 60 people, our centralized sourcing team has deep experience and decades-long relationships with leading CPG companies. Our team is highly selective when evaluating the growing number of opportunities available to us and maintains a disciplined yet solutions-oriented approach. We buy from approximately 1,500 suppliers annually, with no supplier representing more than 5% of sales, and benefit from an average relationship of 30 years with our top 15 suppliers. Our specialized model is supported by a supply chain designed to quickly and efficiently deliver an ever-changing assortment of products to store shelves.

- ***Independent Operators Who Are the Foundation of Our "Small Business at Scale" Model.*** Our stores are independent business entities operated by entrepreneurial small business owners who have a relentless focus on ordering and merchandising the best products for their communities, providing personalized customer service and driving improved store performance. We generally share 50% of store-level gross profits with IOs, thereby incentivizing them to aggressively grow their business and realize substantial financial upside. IOs leverage our national purchasing scale, sophisticated ordering and information systems and field support in order to operate more efficiently. This combination of local decision-making supported by our purchasing scale and corporate resources results in a "small business at scale" model that we believe is difficult for competitors to replicate. The vast majority of our IOs operate a single store, with most working as two-person teams, and, on average, have been operating their stores for more than five years. We encourage our IOs to establish local roots and actively participate in their communities to foster strong personal connections with customers. Our IOs select approximately 75% of their merchandise based on local preferences, providing a unique assortment tailored to their community. Our collaborative relationship with our IOs creates a powerful selling model allowing us to deliver customers exceptional value with a local touch.

- ***Proven and Consistent New Store Economics.*** Our new stores have generated robust store-level financial results, strong cash flow and attractive returns. Our highly flexible, small-box format of 15,000 to 20,000 total square feet has been successful across geographic regions, population densities and demographic groups, and has proved resilient to competitive entries from discounters and conventional retailers alike. On average, our stores achieve profitability during the first year of operations, reach maturity in four to five years and realize a payback on investment within four years. We have doubled our store count since 2011 and, on average, our stores opened during this time period with at least four years of operating history have produced year-four cash-on-cash returns of over 40%, outperforming our underwriting hurdles. We believe that our broad customer appeal, differentiated value proposition and the predictable financial performance of our stores across vintages provide a high degree of visibility into the embedded earnings growth from our recently opened stores. For illustrative purposes, assuming that each of our 84 open but not mature stores as of December 29, 2018 were able to attain the average year-four financial performance of our mature stores opened since 2006, we believe we would have generated approximately $32 million of incremental adjusted EBITDA in 2018. We have not reconciled incremental adjusted EBITDA to the most directly comparable GAAP measure because this cannot be done without unreasonable effort due to the imprecision and difficulty of allocating corporate operating, financing and tax expense to individual stores. We believe the variability inherent in allocating such expenses would potentially have an unpredictable and significant impact on the determination of incremental GAAP net income for such stores.

- ***Value-Oriented Brand Aligned with Favorable Consumer Trends.*** We believe that consumers' search for value is the new normal in retail. The success of off-price retailers represents a secular consumer shift toward value as a leading factor in purchasing decisions. Moreover, as Millennials mature and Baby Boomers age, they are increasingly focused on value, driving shopper traffic towards the deep discount channel. According to published research, between 1988 and 2016, traditional grocery retailers ceded over 45 percentage points of market share to non-traditional grocery stores, including convenience stores, wholesale clubs, supercenters, dollar stores, drug stores and discounters. These trends have continued even after the completion of recessionary cycles, indicating that value remains a leading factor in consumers' retail purchasing decisions despite the return of stronger economic conditions. According to the National Retail Federation, 89% of all shoppers across geographies, household incomes, genders and age demographics shop at discount retailers, including off-price, dollar, outlet and discount grocery stores. We have spent decades building our IO and opportunistic purchasing models to offer deep discounts in a customer-friendly store environment, which enables us to take advantage of this ongoing preference for value.

- ***Collaborative Company Culture Provides the Foundation for Continued Success.*** One of our key competitive advantages is our culture of family and community values, grounded in integrity, entrepreneurship, performance and collaboration. We have been dedicated to our mission of "Touching Lives for the Better" since our inception. Our passion and commitment are shared by team members throughout the entire organization, from our IOs and their employees to our distribution centers and corporate offices. We are a third-generation, family-run business led by CEO Eric Lindberg and Vice Chairman MacGregor Read. Both Messrs. Lindberg and Read have been with Grocery Outlet for over 20 years and have instilled a "servant leadership" mentality that empowers employees and IOs and forms the basis of our highly collaborative culture. These values are shared by a seasoned and cohesive management team with an average of 22 years of retail industry experience and a focus on consistent, long-term growth.

Our Growth Strategies

We plan to continue to drive sales growth and profitability by maintaining a relentless focus on our value proposition and executing on the following strategies:

- ***Drive Comparable Sales Growth.*** We expect that our compelling value proposition will continue to attract new customers, drive repeat visits, increase basket sizes and, as a result, generate strong comparable store sales growth. We plan to:

  - ***Deliver More "WOW!" Deals and Expand Our Offerings.*** We intend to drive incremental traffic and increase our share of wallet by further leveraging our purchasing model. We continue to deepen existing and develop new supplier relationships to ensure that we are the preferred partner and the first call for opportunistic inventory. As a result, we believe there is a significant opportunity to source and offer more "WOW!" deals within existing and new product categories, thereby offering greater value and variety to customers. For example, in response to growing consumer preferences for fresh and healthy options, we have grown NOSH primarily through opportunistic purchasing to represent over 15% of our current product mix. More recently, we have expanded our offerings to include fresh seafood and grass-fed meat in order to increase sales to existing and new customers.

  - ***Support IOs in Enhancing the "WOW!" Customer Experience.*** We continue to implement operational initiatives to support IOs in enhancing the customer experience. We develop and improve tools that provide IOs with actionable insights on sales, margin and customer behavior, enabling them to further grow their business. Our recently enhanced inventory planning tools help IOs make better local assortment decisions while reducing out-of-stock items and losses related to product markdowns, throwaways and theft ("shrink"). We also regularly deploy updated fixtures, signage and enhanced in-store marketing to further improve the shopping experience, which we believe results in higher customer traffic and average basket sizes.

  - ***Increase Customer Awareness and Engagement.*** Our marketing strategy is focused on growing awareness, encouraging new customers to visit our stores and increasing engagement with all bargain-minded consumers. Our recent emphasis on digital marketing is enabling us to deliver specific and real-time information to our customers about the most compelling "WOW!" deals at their local store. We have over one million email subscribers in our database, most of whom receive daily and weekly "WOW! Alerts." Along with our IOs, we have begun to utilize social media to increase our brand affinity and interact with customers more directly on a daily basis. Looking forward, we see an opportunity to further personalize our digital communications to both increase engagement with our existing customers and introduce new customers to our stores. We will continue to supplement our digital marketing with traditional print and broadcast advertising including through our new marketing campaign, "Welcome to Bargain Bliss."

- ***Execute on Store Expansion Plans.*** We believe the success of our stores across a broad range of geographies, population densities and demographic groups creates a significant opportunity to profitably increase our store count. Our new stores typically require an average net cash investment of approximately $2.0 million and realize a payback on investment within four years. In 2018, we opened 26 new stores and expect to open 32 new stores in 2019. Based on our experience, in addition to research conducted by eSite Analytics, we believe there is an opportunity to establish over 400 additional locations in the states in which we currently operate and approximately 1,600 additional locations when neighboring states are included. Our goal is to expand our store base by approximately 10% annually by penetrating existing and contiguous regions. Over the long term, we believe the market potential exists to establish 4,800 locations nationally.

- ***Implement Productivity Improvements to Reinvest in Our Value Proposition.*** Our seasoned management team has a proven track record of growing our business while maintaining a disciplined cost structure. Since the 2014 H&F Acquisition, we have made significant investments that have laid a solid foundation for future growth. For example, we recently implemented a new warehouse management system that has increased distribution labor productivity and improved store ordering capabilities to help reduce shrink. We have implemented and will continue to identify and implement productivity improvements through both operational initiatives and system enhancements, such as category assortment optimization, improved inventory management tools and greater purchasing specialization. We intend to reinforce our value proposition and drive further growth by reinvesting future productivity improvements into enhanced buying and selling capabilities.

Company History

Our founder, Jim Read, pioneered our opportunistic buying model in 1946 and subsequently developed the IO selling approach beginning in Redmond, Oregon in 1973, which harnesses individual entrepreneurship and local decision-making to better serve our customers. Underlying this differentiated model was a mission that still guides us today: “Touching Lives for the Better.” Since 2006, the third generation of Read family leadership has advanced this mission and accelerated growth by strengthening our supplier relationships, introducing new product categories and expanding the store base from 128 to 323 stores across the West Coast and Pennsylvania, including our expansion into Southern California in 2012. These efforts have more than tripled sales from approximately $640 million in 2006 to $2.3 billion in 2018, representing an 11% CAGR. Our passionate, founding family-led management team remains a driving force behind our growth-oriented culture.

In 2009, affiliates of private equity firm Berkshire Partners acquired a majority interest in our company. In 2011, we established a presence on the East Coast by acquiring a regional discount grocery chain in Pennsylvania. In 2014, Berkshire Partners sold their majority interest to the H&F Investor in the 2014 H&F Acquisition. The H&F Investor acquired approximately 80% of our company pursuant to this transaction, with management and family retaining approximately 20%. Since the 2014 H&F Acquisition, we have made significant investments in our corporate and distribution infrastructure to support our growth, expand the store base and reinvest in existing stores.

Procurement and Supply Chain

Procurement

Our flexible sourcing and supply chain model differentiates us from traditional retailers and allows us to provide customers quality, name-brand consumables and fresh products at exceptional values. We take advantage of opportunities to acquire merchandise at substantial discounts that regularly arise from order cancellations, manufacturer overruns, packaging changes and approaching “sell-by” dates. As strong stewards of our suppliers’ brands, we are a preferred partner of leading CPGs with a reputation for making rapid decisions, purchasing in significant volumes and creatively solving their inventory challenges. Our buying strategy is deliberately flexible to allow us to react to constantly changing opportunities.

Our centralized sourcing team, consisting of our purchasing and inventory planning groups represents nearly one-third of our corporate staff and has deep experience and decades-long relationships with leading CPG companies. Our purchasing leadership has over 160 combined years of experience at Grocery Outlet and an average tenure of over 10 years. Our team is highly selective when evaluating the growing number of opportunities available to us and maintains a disciplined yet solutions-oriented approach. We buy from approximately 1,500 suppliers annually, with no supplier representing more than 5% of sales. We have an average relationship of 30 years with our top 15 suppliers. We are always seeking out and developing new supplier relationships to acquire desirable products at discounts that excite our customers. Our inventory planning group collaborates with and supports our buyers to ensure we purchase the appropriate type and quantity of products in order to maintain adequate inventory levels in key product categories.

We believe that we have a leading share of the large and growing excess inventory market. As we grow, we expect to have even greater access to quality merchandise due to our increased scale, broader supplier awareness and expanded geographic presence. We also expect the supply of opportunistic products to continue to expand as incumbent CPGs continue to invest in new products, brands and marketing. Additionally, we believe that changing consumer preferences will continue to support the proliferation of small and innovative CPG brands, and allow us to add new suppliers to our network.

Opportunistically sourced products represent approximately half of our purchasing mix. We refer to our best opportunistic purchases as "WOW!" deals, which generally represent deep discounts of 40% to 70% relative to conventional retailers. These products generate customer excitement and typically sell quickly due to their compelling value. The short duration and continually changing nature of our "WOW!" deals create a treasure hunt environment and a sense of urgency for customers to find and stock up on those heavily discounted items before they sell out. Furthermore, our "WOW!" items encourage repeat shopper visits as customers return to stores to discover what new deals are available.

We supplement our opportunistic purchases with competitively priced everyday staples in order to provide a convenient shopping experience. We typically source these staple products (e.g., milk, eggs, sugar) from multiple suppliers to lower our costs and we avoid long-term supply commitments to maintain the flexibility to pursue opportunistic buys as they arise.

The average store offers 5,000 SKUs at any given time, providing customers with a curated and ever-changing assortment. We typically purchase over 85,000 SKUs annually, which is reflected in the high frequency of new products flowing in and out of stores. Our perishable departments, including dairy and deli, produce and floral and fresh meat and seafood, represented approximately 34% of our 2018 sales. Our non-perishable departments including grocery, general merchandise, health and beauty care, frozen foods and beer and wine represented approximately 66% of our 2018 sales. We also offer a wide variety of NOSH products across most departments. Consumables represented approximately 90% of our product sales in 2018. Overall, on a typical Grocery Outlet basket, we offer savings of approximately 40% relative to conventional grocers and 20% relative to leading discounters.

Supply Chain

Over time, we have honed our supply chain operations to support our opportunistic buying approach and to quickly and efficiently deliver products to our stores. We believe our supply chain flexibility enables us to solve suppliers' inventory challenges and, therefore, obtain significant discounts on purchases. After agreeing to purchase product from a supplier, we move quickly to receive, process and distribute the goods. Our systems allow IOs real-time visibility to our inventory, significantly reducing time to shelf. IOs typically order multiple deliveries per week resulting in higher inventory turns, lower shrink and a frequent assortment of new products on shelf.

As further evidence of the flexibility of our supply chain and the value we provide suppliers, we have dedicated teams to handle unique situations in which products need to be reconditioned or relabeled for sale. These items may include products without a UPC label, goods labeled for another geography, or inventory with damaged packaging.

We distribute inventory through seven primary distribution centers. We operate three distribution centers and use four distribution centers operated by third parties. We have an in-house transportation fleet as well as strong transportation partner relationships that provide consistent performance and timely deliveries to our operators. From our primary distribution centers, we complete over 1,200 deliveries per week to stores, or approximately two non-refrigerated and two refrigerated deliveries per store per week. Stores also receive produce deliveries several times per week directly from our wholesale partners. These capabilities allow us to offer an ever-changing assortment of products, with store-level inventory turning approximately 13 times per year.

We believe that our strategy of utilizing both Company-operated and third-party facilities improves inventory access for stores while limiting our distribution capacity exposure and need to invest in infrastructure and organizational resources as we expand. We believe our existing distribution footprint has capacity to support our anticipated store growth over the next several years.

Independent Operators

IOs are independent business entities owned by one or more entrepreneurially minded individuals who typically live in the same community as their store and demonstrate a relentless focus on ordering and merchandising the best products for their communities, providing personalized customer service and driving improved store performance. The vast majority of our IOs operate a single store with most working as a two-person team, and on average have been operating their stores for over five years. We encourage our IOs to establish local roots and actively participate in their communities to foster strong personal connections with customers.

We generally share 50% of store-level gross profits with IOs, thereby incentivizing them to aggressively grow their business and realize substantial financial upside. The independent operator agreement (the "Operator Agreement") that we sign with each IO gives the IO broad responsibility over store-level decision-making. This decision-making includes merchandising, selecting approximately 75% of products, managing inventory, marketing locally, directly hiring, training and employing their store workers and supervising store operations to carry out our brand's commitment to superior customer service. As a result, our IO model reduces our fixed costs, corporate overhead and exposure to wage inflation pressures and centralized labor negotiations.

IOs leverage our national purchasing network, sophisticated ordering and information systems and field support in order to operate more efficiently. We facilitate collaboration among IOs to share best practices through company-wide and regional meetings, our IO intranet and other online and informal communications. This combination of local decision-making supported by our purchasing scale and corporate resources results in a "small business at scale" model that we believe is difficult for competitors to replicate. Our collaborative relationship with our IOs creates a powerful selling model allowing us to deliver customers exceptional value with a local touch.

As of March 30, 2019, 315 of our 323 stores were operated by IOs. We have entered into an Operator Agreement with each IO, which grants that IO a license to operate a particular Grocery Outlet Bargain Market retail store and to use our trademarks, service marks, trade names, brand names and logos under our brand standards. The Operator Agreement, along with our Best Business Practice Manual, defines our brand standards and sets forth the terms of the license granted to that IO. IOs have discretion to determine the manner and means for accomplishing their duties and implementing our brand standards. The success of this licensing arrangement depends upon mutual commitments by us and the IO to cooperate with each other and engage in practices that protect our brand standards and the reputation of our brand and enhance the sales, business and profit potential of the IO's store.

The vast majority of our IOs operate a single store with most working as a two-person family team. We believe this team approach leverages complementary operator skill sets resulting in a greater connection with customers along with improved store operations and service levels. As measured in our quarterly surveys, IO satisfaction with their business opportunity remains consistently high. Although the Operator Agreement provides that either the IO or we may terminate the Operator Agreement for any reason on 75 days' written notice, IO attrition is low, with less than 5% of IOs voluntarily electing to leave Grocery Outlet in each of fiscal years 2017 and 2018. While we may also terminate the Operator Agreement for cause immediately, overall, IO turnover is low.

IOs are responsible for operational decision-making for their store, including hiring, training and employing their own workers as well as ordering and merchandising products. The IO orders merchandise solely from us, which we, in turn, deliver to IOs on consignment. As a result, we retain ownership of all merchandise until the point in time that merchandise is sold to a customer. Under the Operator Agreement, IOs are given the right to select a majority of merchandise that is sold in their store. IOs choose merchandise from our order guide according to their knowledge and experience with local customer purchasing trends, preferences, historical sales and other related factors. IOs are able to uniquely display and merchandise product in order to appeal to their

local customer base. IOs also have discretion to adjust pricing in response to local competition or product turns, provided that the overall outcome based on an average basket of items comports with our reputation for selling quality name-brand consumables and fresh products and other merchandise at significant discounts. IOs are expected to engage in local marketing efforts to promote their store and enhance the reputation and goodwill of the Grocery Outlet brand. To protect our brand and reputation, the Operator Agreement requires IOs to adhere to brand standards, including cleanliness, customer service, store appearance, conducting their business in compliance with all laws and observing requirements for storing, handling and selling merchandise.

As consignor of all merchandise, the aggregate sales proceeds belong to us. We, in turn, pay IOs a commission which is generally 50% of the store's gross profit in exchange for the IO's services in staffing and operating the store. Any spoiled, damaged or stolen merchandise, markdowns or price changes impact gross margin and therefore the IO's commission. We generally split these losses equally with IOs. As a result, IOs are exposed to the risk of loss of such merchandise and are incentived to minimize any such losses.

We lease and build out each Grocery Outlet location. Under the Operator Agreement, we provide IOs with the right to occupy the store premises solely to operate the retail store on the terms set forth in the Operator Agreement. The Operator Agreement specifies the retail store that the IO is entitled to operate, but it does not grant the IO an exclusive territory, restrict us from opening stores nearby, or give the IO preference to relocate to another store as opportunities arise. As the store tenant, we fund the build-out of the store including racking, refrigeration and other equipment and pay rent, common area maintenance and other lease charges. IOs must cover their own initial working capital requirements and acquire certain store and safety assets. IOs may fund their initial store investment from their existing capital, a third-party loan or, most commonly, through a loan from us. Our IOs are required to hire, train and employ a properly trained workforce sufficient in number to enable the IO to fulfill its obligations under the Operator Agreement. IOs are responsible for expenses required for business operations, including all labor costs, utilities, credit card processing fees, supplies, taxes (i.e., withholding, contributions and payroll taxes and income taxes on commissions paid to them), fines, levies and other expenses attributable to their operations.

We field over 20,000 leads for prospective new IOs annually in pursuit of smart and entrepreneurially minded retail leaders to support our continued growth. After a robust screening and interview process, we select fewer than one out of every 300 leads to enter a rigorous six- to nine-month Aspiring Operator in Training ("AOT") program with the goal of potentially becoming an IO. AOTs receive on-the-job training as an employee of an experienced IO that applies to serve as a training store for us and teach the skills that they learned and now rely on to drive their own financial success. This gives AOTs the chance to experience first-hand what running a Grocery Outlet and managing employees will require. We supplement on-the-job training with classes at our headquarters and through online tutorials so that AOTs gain a thorough appreciation for an IO's responsibilities and opportunities. Upon successful completion of the training program, AOTs submit business plans to apply for new stores as they become available. Those business plans generally include a competitive analysis of the local market, operational strategy, marketing plan and projected financial performance. Based on the strength of that business plan, including an AOT's familiarity with the local market, we ultimately select an IO as new store opportunities open and facilitate the transition.

Our Stores

Delivering thrilling deals to our customers is a cornerstone of our business. We offer customers quality, name-brand products at deep discounts in a fun, treasure hunt shopping environment. Our stores are convenient, easy to navigate and require no membership fee or bulk purchases, which provides all customers with the ability to realize significant savings in an enjoyable shopping environment. Our IO model is another key point of differentiation and facilitates personalized customer service and enhances connections with the local communities that we serve.

As of March 30, 2019, we had 323 stores that average approximately 14,000 square feet on the sales floor. We believe our value proposition resonates across a broad range of geographies, population densities and

demographic groups as evidenced by the consistency of our store performance, with over 99% of mature stores generating positive EBITDA on a single-store basis. Our stores have proven to be highly resilient with only six stores closing since 2014. Those store closures included two Company-operated stores that were closed at the end of their lease terms, one Company-operated store closed due to landlord site redevelopment, one IO store destroyed by wildfire and two IO stores closed at the end of their lease terms.

The following illustrations show the number of stores in each of the states in which we operated as of December 29, 2018 and our expansion opportunities:

Expansion Opportunities

We believe the success of our stores across a broad range of geographies, population densities and demographic groups creates a significant opportunity to profitably increase our store count. In 2018, we opened 26 new stores and expect to open 32 new stores in 2019. We have a dedicated real estate team that utilizes a rigorous site selection process in order to source new store locations that generate strong overall returns. Those sites are reviewed by our real estate committee, which includes our Chief Executive Officer, Vice Chairman, President and Chief Financial Officer.

We deploy a store model that generates robust store-level financial results, strong cash flow and powerful returns. We target new stores of between 15,000 and 20,000 total square feet with an average of 4,000 square feet of non-selling space at an average net cash investment of approximately $2.0 million including store buildout (net of contributions from landlords), inventory (net of payables) and cash pre-opening expenses. Based on our historical performance, we target sales of $5.5 million during the first year with sales increasing 25% to 30% cumulatively until reaching maturity in four to five years. Our underwriting criteria target an average year-four cash-on-cash return of approximately 35% and an average payback on investment within four years. On average, our stores opened since 2011 with at least four years of operating history have produced year-four cash-on-cash returns of over 40%, outperforming our underwriting hurdles.

In the near term, we plan to grow our store base to capture whitespace in existing markets as well as contiguous regions. Based on our experience, in addition to research conducted by eSite Analytics, we believe there is an opportunity to establish over 400 additional locations in the states in which we currently operate and approximately 1,600 additional locations when neighboring states are included. Our goal is to expand our store base by approximately 10% annually by penetrating existing and contiguous regions. Over the long term, we believe the market potential exists to establish 4,800 locations nationally.

Store Design & Layout

Upon entering a store, customers are greeted by signage introducing our IOs, a tailored selection of fresh produce and other perishables, followed by a "Power Wall" displaying many of our most compelling "WOW!" offerings.

Our stores are neatly organized and well maintained with clear signage to guide the customer through our various departments such as produce, beer and wine and fresh meat and seafood. Specialized item price tags call attention to our "WOW!" deals and highlight our robust NOSH offerings. Upon checkout, a cashier "circles the savings" on each customer's receipt, which reinforces the compelling value that we provide.

Stores are assorted and merchandised uniquely by IOs providing a "WOW!" treasure hunt shopping experience. On average, approximately 75% of the assortment in each Grocery Outlet store is selected by IOs based on local preference and shopping history while the remaining assortment is delivered to stores to support marketing circulars and manage "sell-by" dates. We have several customized systems and tools in place, including our ordering system that allows IOs to see our real-time inventory and provides ordering suggestions based on local store characteristics. IOs have broad autonomy to create unique merchandising displays highlighting their "WOW!" offerings which strengthens the local feel of each store.

Our Customers

Our value proposition has broad appeal, with bargain-minded customers spanning all income levels and demographics. Our average customer spends over $25 per transaction and visits our stores approximately twice per month. In our weekly blind customer survey, over 65% of our core customers most closely associate Grocery Outlet with "consistently low prices" among the consumable retailers that they shop, significantly more than any other retailer. We define our core customers as those who self identify as spending at least 25% of their monthly grocery budget at Grocery Outlet. Our net promoter score for 2018 was 60%, the highest among consumable retailers visited by our core customers based on our weekly blind survey.

We have begun to develop a strong digital and social media following by "WOW!"ing our customers every day. We have over one million email subscribers in our database, most of whom receive daily "WOW! Alerts" (emails that showcase some of the best deals on an individual store basis). Brand24, a social media monitoring tool, identified 90% of social mentions of Grocery Outlet as positive in 2018. This proportion of positive mentions from Twitter, Facebook, Instagram and other platforms is higher than many well-known discount retailers of consumable products, including WinCo, Trader Joe's, Costco, Walmart and Aldi.

Marketing

Our ability to consistently deliver "WOW!" deals that generate customer excitement is our strongest marketing tool. We promote brand awareness and drive customers to shop through centralized marketing initiatives along with local IO marketing efforts. As a result of this approach and local marketing campaigns funded by IOs, our marketing expense as a percent of sales is relatively low.

We focus our centralized marketing efforts primarily on digital ads, emailed "WOW! Alerts," social media, television and radio commercials, print circulars and in-store and outdoor signage. Our cost-effective marketing approach is designed to build brand awareness and communicate specific in-store "WOW!" deals to drive customer traffic. Over time, we have increased the utilization of digital advertising, allowing us to more quickly develop, deploy and target marketing communications based on our changing inventories and store-specific deals. We have over one million email subscribers in our database, most of whom receive daily and weekly "WOW! Alerts" customized to the shopper's local store. Each month we email over 20 million "WOW! Alerts," which are opened at a rate of nearly 15%.

In addition to our digital ads, we distribute print circulars to align with major holidays and other key promotional events, such as our semi-annual wine sale. We also market via television, streaming television platforms and radio to specific markets to build brand awareness and highlight the value we provide. We reinforce these efforts with in-store price and item signage as well as outdoor marketing via billboards and truck wraps.

To better communicate our value proposition and drive increased customer traffic, we recently refreshed our brand image via an updated website, modernized logo and new marketing campaign entitled “Welcome to Bargain Bliss.” In addition to a new advertising campaign, this brand refresh includes updated customer messaging to highlight the price, quality and service advantage we provide. Recently we began updating in-store signage and marketing collateral in support of the new campaign and anticipate refreshing all stores over the next several years.

IOs develop and fund their local marketing plan to drive customer engagement. IO efforts include community outreach such as partnering with food banks, sponsoring youth athletic programs and offering discounts to veterans. In addition, IOs develop and manage their own social media marketing platforms, posting creative and compelling content to reinforce our fun and value oriented image.

Competition

We compete for consumer spend with a diverse group of retailers, including mass, discount, conventional grocery, department, drug, convenience, hardware, variety, online and other specialty stores. The competitive landscape is highly fragmented and localized; however, our customers most often cite Safeway as the retailer where they also shop for consumables. We see discount retailers of consumable products, which include Walmart, WinCo, Aldi and Lidl, as competitors given their broad product offerings at low prices relative to conventional grocery stores. We compete with both conventional grocery stores and discounters by offering an ever-changing selection of name-brand products in a fun, treasure hunt shopping environment at a significant discount.

Many competitors are attempting to attract customers by offering various forms of e-commerce. While we have embraced online and digital marketing, we have thus far not pursued e-commerce. Based on our extreme value pricing and lower average ticket, we do not believe that our model lends itself to e-commerce which we think emphasizes convenience over value and fun. We have prioritized our capital and organizational investments to deliver the deepest and most compelling in-store values and experience for customers. Furthermore, we have seen no perceptible impact on sales of stores that are close to competitors that offer e-commerce solutions in the past few years.

Beyond competition for consumers, we compete against a fragmented landscape of opportunistic purchasers, including retailers (e.g., Big Lots and 99 Cents Only) and wholesalers to acquire excess merchandise for sale in our stores. Our established relationships with our suppliers along with our distribution scale, buying power, financial credibility and responsiveness often makes us the first call for available deals. Our direct relationships with suppliers have increased as we have grown, and we continuously strive to broaden our supplier network.

Business Technology

Our information systems provide a broad range of business process assistance and real-time data to support our purchasing and planning approach, merchandising team and strategy, multiple distribution center

management, store and operational insight and financial reporting. We selected and developed these technologies to provide the flexibility and functionality to support our unique buying and selling model as well as to identify and respond to merchandising and operating trends in our business. Over the last five years, we have modernized and added several systems that provide us additional functionality and scalability in order to better support operational decision-making. These investments include enhanced point of sale, warehouse management, human resource planning, business intelligence, vendor tracking and lead management, store communications, real estate lease management and financial planning and analysis systems. We believe our existing systems are scalable to support future growth.

We have also built a series of tools that empower IOs to make intelligent decisions to grow their business from improving product ordering, reducing shrink, and gaining intelligence into their store performance and profitability. We believe these investments have resulted in valuable business insights and operational improvements. We anticipate making ongoing technology investments in order to drive further productivity and functionality improvements.

Trademarks and Other Intellectual Property

We own federally registered trademarks related to our brand, including “GROCERY OUTLET BARGAIN MARKET”, “WOW!”, “NOSH” and “BARGAINS ON BRANDS YOU TRUST!” In addition, we maintain trademarks for the images of certain logos that we use, including the GROCERY OUTLET BARGAIN MARKET logo, the “NOSH” logo and the “WOW!” logo. We are also in the process of pursuing several other trademarks to further identify our services such as “BARGAIN BLISS”, “FEELS LIKE FALLING IN LOVE IN EVERY AISLE”, “THE SAVINGS ARE REAL, THE FEELING IS PURE BLISS” and “HIP HIP SYRAH.” We have disclaimed the terms “GROCERY OUTLET” and “MARKET” with respect to our “GROCERY OUTLET BARGAIN MARKET” trademarks, among other disclaimed terms with respect to our registered trademarks and trademark applications. Our trademark registrations have various expiration dates; however, assuming that the trademark registrations are properly renewed, they have a perpetual duration. We also own several domain names, including www.groceryoutlet.com and www.ownagroceryoutlet.com, and registered and unregistered copyrights in our website content. Our Operator Agreement grants our IOs a limited, non-exclusive license to use our trademarks solely in connection with the operation and promotion of their store and not in connection with other activities. IOs are not permitted to sublicense our trademarks to others. We attempt to obtain registration of our trademarks as practical and pursue infringement of those marks when appropriate. We rely on trademark and copyright laws, trade-secret protection and confidentiality, license and other agreements with our IOs, suppliers, employees and others to protect our intellectual property.

Regulation

We and our IOs are subject to regulation by various federal agencies, including the Food and Drug Administration (the “FDA”), the Federal Trade Commission (the “FTC”), the U.S. Department of Agriculture (the “USDA”) the Consumer Product Safety Commission and the Environmental Protection Agency. We and our IOs are subject to various laws and regulations, including those governing labor and employment, including minimum wage requirements, advertising, privacy, safety and environmental protection and consumer protection regulations, including those that regulate retailers and/or govern product standards, the promotion and sale of merchandise and the operation of stores and warehouse facilities. In addition, we and our IOs must comply with provisions regulating health and sanitation standards, food labeling, licensing for the sale of food and alcoholic beverages. We actively monitor changes in these laws. In addition, we and our IOs are subject to environmental laws pursuant to which we and our IOs could be strictly and jointly and severally liable for any contamination at our current or former locations, or at third-party waste disposal sites, regardless of our knowledge or responsibility for such contamination.

Food and Dietary Supplements. The FDA regulates the safety of certain food and food ingredients, as well as dietary supplements under the federal Food, Drug, and Cosmetic Act (the “FDCA”). Similarly, the

USDA's Food Safety Inspection Service ensures that the country's commercial supply of meat, poultry, catfish and certain egg products is safe, wholesome and correctly labeled and packaged.

The Food Safety Modernization Act (the "FSMA") amended the FDCA in 2011 and expanded the FDA's regulatory oversight of all supply chain participants. Most of the FDA's promulgating regulations are now in effect and mandate that risk-based preventive controls be observed by the majority of food producers. This authority applies to all domestic food facilities and, by way of imported food supplier verification requirements, to all foreign facilities that supply food products.

The FDA also exercises broad jurisdiction over the labeling and promotion of food. Under certain circumstances, this jurisdiction extends even to product-related claims and representations made on a company's website or similar printed or graphic media. All foods, including dietary supplements, must bear labeling that provides consumers with essential information with respect to standards of identity, net quantity, nutrition facts, ingredient statements and allergen disclosures. The FDA also regulates the use of structure/function claims, health claims, nutrient content claims and the disclosure of calories and other nutrient information for frequently sold items. In addition, compliance dates on various nutrition initiatives that will impact many supply chain participants, such as in relation to partially hydrogenated oils, are scheduled to go into effect through 2021.

The FDA has comprehensive authority to regulate the safety, ingredients, labeling and good manufacturing practices for dietary supplements. The Dietary Supplement Health and Education Act (the "DSHEA") amended the FDCA in 1994 and expanded the FDA's regulatory authority over dietary supplements. Through DSHEA, dietary supplements became a regulated commodity while also allowing structure/function claims on products. However, no statement on a dietary supplement may expressly or implicitly represent that it will diagnose, cure, mitigate, treat or prevent a disease.

Food and Dietary Supplement Advertising. The FTC exercises jurisdiction over the advertising of foods and dietary supplements. The FTC has the power to impose monetary sanctions, consent decrees and/or other penalties that can severely limit a company's business practices. In recent years, the FTC has instituted numerous enforcement actions against companies carrying dietary supplements for failure to have adequate substantiation for claims made in advertising or for the use of false or misleading advertising claims.

Compliance. As is common in the retail industry, we rely on our suppliers and manufacturers to ensure that the products they manufacture and sell to us comply with all applicable regulatory and legislative requirements. In general, our purchase orders require that suppliers be compliant and represent and warrant to compliance with laws and require indemnification and/or insurance from our suppliers and manufacturers. However, even with adequate insurance and indemnification, any claims of non-compliance could significantly damage our reputation and consumer confidence in products we sell. In addition, the failure of such products to comply with applicable regulatory and legislative requirements could prevent us from marketing the products or require us to recall or remove such products from our stores. In order to comply with applicable statutes and regulations, our suppliers and manufacturers have from time to time reformulated, eliminated or relabeled certain of their products.

We also source a portion of our products from outside the United States. The U.S. Foreign Corrupt Practices Act and other similar anti-bribery and anti-kickback laws and regulations generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Our policies and our supplier compliance agreements mandate compliance with applicable law, including these laws and regulations.

Insurance

We maintain third-party insurance for a number of risk management activities, including workers' compensation, general liability, commercial property, ocean marine, cyber, director and officer and employee,

property and cargo and stock related insurance policies. We evaluate our insurance requirements on an ongoing basis to ensure we maintain adequate levels of coverage. The Operator Agreement requires IOs to maintain general liability and workers' compensation insurance coverage for their operations.

Properties

As of March 30, 2019, we leased 321 of our 323 stores and all of our primary self-operated distribution centers. The remaining two stores were owned by IOs. Our initial lease terms for store locations are typically ten years with options to renew for two or three successive five-year periods. Our corporate headquarters, located in Emeryville, California, is approximately 54,000 square feet and is leased under an agreement that expires in 2023, with options to renew for 10 years. Our primary distribution centers range from approximately 100,000 square feet to approximately 400,000 square feet with leases expiring between 2021 and 2025. We have two options to renew for two successive ten-year periods on two of our distribution centers and no option to renew on the third center.

We believe that our corporate and distribution center facilities are in good operating condition and adequate to support the current needs of our business. We are continually working to identify sites to open new store locations and, as a result, the number of store properties may grow or fluctuate.

Employees

As of March 30, 2019, we employed 906 persons, 679 of whom were full-time and 227 of whom were part-time. As of March 30, 2019, 311 of our employees were based at our corporate headquarters in Emeryville, California, and our Leola, Pennsylvania office, 98 of which were classified as field employees. Our distribution centers employed 306 persons. The remaining employees were employees in our Company-operated stores. As of March 30, 2019, 116 of our employees were union employees, all of whom were employees at two Company-operated stores. We have not experienced any material interruptions of operations due to disputes with our employees and consider our relations with our employees to be very good.

Legal Proceedings

From time to time, we may be party to litigation that arises in the ordinary course of our business. Management believes that we do not have any pending litigation that, separately or in the aggregate, would have a material adverse effect on our results of operations, financial condition or cash flows.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information about our directors and executive officers as of , 2019:

Name	Age	Position
Eric J. Lindberg, Jr.	48	Chief Executive Officer and Director
S. MacGregor Read, Jr.	48	Vice Chairman and Director
Robert Joseph Sheedy, Jr.	44	President
Charles C. Bracher	46	Chief Financial Officer
Pamela B. Burke	51	Chief Administrative Officer, General Counsel and Secretary
Thomas H. McMahon	58	Executive Vice President, Sales and Merchandising
Steven K. Wilson	55	Senior Vice President, Purchasing
Erik D. Ragatz	46	Director, Chairman of the Board
Kenneth W. Alterman	62	Director
Matthew B. Eisen	31	Director
Thomas F. Herman	78	Director
Norman S. Matthews	86	Director
Sameer Narang	35	Director
Jeffrey York	56	Director

Set forth below is a brief description of the business experience of the directors and executive officers. All of our officers serve at the discretion of our board of directors.

Eric J. Lindberg, Jr. has served as our Chief Executive Officer since January 2019 and as a director since January 2006. Previously, from January 2006 to December 2018, Mr. Lindberg served as our Co-Chief Executive Officer. Prior to being appointed Co-Chief Executive Officer, Mr. Lindberg served in various positions with the Company since 1996. As our Chief Executive Officer, Mr. Lindberg brings to our board of directors significant senior leadership, and his detailed knowledge of our operations, finances, strategies and industry garnered over his 23-year tenure with us makes him well qualified to serve as our Chief Executive Officer and as a member of the board of directors. Mr. Lindberg and Mr. Read are cousins by marriage.

S. MacGregor Read, Jr. has served as our Vice Chairman since January 2019 and as a director since January 2006. Previously, from January 2006 to December 2018, Mr. Read served as our Co-Chief Executive Officer. Prior to being appointed Co-Chief Executive Officer, Mr. Read served in various positions with the Company since 1996. As a member of the board of directors, Mr. Read contributes his knowledge of our operations, finances, strategies and industry garnered over his 23-year tenure with us. Mr. Read and Mr. Lindberg are cousins by marriage.

Robert Joseph Sheedy, Jr. has served as our President since January 2019. Mr. Sheedy previously served as our Chief Merchandise, Marketing & Strategy Officer from April 2017 to December 2018, our Chief Merchandise & Strategy Officer from March 2014 to April 2017 and our Vice President, Strategy from April 2012 to February 2014. Before joining us, Mr. Sheedy served in various roles at Staples Inc., an office supply company, from 2005 to 2012, most recently as their Vice President, Strategy.

Charles C. Bracher has served as our Chief Financial Officer since August 2012. Before joining us, Mr. Bracher served in various roles at Bare Escentuals, Inc., a mineral cosmetics company, from 2005 to 2012, most recently as Chief Financial Officer. Mr. Bracher began his career in the Investment Banking Division of Goldman, Sachs & Co.

Pamela B. Burke has served as our Chief Administrative Officer, General Counsel and Secretary since January 2019 and previously served as our General Counsel and Secretary from June 2015 to December 2018. Before joining us, Ms. Burke served in various management positions at CRC Health Group, Inc., a provider of specialized behavioral health services, most recently as Senior Vice President of Legal, HR and Risk from April 2010 to February 2015.

Thomas H. McMahon has served as our Executive Vice President of Sales and Merchandising since January 2017 and served as our Vice President of Sales and Merchandising from December 2008 to December 2016. Before joining us in 2008, Mr. McMahon was the Chief Executive Officer and Chief Operating Officer of T Street Incorporated, a retail specialty company.

Steven K. Wilson has served as our Senior Vice President of Purchasing since February 2018 and previously served as our Vice President of Purchasing from July 2006 to January 2018. Prior to being appointed Vice President of Purchasing, Mr. Wilson served in various positions with the Company since 1994.

Erik D. Ragatz has served as a director and as Chairman of our board of directors since October 2014. Mr. Ragatz has served as a Partner at H&F since January 2008. Mr. Ragatz currently serves on the boards of directors and audit and compensation committees of Crackle Holdings GP, LLC (d/b/a SnapAV), a manufacturer and distributor of audio/visual equipment, and Associated Materials Group, Inc., a manufacturer and distributor of exterior building products, as well as the board of directors and compensation committee of Wand TopCo Inc. (d/b/a Caliber Collision), a chain of auto body repair and paint shops, each currently private H&F portfolio companies. As a member of the board of directors, Mr. Ragatz brings his insight into the proper functioning and role of corporate boards of directors, gained through his years of service on the boards of directors of H&F's portfolio companies.

Kenneth W. Alterman has served as a director since 2011. Mr. Alterman is an Executive Adviser to Savers, Inc., a retail thrift store chain, since January 2017. He previously served as the President, Chief Executive Officer and a director of Savers, Inc. from January 2015 to January 2017 and as the Vice President and General Manager from December 2002 to December 2016. As a member of the board of directors, Mr. Alterman contributes his knowledge of the discount industry, as well as substantial experience developing corporate strategy and assessing emerging industry trends and business operations.

Matthew B. Eisen has served as a director since March 2019. Mr. Eisen has served as a Principal at H&F since July 2016 and as an Associate at H&F from July 2012 to July 2014. From June 2010 to July 2012, Mr. Eisen was an Analyst in the Media and Communications Group of Morgan Stanley & Co. LLC. Mr. Eisen currently serves on the board of directors and as a member of the audit committee of Wand TopCo Inc. (d/b/a Caliber Collision), a chain of auto body repair and paint shops and a private H&F portfolio company. As a member of the board of directors, Mr. Eisen contributes his financial and capital markets expertise and draws on his experience advising and serving on the boards of H&F's portfolio companies.

Thomas F. Herman has served as a director since 2004. Mr. Herman has been engaged in consulting since 2004. From 2003 to 2004, Mr. Herman was the president and chief operating officer of Good Guys, Inc., a consumer electronics retailer. Prior to that time, he served in various management positions, including at Oak Harbor Partners, a boutique financial services firm, Employment Law Learning Technologies, a distance learning company focused on employment law, Alamo Group, a real estate & operations business, American Copy Jewelry and the San Francisco Music Box Co. As a member of the board of directors, Mr. Herman contributes significant retail experience and financial expertise based on his years of senior executive experience as well as his prior experience serving on the boards of public companies such as Crdentia Corp. and Good Guys, Inc.

Norman S. Matthews has served as a director since October 2014. From 1978 to 1988, Mr. Matthews served in various senior management positions for Federated Department Stores, Inc., including President from 1987 to 1988. Mr. Matthews currently serves on the boards of directors and compensation committees of The

Children's Place Inc., a children's clothing store, Party City Holdco, Inc., a party goods supply store, and Spectrum Brands Holdings, Inc., a consumer products company, and previously has served as director of Henry Schein, Inc. and The Progressive Corporation. As a member of the board of directors, Mr. Matthews contributes an extensive knowledge of the retail industry and strategic marketing and sales and corporate governance practices from his years as a senior executive and member of the boards of directors of several public companies.

Sameer Narang has served as a director since October 2014. Mr. Narang joined H&F in 2010 and has served as a Partner at H&F since January 2018 and as a Director at H&F from January 2014 to December 2017. Mr. Narang currently serves as chairman of the board of directors and a member of the compensation committee of Arrow Holding Corp. (d/b/a Applied Systems, Inc.), a provider of cloud-based insurance software and a private H&F portfolio company. As a member of the board of directors, Mr. Narang contributes his knowledge of corporate governance gained through his years of service on the boards of directors of H&F's portfolio companies.

Jeffrey York has served as a director since November 2010. Mr. York has served as Co-Chief Executive Officer and President of Farm Boy Inc., a grocery retailer, since November 2009. Mr. York currently serves as a member of the boards of directors and audit committees of Focus Graphite, an advanced exploration and mining company, Braille Energy Systems, Inc., a manufacturer of race car batteries and other energy storage devices and Stria Lithium, a lithium mining exploration company. As a member of the board of directors, Mr. York contributes an extensive knowledge of the grocery industry and corporate governance based on his experience as a senior executive and serving on public company boards of directors.

Board of Directors

Our business and affairs are managed under the direction of our board of directors. Our board of directors currently consists of nine directors. Following the completion of this offering, we expect our board of directors to initially consist of nine directors.

Our amended and restated certificate of incorporation will provide that, subject to the right of holders of any series of preferred stock, our board of directors will be divided into three classes of directors, with the classes to be as nearly equal in number as possible, and with the directors serving staggered three-year terms, with only one class of directors being elected at each annual meeting of stockholders. As a result, approximately one-third of our board of directors will be elected each year. We expect that, following this offering, our initial Class I directors will be Messrs. , and (with their terms expiring at the annual meeting of stockholders to be held in 2020), our initial Class II directors will be Messrs. , and (with their terms expiring at the annual meeting of stockholders to be held in 2021) and our initial Class III directors will be Messrs. , and (with their terms expiring at the annual meeting of stockholders to be held in 2022).

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that, subject to any rights of holders of preferred stock to elect additional directors under specified circumstances, the number of directors will be fixed from time to time exclusively pursuant to a resolution adopted by the board of directors; however, if at any time the H&F Investor owns at least 40% in voting power of the stock of our Company entitled to vote generally in the election of directors, the stockholders may also fix the number of directors pursuant to a resolution adopted by the stockholders. Subject to certain exceptions described below with respect to the amended and restated stockholders agreement we intend to enter into, newly created director positions resulting from an increase in size of the board of directors and vacancies may be filled by our board of directors or our stockholders; provided, however, that at any time with the H&F Investor beneficially owns less than 40% in voting power of the stock of our company entitled to vote generally in the election of directors, such vacancies shall be filled by our board of directors (and not by the stockholders).

Our amended and restated stockholders agreement will provide that following the completion of this offering, the H&F Investor will have the right to nominate to our board of directors (such persons, the "H&F

nominees") a number of nominees equal to: (x) the total number of directors comprising our board of directors at such time, *multiplied* by (y) the percentage of our outstanding common stock held from time to time by the H&F Investor. For purposes of calculating the number of directors that the H&F Investor will be entitled to nominate, any fractional amounts are rounded up to the nearest whole number. In addition, following this offering, the Executive Stockholders (as defined in the stockholders agreement) and the Read Trust Rollover Stockholders (as defined in the stockholders agreement), trusts controlled by Mr. Lindberg, Mr. Read or members of their immediate family, acting together by majority vote, will have the right to nominate one person (such person, the "Executive nominee") to our board of directors for so long as such stockholders collectively own at least 5% of our outstanding shares of common stock. The amended and restated stockholders agreement will also provide that our Chief Executive Officer will be nominated to our board of directors. For so long as we have a classified board, the H&F nominees will be divided by the H&F Investor as evenly as possible among the classes of directors. The Executive nominee will initially be a Class director and the Chief Executive Officer will initially be a Class director.

Pursuant to the amended and restated stockholders agreement, we will include the H&F nominees, the Executive nominee and the Chief Executive Officer nominee on the slate that is included in our proxy statements relating to the election of directors of the class to which such persons belong and provide the highest level of support for the election of each such persons as we provide to any other individual standing for election as a director. In addition, each stockholder party to the amended and restated stockholders agreement will agree to vote in favor of the Company slate that is included in our proxy.

In the event that an H&F nominee or the Executive nominee ceases to serve as a director for any reason (other than the failure of our stockholders to elect such individual as a director), the persons entitled to designate such nominee director under the amended and restated stockholders agreement will be entitled to appoint another nominee to fill the resulting vacancy.

Background and Experience of Directors

When considering whether directors and nominees have the experience, qualifications, attributes or skills, taken as a whole, to enable our board of directors to satisfy its oversight responsibilities effectively in light of our business and structure, the board of directors focused primarily on each person's background and experience as reflected in the information discussed in each of the directors' individual biographies set forth above. We believe that our directors provide an appropriate mix of experience and skills relevant to the size and nature of our business. Once appointed, directors serve until they resign or are terminated by the stockholders.

Role of Board of Directors in Risk Oversight

The board of directors has extensive involvement in the oversight of risk management related to us and our business and accomplishes this oversight through the regular reporting by the Audit and Risk Management Committee. The Audit and Risk Management Committee represents the board of directors by periodically reviewing our accounting, reporting and financial practices, including the integrity of our financial statements, the surveillance of administrative and financial controls and our compliance with legal and regulatory requirements. Through its regular meetings with management, including the finance, legal and internal audit functions, the Audit and Risk Management Committee reviews and discusses all significant areas of our business and summarizes for the board of directors all areas of risk and the appropriate mitigating factors. In addition, our board of directors receives periodic detailed operating performance reviews from management.

Controlled Company Exception

After the completion of this offering, the H&F Investor and the other parties to our stockholders agreement will continue to beneficially own more than 50% of our common stock and voting power. As a result, (a) under certain provisions of our amended and restated bylaws which will be in effect upon the closing of this

offering, the H&F Investor and these other parties to our stockholders agreement will be entitled to nominate at least a majority of the total number of directors comprising our board of directors and (b) we will be a "controlled company" as that term is set forth in Section 5615(c)(1) of the Nasdaq Marketplace Rules. Under the Nasdaq 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 (1) the requirement that a majority of the board of directors consist of independent directors, (2) the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities and (3) 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 and that we adopt a written charter or board resolution addressing the nominations process. Following this offering, we intend to utilize these exemptions. As a result, following this offering, we will not be obligated to maintain a majority of independent directors on our board of directors. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the Nasdaq 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 Nasdaq corporate governance rules.

Committees of the Board of Directors

After the completion of this offering, the standing committees of our board of directors will consist of an Audit and Risk Management Committee, a Compensation Committee and a Nominating and Corporate Governance Committee.

Our chief executive officer, president and other executive officers will regularly report to the non-executive directors and the Audit and Risk Management, the Compensation and the Nominating and Corporate Governance Committees to ensure effective and efficient oversight of our activities and to assist in proper risk management and the ongoing evaluation of management controls. The internal audit function will report functionally and administratively to our chief financial officer and directly to the Audit and Risk Management Committee. We believe that the leadership structure of our board of directors provides appropriate risk oversight of our activities given the controlling interests held by the H&F Investor.

Audit and Risk Management Committee

The members of our current Audit and Risk Management Committee are Messrs. Herman, Narang and Ragatz. Upon the completion of this offering, we expect to have an Audit and Risk Management Committee, consisting of Messrs. , and . Messrs. , and all qualify as independent directors under the Nasdaq corporate governance standards and the independence requirements of Rule 10A-3 of the Exchange Act. Our board of directors has determined that qualifies as an "audit committee financial expert" as such term is defined in Item 407(d)(5) of Regulation S-K.

The purpose of the Audit and Risk Management Committee will be to prepare the audit committee report required by the SEC to be included in our proxy statement and to assist our board of directors in overseeing and monitoring (1) the quality and integrity of our financial statements, (2) our compliance with legal and regulatory requirements, (3) our independent registered public accounting firm's qualifications and independence, (4) the performance of our internal audit function and (5) the performance of our independent registered public accounting firm.

Our board of directors will adopt a written charter for the Audit and Risk Management Committee, which will be available on our website upon the completion of this offering.

Compensation Committee Interlocks and Insider Participation

Compensation decisions are made by our Compensation Committee. None of our current or former executive officers or employees currently serves, or has served during our last completed fiscal year, as a member of our Compensation Committee and, during that period, none of our executive officers served as a member of the compensation committee (or other committee serving an equivalent function) of any other entity whose executive officers served as a member of our board of directors.

We have entered into certain indemnification agreements with our directors and are party to certain transactions with the H&F Investor described in "Certain Relationships and Related Party Transactions—Indemnification of Directors and Officers" and "—Stockholders Agreement," respectively.

Compensation Committee

The members of our current Compensation Committee are Messrs. Alterman, Narang, Matthews and Ragatz. Upon the completion of this offering, we expect to have a Compensation Committee, consisting of Messrs. , , and .

The purpose of the Compensation Committee will be to assist our board of directors in discharging its responsibilities relating to, among other things, (1) setting our compensation program and compensation of our executive officers and directors, (2) monitoring our incentive and equity-based compensation plans and (3) preparing the compensation committee report required to be included in our proxy statement under the rules and regulations of the SEC.

Our board of directors will adopt a written charter for the Compensation Committee, which will be available on our website upon the completion of this offering.

Nominating and Corporate Governance Committee

Upon the completion of this offering, we expect to have a Nominating and Corporate Governance Committee, consisting of , and . The purpose of our Nominating and Corporate Governance Committee will be to assist our board of directors in discharging its responsibilities relating to (1) identifying individuals qualified to become new board members, consistent with criteria approved by the board of directors, (2) reviewing the qualifications of incumbent directors to determine whether to recommend them for reelection and selecting, or recommending that the board of directors select, the director nominees for the next annual meeting of stockholders, (3) identifying board members qualified to fill vacancies on any board of directors committee and recommending that the board of directors appoint the identified member or members to the applicable committee, (4) reviewing and recommending to the board of directors corporate governance principles applicable to us, (5) overseeing the evaluation of the board of directors and management and (6) handling such other matters that are specifically delegated to the committee by the board of directors from time to time.

Our board of directors will adopt a written charter for the Nominating and Corporate Governance Committee, which will be available on our website upon completion of this offering.

Director Independence

Pursuant to the corporate governance listing standards of Nasdaq, a director employed by us cannot be deemed to be an "independent director." Each other director will qualify as "independent" only if our board of directors affirmatively determines that he has no material relationship with us, either directly or as a partner, stockholder or officer of an organization that has a relationship with us. Ownership of a significant amount of our stock, by itself, does not constitute a material relationship.

Our board of directors is expected to affirmatively determine prior to this offering which members are "independent" in accordance with the Nasdaq rules.

Code of Business Conduct and Ethics

Prior to the consummation of this offering, we will adopt a Code of Business Conduct and Ethics (the "Code of Ethics") applicable to all employees, executive officers and directors that addresses legal and ethical issues that may be encountered in carrying out their duties and responsibilities, including the requirement to report any conduct they believe to be a violation of the Code of Ethics. The Code of Ethics will be available on the Corporate Governance page of our website, www.groceryoutlet.com. The information available on or through our website is not part of this prospectus. If we ever were to amend or waive any provision of our Code of Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or any person performing similar functions, we intend to satisfy our disclosure obligations with respect to any such waiver or amendment by posting such information on our internet website set forth above rather than by filing a Form 8-K.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides an overview of our executive compensation philosophy, the overall objectives of our executive compensation program, and each material element of compensation for the fiscal year ended December 29, 2018 that we provided to each person who served as our principal executive officer or principal financial officer during 2018 and our three most highly compensated executive officers employed at the end of 2018 other than those persons, all of whom we refer to collectively as our Named Executive Officers.

Our Named Executive Officers for the fiscal year ended December 29, 2018 were as follows:

- Eric J. Lindberg, Jr., *Chief Executive Officer, Former Co-Chief Executive Officer**
- S. MacGregor Read, Jr., *Vice Chairman, Former Co-Chief Executive Officer***
- Charles C. Bracher, *Chief Financial Officer*
- Robert Joseph Sheedy, Jr., *President, Former Chief Merchandise, Marketing & Strategy Officer****
- Thomas H. McMahon, *Executive Vice President, Sales & Merchandising*
- Steven K. Wilson, *Senior Vice President, Purchasing*

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* Mr. Lindberg has served as our Chief Executive Officer since January 2019 and previously served as our Co-Chief Executive Officer from January 2006 to December 2018.

** Mr. Read has served as our Vice Chairman since January 2019 and previously served as our Co-Chief Executive Officer from January 2006 to December 2018.

*** Mr. Sheedy has served as our President since January 2019 and previously served as our Chief Merchandise, Marketing & Strategy Officer from April 2017 to December 2018.

The Compensation Committee is responsible for establishing, implementing and evaluating our employee compensation and benefit programs. The Compensation Committee periodically reviews and makes recommendations to the board of directors with respect to the adoption of, or amendments to, all equity-based incentive compensation plans for employees, and cash-based incentive plans for executive officers, and evaluates whether the relationship between the incentives associated with these plans and the level of risk-taking by executive officers in response to such incentives is reasonably likely to have a material adverse effect on us. The Compensation Committee annually evaluates the performance of our executive officers, establishes the annual salaries and annual cash incentive awards for our executive officers and approves all equity awards. The Compensation Committee's objective is to ensure that the total compensation paid to the Named Executive Officers as well as our other senior officers is fair, reasonable and competitive. Generally, the types of compensation and benefits provided to our Named Executive Officers are similar to those provided to other senior members of our management team.

Executive Compensation Objectives and Philosophy

The goal of our executive compensation program is to create long-term value for our investors while at the same time rewarding our executives for superior financial and operating performance and encouraging them

to remain with us for long, productive careers. We believe the most effective way to achieve this objective is to design an executive compensation program rewarding the achievement of specific annual, long-term and strategic goals and aligning executives' interests with those of our investors by further rewarding performance above established goals. We use this philosophy as the foundation for evaluating and improving the effectiveness of our executive pay program. The following are the core elements of our executive compensation philosophy:

- Market Competitive: Compensation levels and programs for executives, including the Named Executive Officers, should be competitive relative to the marketplace in which we operate. It is important for us to leverage an understanding of what constitutes competitive pay in our market and build unique strategies to attract the high caliber talent we require to manage and grow our Company;

- Performance-Based: Most executive compensation should be performance-based pay that is "at risk," based on short-term and long-term goals, which reward both organizational and individual performance;

- Investor Aligned: Incentives should be structured to create a strong alignment between executives and investors on both a short-term and a long-term basis; and

- Financially Efficient: Pay programs and features should attempt to minimize the impact on our earnings and maximize our tax benefits, all other things being equal.

By incorporating these elements, we believe our executive compensation program is responsive to our investors' objectives and effective in attracting, motivating and retaining the level of talent necessary to grow and manage our business successfully.

Process for Determining Compensation

In 2018, the Compensation Committee reviewed the performance of our Co-Chief Executive Officers. The Compensation Committee tries to ensure that a substantial portion of the Co-Chief Executive Officer's compensation is directly linked to individual performance and the performance of our business. As discussed under "—Employment Agreements with Named Executive Officers—Chief Executive Officer Employment Agreements," we entered into an employment agreement with each of our then Co-Chief Executive Officers, which addresses certain elements of their compensation and benefit packages.

In determining the compensation of each of our Named Executive Officers (other than the Co-Chief Executive Officer), the Compensation Committee seeks the input of the Co-Chief Executive Officers. At the end of each year, the Co-Chief Executive Officer reviews a self-assessment prepared by each Named Executive Officer and assesses the Named Executive Officer's performance against the business unit (or area of responsibility) and individual goals and objectives. The Co-Chief Executive Officers then reviewed their assessments and, in that context, the Compensation Committee reviewed the compensation for each Named Executive Officer.

Relationship of Compensation Practices to Risk Management

We have reviewed and considered our compensation plans and practices for all our employees and do not believe that our compensation policies and practices create risks that are reasonably likely to have a material adverse effect on us. We utilize many design features that mitigate the possibility of encouraging excessive risk taking behavior. Among these design features are:

- reasonable goals and objectives that are well-defined and communicated; and

- balance of short- and long-term variable compensation tied to a mix of financial and operational objectives.

Considerations in Setting 2018 Compensation

The 2018 compensation of our Named Executive Officers was based on company-wide operating results and the extent to which individual performance objectives were met. The Compensation Committee believes that the total 2018 compensation opportunity for our Named Executive Officers was competitive while at the same time being responsible to our investors because a significant percentage of total compensation in 2018 was allocated to variable compensation, paid only upon achievement of both individual and Company performance objectives.

The following is a summary of key considerations that affected the development of 2018 compensation targets and 2018 compensation decisions for our Named Executive Officers (and which the Compensation Committee believes will continue to affect its compensation decisions in future years):

Use of Market Data. We establish target compensation levels that are consistent with market practice and internal equity considerations (including position, responsibility and contribution) relative to base salaries, annual bonuses and long-term equity compensation, as well as the appropriate pay mix for a particular position. In order to gauge the competitiveness of its compensation programs, we may also review compensation practices and pay opportunities from retail and grocery industry survey data. We attempt to position ourselves to attract and retain qualified senior executives in the face of competitive pressures in its relevant labor markets.

Emphasis on Performance. Our compensation program provides increased pay opportunity correlated with superior performance over the long term. When evaluating base salary, individual performance is the primary driver that determines the Named Executive Officer's annual increase, if any. In our Annual Incentive Plan (the "AIP"), performance metrics are key drivers in determining the Named Executive Officer's non-equity incentive award. Of the outstanding unvested options granted under our 2014 Stock Incentive Plan (the "2014 Stock Plan") currently held by our Named Executive Officers, approximately 50% are performance-based.

The Importance of Organizational Results. The AIP uses the achievement of specific organizational metrics in determining approximately 50% to 100% of the Named Executive Officers' target annual cash incentive award to hold the Named Executive Officers accountable for both the results of their organization and overall company results. The AIP was designed to emphasize and reward the Named Executive Officers for corporate performance. The vesting of long-term performance-vesting stock options granted under our 2014 Stock Plan are also dependent on us achieving overall corporate financial goals.

Following this offering, the Compensation Committee anticipates that it will retain an independent compensation consultant who will provide the Compensation Committee with input and guidance on all components of our executive compensation program and will advise the Compensation Committee with respect to market data for base salary, annual bonus and long-term equity compensation for similarly situated executives in our peer group.

Elements of 2018 Compensation Program

There are three key components of our executive compensation program for our Named Executive Officers:

- base salary;
- annual incentive bonus pursuant to the AIP; and
- long-term equity incentive compensation in the form of both time and performance vesting stock options pursuant to the 2014 Stock Plan.

In addition to these key compensation elements, the Named Executive Officers are provided certain other compensation. See "—Other Compensation."

We believe that offering each of the components of our executive compensation program is necessary to remain competitive in attracting and retaining talented executives. Furthermore, the annual incentive bonus and long-term equity incentive compensation align the executive's goals with those of the organization and our stockholders. Collectively, these components are designed to reward and influence the executive's individual performance and our short-term and long-term performance. Base salaries and annual incentive bonuses are designed to reward executives for their performance and our short-term performance. We believe that providing long-term incentive compensation in the form of stock options ensures that our executives have a continuing stake in our long-term success and have incentives to increase our equity value. Total compensation for each Named Executive Officer is reviewed annually to ensure that the proportions of the executive's short-term incentives and long-term incentives are properly balanced.

The components of incentive compensation (the annual incentive bonus and equity awards) are significantly "at risk," as the degree to which the annual incentive bonuses are paid and the performance vesting and the intrinsic value of the equity awards all depend on the extent to which certain of our operating and financial goals are achieved. When reviewing compensation levels, each component of compensation is reviewed independently, and the total pay package is reviewed in the aggregate. However, the Compensation Committee believes that an important component of aligning the interests of investors and executives is to place a strong emphasis on "at risk" compensation linked to overall Company performance. In 2018, approximately 50% of the compensation for Messrs. Lindberg and Read was "at risk." See "—Equity Incentive Compensation—Grants of Time Options and Performance Options to Named Executive Officers" for a discussion relating to long-term incentive compensation.

Base Salary

We pay our Named Executive Officers base salaries to compensate them for services rendered each year. Base salary is a regular, cash payment, the amount of which is based on position, experience and performance after considering the following primary factors: internal review of the executive's compensation and the Compensation Committee's assessment of the executive's individual prior performance. Salary levels are typically considered annually as part of our performance review process but can be adjusted in connection with a promotion or other change in job responsibility. Merit-based increases to salaries of the Named Executive Officers are determined each December by the Compensation Committee after an assessment of the performance of each executive for that fiscal year. Each of the Named Executive Officers received a 3.0% salary increase from 2017 to 2018, except for Mr. Sheedy who received a salary increase of 11.9% as a reward for exceptional employee performance**.**

The salary increases for the Named Executive Officers from 2017 to 2018 were:

	Salary as of January 8, 2017 ($)	Salary Increase from 2017 to 2018 (%) (1)	Salary as of January 7, 2018 ($)
Eric J. Lindberg, Jr.	550,756	3.0	567,279
S. MacGregor Read, Jr.	550,756	3.0	567,279
Charles C. Bracher	492,692	3.0	507,473
Robert Joseph Sheedy, Jr.	424,360	11.9	475,000
Thomas H. McMahon	337,652	3.0	347,783
Steven K. Wilson	305,000	3.0	314,150

(1) Salary increases effective January 7, 2018.

Annual Cash Incentive Compensation

In addition to receiving base salaries, the Named Executive Officers and other participants are eligible to receive an annual incentive bonus pursuant to the AIP each year. Our AIP is an annual cash incentive program designed to create a link between executive compensation and performance of the participants and us. The AIP provides metrics for the calculation of annual incentive-based cash compensation after assessing the executive's performance against pre-determined quantitative and qualitative measures within the context of our overall performance. For each fiscal year, the executives' annual incentive bonuses are determined as a percentage of their base salaries, based on the achievement of the applicable Company-wide and individual goals on a sliding scale. In order to receive a payment under the AIP, a participant must be actively employed by the Company and in good standing at the time of payment, and sign a form of confidentiality and at-will employment acknowledgement.

2018 Annual Incentive Plan

Under the AIP, the Compensation Committee establishes Company-wide financial performance objectives each fiscal year, which serve as the basis for determining the amount of bonuses to be paid under the program. Pursuant to the AIP established with respect to fiscal year 2018 (the "2018 AIP"), the following core corporate performance measures were used to calculate the annual bonus pool: (i) "FY18 Bonus EBITDA," which is 2018 EBITDA excluding new store pre-opening expenses and Grocery Outlet Holding Corp. Delaware taxes (with an annual target goal of $152.1 million); (ii) 12 month comparable store sales growth (with an annual target goal of 4.50% over the prior year); and (iii) new store sales for 2017 and 2018 vintage stores (with an annual target goal of $230.9 million). Each of our Co-Chief Executive Officers and Mr. Wilson were also given department-specific goals, as follows: (i) Mr. Wilson had a department goal of buyer controlled gross margin dollars (with an annual target goal of $673.9 million); (ii) Mr. Lindberg had a department goal of Southern California (excluding the San Diego region) store sales (with an annual target goal of $169.9 million); and (iii) Mr. Read had a department goal of new store sites approved in 2018 for opening in 2019 (with an annual target goal of 44 sites to be approved with an average of 26 weeks of net sales).

For fiscal year 2018, the percentage of target achievement for each performance measure described above was as follows: (i) FY18 Bonus EBITDA: 100.1%, resulting in a payout of 100.47%; (ii) 12 month comparable store sales growth: 83.4%, resulting in a payout of 83.4%; (iii) new store sales for 2017 and 2018 vintage stores: 106%, resulting in a payout of 129.8%; and (iv) department-specific goals, as follows: buyer controlled gross margin dollars: 99.1%, resulting in a payout of 80.2%, Southern California (excluding the San Diego region) store sales: 94.5% achievement resulting in a payout of 0%, and new store sites approved: 35 approved sites with an average of 23 weeks of net sales resulting in a payout of 0%.

AIP payouts for attainment of FY18 Bonus EBITDA, comparable store sales and new store sales scale independently above 100% attainment of the respective target opportunity, subject to minimum FY18 Bonus EBITDA achievement of 95% of target. Metric scaling continues ratably and is not capped. All department metrics have the opportunity to pay out above 100%, provided that payouts above 100% are the lesser of (i) EBITDA payout and (ii) department metric payout when both are above 100%.

Under the 2018 AIP, subject to the minimum achievement of a 3% year to date FY18 Bonus EBITDA growth from the prior fiscal year, we made interim quarterly payments under the AIP based on FY18 Bonus EBITDA and comparable store sales metrics, and 25% of the calculated quarterly payout were retained to be paid at year-end. The new store sales and department and geographic specific goals were annual metrics with annual payout. In 2018, we exceeded the minimum 3% year-to-date FY18 Bonus EBITDA growth from 2017 for all four quarters, and accordingly, quarterly bonus payments were made each quarter. The new store sales and department specific goals were annual metrics with annual payout.

When establishing the foregoing performance targets, the Compensation Committee set targets that it believed (i) were challenging to achieve and reasonable, and (ii) fairly incentivized AIP participants. By setting the foregoing targets, the Compensation Committee established what it believed were stretch goals that would incentivize and reward exceptional employee performance without any guarantee that the Company would meet or exceed any such metrics in the prevailing business environment.

Actual annual cash incentive awards are calculated by multiplying each Named Executive Officer's actual base salary at fiscal year-end by his target award potential, which is then adjusted by an overall achievement factor based on the combined weighted achievement of the performance measures. The following table summarizes the fiscal 2018 annual incentive awards earned based on actual performance, as compared to the target opportunity, for each of the Named Executive Officers:

	2018 Base Salary ($)	Target Bonus (%)	Target Bonus Amount ($)	Overall Achievement Factor (%)	Actual Bonus Achieved ($)
Eric J. Lindberg, Jr.	567,279	100	567,279	77.6	440,042
S. MacGregor Read, Jr.	567,279	100	567,279	77.6	440,042
Charles C. Bracher	507,473	50	253,737	103.6	262,747
Robert Joseph Sheedy, Jr.	475,000	50	237,500	103.6	245,934
Thomas H. McMahon	347,783	50	173,891	103.6	180,066
Steven K. Wilson	314,150	50	157,075	85.6	134,372

2019 Annual Incentive Plan

In February 2019, our board of directors adopted the 2019 Annual Incentive Plan. Pursuant to the 2019 AIP, the Compensation Committee will determine the performance goals for the 2019 fiscal year. The bonus amount is calculated based on a percentage of the participant's base salary. Achievement of performance goals, which will determine the amount, if any, earned under the 2019 AIP, is determined by the Compensation Committee in its sole discretion. The bonus amount actually earned will be in the sole and exclusive discretion of the Compensation Committee based on the application of the performance goals for the 2019 fiscal year.

The bonus amount is payable in a lump sum cash amount (or, at the discretion of the Compensation Committee, in shares of our stock), and the payment with respect to any bonus amount under the 2019 AIP is subject to a participant's continued employment through the payment date. To the extent a participant's employment with us is terminated for any reason prior to the payment date, such participant shall have no rights with respect to any bonus amount or other payment or award under the 2019 AIP.

Long-Term Equity Incentive Compensation

In addition to base salary and cash bonus compensation, each of our Named Executive Officers is provided long-term equity incentive compensation. The use of long-term equity incentives creates a link between executive compensation and our long-term performance, thereby creating alignment between executive and investor interests. In 2014, our board of directors and our stockholders approved the 2014 Stock Plan, which provides the flexibility to grant a variety of long-term equity incentive awards, including stock options, stock appreciation rights and other stock-based awards.

As of December 29, 2018, only stock options to purchase shares of our common stock have been granted to the Named Executive Officers under the 2014 Stock Plan. In connection with the adoption of the 2014 Stock Plan, the Compensation Committee made stock option grants to the Named Executive Officers that were intended to provide five years of long-term incentive on an up-front basis. Equity awards granted to the Named Executive Officers under the 2014 Stock Plan were determined based on market competitiveness, criticality of position and individual performance (both historical and expected future performance). Historically, stock options have been, and we expect they will continue to be, a core element of long-term incentive opportunity for

our Named Executive Officers. The Compensation Committee believes that the best way to align compensation of our Named Executive Officers with long-term growth and profitability is to design long-term incentive compensation that is, to a great degree, dependent on Company performance.

The Compensation Committee did not make any equity grants to any Named Executive Officer during the 2018 fiscal year. For more information regarding the 2014 Stock Plan, see "—Stock Incentive Plans—2014 Stock Incentive Plan."

The following is a description of stock options granted to our Named Executive Officers since 2014.

Time Option Agreement

Each of the Named Executive Officers were granted time-vesting stock options (the "Time Options") pursuant to our standard form of time-vesting stock option award agreement (the "Time Option Agreement") under the 2014 Stock Plan. Each of Messrs. Lindberg and Read entered into an Amended and Restated Time Option (the "A&R Time Option Agreement") with substantially similar terms to the Time Option Agreement, except as provided below.

As provided in the A&R Time Option Agreement and Time Option Agreement, 20% of the shares subject to the Time Option vest and become exercisable on each of the first five anniversaries of the date of grant, subject to the executive's continued employment with us on each applicable vesting date. If a change in control (as defined in the 2014 Stock Plan) occurs during the executive's employment, the Time Option will become fully vested and exercisable immediately prior to the effective time of such change in control.

The executive may exercise all or any part of the vested portion of the Time Option at any time prior to the earliest to occur of: (i) the tenth anniversary of the grant date of the Time Option; (ii) the date on which the executive's employment is terminated by us or any of its affiliates for cause or the date on which the executive breaches any restrictive covenant agreement between the executive and us or any of our affiliates; (iii) the one-year anniversary of the date of the executive's termination of employment due to death or disability; or (iv) the 90th day following the date of the executive's termination of employment for any reason other than by us or any if our affiliates for cause or due to death or disability.

Performance Option Agreement

Each of the Named Executive Officers were granted performance-vesting stock options (the "Performance Options") pursuant to our standard form of performance-vesting stock option award agreement (the "Performance Option Agreement") under the 2014 Stock Plan. Each of Messrs. Lindberg and Read entered into an Amended and Restated Performance Option (the "A&R Performance Option Agreement") with substantially similar terms to the Performance Option Agreement, except as provided below.

As provided in the A&R Performance Option Agreement and Performance Option Agreement, the shares subject to the Performance Option vest and become exercisable on each "measurement date" (generally defined as the date on which the H&F Investor receives proceeds prior to the occurrence of a change in control (as defined in the 2014 Stock Plan) or the "final measurement date") as follows:

(i) 0% if the internal rate of return ("IRR") is less than 20%;

(ii) 50% if the IRR is 20%;

(iii) 50-100%, using linear interpolation, if the IRR is between 20% and 30%; and

(iv) 100% if the IRR is greater than or equal to 30%.

Upon the occurrence of the "final measurement date" (generally defined as a change in control or in the case of an initial public offering at such time that the H&F Investor holds less than 10% of our issued and outstanding common stock for a period of 30 consecutive trading days), the IRR will be measured for the final time and any portion of the Performance Option that does not vest at such time will be forfeited without consideration to the executive.

The executive may exercise all or any part of the vested portion of the Performance Option at any time prior to the earliest to occur of: (i) the tenth anniversary of the grant date of the Performance Option; (ii) the date on which the executive's employment is terminated by us or any of our affiliates for cause or the date on which the executive breaches any restrictive covenant agreement between the executive and us or any of our affiliates; (iii) the one-year anniversary of the date of the executive's termination of employment due to death or disability; or (iv) the 90th day following the date of the executive's termination of employment for any reason other than by us or any of our affiliates for cause or due to death or disability.

The A&R Performance Option Agreement and Performance Option Agreement each provide that no portion of the Performance Option will vest and become exercisable as to any additional shares following the termination of the executive's employment with us for any reason, and the portion of the Performance Option that is unvested and unexercisable as of the date of such termination will immediately expire without consideration or payment therefor.

The A&R Performance Option Agreement, in contrast to the Performance Option Agreement, provides that in the event that the Performance Option has not become vested on or prior to the date of the executive's "qualifying termination" (generally defined as termination by us without cause, by the executive for good reason, or due to the executive's death or disability), then the Performance Option will remain outstanding and eligible to vest during the "tail period" (generally defined as the six month period following an executive's qualifying termination, or if shorter, the period from the date of a qualifying termination until the tenth anniversary of the grant date) in the event that a greater IRR performance-vesting hurdle is achieved in connection with any measurement date that occurs within such tail period, and the Performance Option will remain exercisable following any vesting date that occurs during the tail period for the same duration as if the executive's employment terminated on such vesting date (pursuant to the post-termination exercise period provisions described above). If no greater IRR performance-vesting hurdle is achieved during such tail period, the Performance Option will terminate as of the end of the tail period.

Restrictive Covenants in Option Agreements

Each of the A&R Time Option Agreement, Time Option Agreement, A&R Performance Option Agreement and Performance Option Agreement contain the following restrictive covenants: (i) non-competition during the executive's employment period; (ii) nondisclosure of confidential information for an unlimited duration; and (iii) non-solicitation of customers and non-solicitation of employees during the executive's employment period and the one-year period following the executive's termination of employment. The Time Option Agreement and Performance Option Agreement also each contain a non-disparagement covenant for the period until the option is fully exercised or otherwise expires.

Grants of Time Options and Performance Options to Named Executive Officers

On October 21, 2014, the Company granted each of Messrs. Lindberg and Read (i) a Time Option to purchase 967,651 shares of the Company's common stock, at an exercise price of $10.00, pursuant to the A&R Time Option Agreement, and (ii) a Performance Option to purchase 967,651 shares of the Company's common stock, at an exercise price of $10.00 (which exercise price was adjusted in connection with the 2016 Dividend and 2018 Dividend and is currently $5.34), pursuant to the A&R Performance Option Agreement.

On November 25, 2014, the Company granted each of Messrs. Bracher and Sheedy (i) a Time Option to purchase 258,041 shares of the Company's common stock, at an exercise price of $10.00, pursuant to the Time Option Agreement, and (ii) a Performance Option to purchase 258,040 shares of the Company's common stock, at an exercise price of $10.00 (which exercise price was adjusted in connection with the 2016 Dividend and 2018 Dividend and is currently $5.34), pursuant to the Performance Option Agreement.

On November 25, 2014, the Company granted each of Messrs. McMahon and Wilson (i) a Time Option to purchase 172,026 shares of the Company's common stock, at an exercise price of $10.00, pursuant to the Time Option Agreement, and (ii) a Performance Option to purchase 172,027 shares of the Company's common stock, at an exercise price of $10.00 (which exercise price was adjusted in connection with the 2016 Dividend and 2018 Dividend and is currently $5.34), pursuant to the Performance Option Agreement.

2016 and 2018 Dividends on Options

We declared cash dividends in respect of our outstanding common stock in June 2016 and October 2018.

In June 2016, our board of directors declared a cash dividend of $1.72 per share of our outstanding common stock (the "2016 Dividend") in connection with the 2016 Recapitalization. Pursuant to the terms of the 2014 Stock Plan, our board of directors was required to make an equitable adjustment to all outstanding options in connection with the payment of the extraordinary dividend.

In connection with the 2016 Dividend, we treated the Time Options and Performance Options held by each of Messrs. Lindberg, Read, Bracher, Sheedy, McMahon and Wilson as follows:

- With respect to vested Time Options, the Named Executive Officer received a lump-sum cash payment in an amount equal to the number of shares underlying the vested Time Option multiplied by the 2016 Dividend amount, less applicable tax withholdings, paid in June 2016.

- With respect to unvested Time Options, the Named Executive Officer received a right to cash payment in an amount equal to the number of shares underlying the unvested Time Option multiplied by the 2016 Dividend amount, to be paid in part upon each vesting date under the Time Option (provided that the executive satisfied the vesting conditions applicable to the unvested Time Option, for such vesting date).

- We reduced the per share exercise prices of any outstanding unvested Performance Options held by Named Executive Officers, by the per share 2016 Dividend amount.

In October 2018, our board of directors declared a cash dividend of $2.94 per share of the company's outstanding common stock (the "2018 Dividend") in connection with the 2018 Recapitalization.

In connection with the 2018 Dividend, we treated the Time Options and Performance Options held by each of Messrs. Lindberg, Read, Bracher, Sheedy, McMahon and Wilson as follows:

- With respect to vested Time Options, the Named Executive Officer received a lump-sum cash payment in an amount equal to the number of shares underlying the vested Time Option multiplied by the 2018 Dividend amount, less applicable tax withholdings, paid on October 26, 2018.

- With respect to unvested Time Options, the Named Executive Officer received a right to cash payment in an amount equal to the number of shares underlying the unvested Time Option multiplied by the 2018 Dividend amount, to be paid in part upon each vesting date under the Time Option (provided that the executive satisfied the vesting conditions applicable to the unvested Time Option, for such vesting date).

- We reduced the per share exercise prices of any outstanding unvested Performance Options held by Named Executive Officers, by the per share 2018 Dividend amount.

For information on the amounts of dividend equivalent payments made in 2018 in connection with the vesting of Time Options held by the Named Executive Officers, please see the "All Other Compensation" column of the Summary Compensation Table.

Stock Incentive Plans

2014 Stock Plan

The 2014 Stock Plan became effective on October 21, 2014. Under the 2014 Stock Plan, we granted stock options to purchase shares of our common stock. The 2014 Stock Plan will be terminated effective as of the consummation of this offering. Following this offering, it is not expected that any equity awards will be issued under the 2014 Stock Plan.

Purpose

The principal purpose of the 2014 Stock Plan was (i) to aid us and our affiliates in recruiting and retaining employees, directors and other service providers of outstanding ability, (ii) to motivate such persons to exert their best efforts on behalf of us and our affiliates by providing incentives through the granting of equity awards and (iii) to align the interest of such persons with those of us and our affiliates.

Administration

Our Compensation Committee administered the 2014 Stock Plan and had the discretion and authority to designate grantees of awards and make all decisions and determinations on matters relating to the 2014 Stock Plan.

Awards Subject to 2014 Stock Plan

The 2014 Stock Plan provided for the grant of stock options, stock appreciation rights and other stock-based awards, including shares and restricted shares. As a condition to the grant of a stock option pursuant to the 2014 Stock Plan, each grantee was required to enter into a Time Option Agreement or Performance Option Agreement, which provided the number of shares subject to the stock option and the terms of such grant as determined by the Compensation Committee. We reserved an aggregate of 8,601,345 shares of our common stock which may be issued under the 2014 Stock Plan.

Treatment upon Change in Control

The 2014 Stock Plan provides that in the event of a change in control, the Compensation Committee may but is not obligated to:

(i) accelerate, vest or cause the restrictions to lapse with respect to all or any portion of an equity award;

(ii) cancel such equity awards for fair value (as determined by the Compensation Committee in its sole discretion in good faith), including with respect to other stock-based awards, for a cash payment or equity subject to deferred vesting and delivery consistent with the vesting restrictions applicable to such other stock-based awards or the underlying shares, or which, in the case of options and stock appreciation rights, may, if so determined by the Compensation Committee, equal the excess, if any, of value of the consideration to be paid in the change in control transaction, directly or

indirectly, to holders of the same number of shares subject to such options or stock appreciation rights (or, if no consideration is paid in any such transaction, the fair market value per share of the shares subject to such options or stock appreciation rights) over the aggregate option price of such options or exercise price of such stock appreciation rights (in such event, any option or stock appreciation right having a per share option price or exercise price equal to, or in excess of, the fair market value per share of a share subject thereto may be canceled and terminated without any payment or consideration therefor);

(iii) provide for the issuance of substitute equity awards that will preserve the rights under, and the otherwise applicable terms of, any affected equity awards previously granted under the 2014 Stock Plan as determined by the Compensation Committee in its sole discretion in good faith; and/or

(iv) provide that for a period of at least 15 days prior to the change in control, options and stock appreciation rights will be exercisable as to all shares subject thereto (whether or not vested) and that upon the occurrence of the change in control, such options and stock appreciation rights will terminate and be of no further force and effect.

Pursuant to the 2014 Stock Plan, "change in control" is generally defined as (i) any transaction or series of related transactions in which any person or group of persons (other than the H&F Investor or its affiliates) will (A) acquire, whether by purchase, exchange, tender offer, merger, consolidation, recapitalization or otherwise, or (B) otherwise be the owner of (as a result of a redemption of shares of our common stock or otherwise), shares of our common stock (or shares in a successor corporation by merger, consolidation or otherwise) such that following such transaction or transactions, such person or group and their respective affiliates beneficially own 50% or more of the voting power at elections for our board of directors or any successor corporation; or (ii) the sale or transfer of all or substantially all of our assets and, following such sale or transfer, there is a liquidation of us.

Nontransferability and Distributions of Awards

Pursuant to the terms of the 2014 Stock Plan, unless expressly permitted by the Compensation Committee in an option agreement or otherwise in writing, equity awards may not be transferred except by will or the laws of descent and distribution.

Amendment and Termination

The 2014 Stock Plan provided that our board of directors may amend or terminate the plan, but that no such amendment or termination may be made (i) without the approval of our shareholders, if such action would (except as is otherwise provided in the 2014 Stock Plan) increase the total number of shares reserved for the purposes of the plan or, if applicable, change the maximum number of shares for which equity awards may be granted to any participant; or (ii) without the consent of a participant, if such action would materially diminish any of the rights of such participant under any equity award theretofore granted to such participant under the plan; provided, however, that the Compensation Committee may amend the plan or any outstanding equity award in the least restrictive manner necessary to comply with the requirements of applicable laws.

2019 Incentive Plan

Prior to the completion of this offering, our board of directors will adopt, and we expect our stockholders to approve, the Grocery Outlet Holding Corp. 2019 Incentive Plan. Any awards granted under the 2014 Stock Plan will remain subject to the terms of the 2014 Stock Plan and the applicable stock option award agreements. Equity awards to our Named Executive Officers under the 2019 Incentive Plan will be designed to reward our Named Executive Officers for long-term stockholder value creation. The awards expected to be made under our 2019 Incentive Plan concurrent with the closing of this offering will be granted to recognize such individuals' efforts on our behalf in connection with our formation and this offering, to ensure their alignment with our stockholder's interests, and to provide a retention element to their compensation.

Purpose. The purpose of the 2019 Incentive Plan is to provide a means through which to attract and retain key personnel and to provide a means whereby our directors, officers, employees, consultants and advisors can acquire and maintain an equity interest in us, or be paid incentive compensation, including incentive compensation measured by reference to the value of our common stock, thereby strengthening their commitment to our welfare and aligning their interests with those of our stockholders.

Administration. The 2019 Incentive Plan will be administered by the compensation committee of our board of directors (the "Compensation Committee") or such other committee of our board of directors to which it has properly delegated power, or if no such committee or subcommittee exists, our board of directors. The Compensation Committee is authorized to interpret, administer, reconcile any inconsistency in, correct any defect in and/or supply any omission in the 2019 Incentive Plan and any instrument or agreement relating to, or any award granted under, the 2019 Incentive Plan; establish, amend, suspend, or waive any rules and regulations and appoint such agents as the Compensation Committee deems appropriate for the proper administration of the 2019 Incentive Plan; adopt sub-plans; and to make any other determination and take any other action that the Compensation Committee deems necessary or desirable for the administration of the 2019 Incentive Plan. Except to the extent prohibited by applicable law or the applicable rules and regulations of any securities exchange or inter-dealer quotation system on which our securities are listed or traded, the Compensation Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it in accordance with the terms of the 2019 Incentive Plan. Unless otherwise expressly provided in the 2019 Incentive Plan, all designations, determinations, interpretations, and other decisions under or with respect to the 2019 Incentive Plan or any award or any documents evidencing awards granted pursuant to the 2019 Incentive Plan are within the sole discretion of the Compensation Committee, may be made at any time and are final, conclusive and binding upon all persons or entities, including, without limitation, us, any participant, any holder or beneficiary of any award, and any of our stockholders. The Compensation Committee may make grants of awards to eligible persons pursuant to terms and conditions set forth in the applicable award agreement, including subjecting such awards to performance criteria listed in the 2019 Incentive Plan.

Shares Subject to 2019 Incentive Plan. The 2019 Incentive Plan provides that the total number of shares of common stock that may be issued under the 2019 Incentive Plan is (the "plan share reserve"), provided, however, that the plan share reserve shall be increased on the first day of each fiscal year beginning with the fiscal year in an amount equal to the lesser of (i) the positive difference between (x) % of the outstanding common stock on the last day of the immediately preceding fiscal year and (y) the plan share reserve on the last day of the immediately preceding fiscal year and (ii) a lower number of shares of our common stock as determined by our board of directors. No more than the number of shares of common stock equal to the plan share reserve may be issued in the aggregate pursuant to the exercise of incentive stock options. The maximum number of shares of common stock granted during a single fiscal year to any non-employee director, taken together with any cash fees paid to such non-employee director during the fiscal year, may not exceed $ in total value. Except for substitute awards (as described below), in the event any award expires or is cancelled, forfeited or terminated without issuance to the participant of the full number of shares to which the award related, the unissued shares of common stock underlying such award will be returned to the plan share reserve and may be granted again under the 2019 Incentive Plan. Shares of common stock withheld in payment of an option exercise price or taxes relating to an award, and shares equal to the number of shares surrendered in payment of any option exercise price, a stock appreciation right's base price, or taxes relating to an award will constitute shares issued to a participant and will thus reduce the plan share reserve. Awards may, in the sole discretion of the Compensation Committee, be granted in assumption of, or in substitution for, outstanding awards previously granted by an entity directly or indirectly acquired by us or with which we combine (referred to as "substitute awards"), and such substitute awards will not be counted against the plan share reserve, except that substitute awards intended to qualify as "incentive stock options" will count against the limit on incentive stock options described above. No award may be granted under the 2019 Incentive Plan after the tenth anniversary of the effective date (as defined therein), but awards granted before then may extend beyond that date.

Options. The Compensation Committee may grant non-qualified stock options and incentive stock options, under the 2019 Incentive Plan, with terms and conditions determined by the Compensation Committee that are not inconsistent with the 2019 Incentive Plan. All stock options granted under the 2019 Incentive Plan are required to have a per share exercise price that is not less than 100% of the fair market value of our common stock underlying such stock options on the date such stock options are granted (other than in the case of options that are substitute awards). All stock options that are intended to qualify as incentive stock options must be granted pursuant to an award agreement expressly stating that the options are intended to qualify as incentive stock options and will be subject to the terms and conditions that comply with the rules as may be prescribed by Section 422 of the Code. The maximum term for stock options granted under the 2019 Incentive Plan will be ten years from the initial date of grant, or with respect to any stock options intended to qualify as incentive stock options, such shorter period as prescribed by Section 422 of the Code. However, if a non-qualified stock option would expire at a time when trading of shares of our common stock is prohibited by our insider trading policy (or "blackout period" imposed by us), the term will automatically be extended to the 30th day following the end of such period. The purchase price for the shares as to which a stock option is exercised may be paid to us, to the extent permitted by law, (i) in cash or its equivalent at the time the stock option is exercised; (ii) in shares having a fair market value equal to the aggregate exercise price for the shares being purchased and satisfying any requirements that may be imposed by the Compensation Committee (so long as such shares have been held by the participant for at least six months or such other period established by the Compensation Committee to avoid adverse accounting treatment); or (iii) by such other method as the Compensation Committee may permit in its sole discretion, including, without limitation, (A) in other property having a fair market value on the date of exercise equal to the purchase price, (B) through the delivery of irrevocable instructions to a broker to sell the shares being acquired upon the exercise of the stock option and to deliver to us the amount of the proceeds of such sale equal to the aggregate exercise price for the shares being purchased or (C) through a "net exercise" procedure effected by withholding the minimum number of shares needed to pay the exercise price and any applicable taxes. Any fractional shares of common stock will be settled in cash. Options will become vested and exercisable in such manner and on such date(s) or event(s) as determined by the Compensation Committee, provided that the Compensation Committee may, in its sole discretion, accelerate the vesting of any options at any time for any reason.

Unless otherwise provided by the Compensation Committee (whether in an award agreement or otherwise), in the event of (i) a participant's termination of service for cause, all outstanding options will immediately terminate and expire, (ii) a participant's termination of service due to death or disability, each outstanding unvested option will immediately terminate and expire, and vested options will remain exercisable for one year following termination of service (or, if earlier, through the last day of the tenth year from the initial date of grant), and (iii) a participant's termination for any other reason, outstanding unvested options will terminate and expire and vested options remain exercisable for 90 days following termination (or, if earlier, through the last day of the tenth year from the initial date of grant).

Restricted Shares and Restricted Stock Units. The Compensation Committee may grant restricted shares of our common stock or restricted stock units, representing the right to receive, upon vesting and the expiration of any applicable restricted period, one share of common stock for each restricted stock unit, or, in the sole discretion of the Compensation Committee, the cash value thereof (or any combination thereof). As to restricted shares of our common stock, subject to the other provisions of the 2019 Incentive Plan, the holder will generally have the rights and privileges of a stockholder as to such restricted shares of common stock, including, without limitation, the right to vote such restricted shares of common stock. Participants have no rights or privileges as a stockholder with respect to restricted stock units. Restricted shares of our common stock and restricted stock units will become vested in such manner and on such date(s) or event(s) as determined by the Compensation Committee, provided that the Compensation Committee may, in its sole discretion, accelerate the vesting of any restricted shares of our common stock or restricted stock units at any time for any reason. Unless otherwise provided by the Compensation Committee, whether in an award agreement or otherwise, in the event of a participant's termination for any reason prior to vesting of any restricted shares or restricted stock units, as applicable (i) all vesting with respect to the participant's restricted shares or restricted stock units, as applicable,

will cease and (ii) unvested restricted shares and unvested restricted stock units will be forfeited for no consideration on the date of termination.

Other Equity-Based Awards and Cash-Based Awards. The Compensation Committee may grant other equity-based or cash-based awards under the 2019 Incentive Plan, with terms and conditions determined by the Compensation Committee that are not inconsistent with the 2019 Incentive Plan.

Effect of Certain Events on 2019 Incentive Plan and Awards. Other than with respect to cash-based awards, in the event of (i) any dividend (other than regular cash dividends) or other distribution (whether in the form of cash, shares of common stock, other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, split-off, spin-off, combination, repurchase or exchange of shares of common stock or other securities, issuance of warrants or other rights to acquire shares of common stock or other securities, or other similar corporate transaction or event that affects the shares of common stock (including a change in control, as defined in the 2019 Incentive Plan), or (ii) unusual or nonrecurring events affecting the Company, including changes in applicable rules, rulings, regulations or other requirements, that the Compensation Committee determines, in its sole discretion, could result in substantial dilution or enlargement of the rights intended to be granted to, or available for, participants (any event in (i) or (ii), an "Adjustment Event"), the Compensation Committee will, in respect of any such Adjustment Event, make such proportionate substitution or adjustment, if any, as it deems equitable, to any or all of: (A) the Plan Share Reserve, or any other limit applicable under the 2019 Incentive Plan with respect to the number of awards which may be granted thereunder, (B) the number of shares of common stock or other securities of the Company (or number and kind of other securities or other property) which may be issued in respect of awards or with respect to which awards may be granted under the 2019 Incentive Plan or any sub-plan and (C) the terms of any outstanding award, including, without limitation, (x) the number of shares of common stock or other securities of the Company (or number and kind of other securities or other property) subject to outstanding awards or to which outstanding awards relate, (y) the exercise price or strike price with respect to any award, or (z) any applicable performance measures; it being understood that, in the case of any "equity restructuring," the Compensation Committee will make an equitable or proportionate adjustment to outstanding awards to reflect such equity restructuring.

In connection with any change in control, the Compensation Committee may, in its sole discretion, provide for any one or more of the following: (i) a substitution or assumption of, acceleration of the vesting of, the exercisability of, or lapse of restrictions on, any one or more outstanding awards and (ii) cancellation of any one or more outstanding awards and payment to the holders of such awards that are vested as of such cancellation (including any awards that would vest as a result of the occurrence of such event but for such cancellation) the value of such awards, if any, as determined by the Compensation Committee (which value, if applicable, may be based upon the price per share of common stock received or to be received by other holders of our common stock in such event), including, in the case of stock options and stock appreciation rights, a cash payment equal to the excess, if any, of the fair market value of the shares of common stock subject to the option or stock appreciation right over the aggregate exercise price or base price thereof.

Nontransferability of Awards. Each award under the 2019 Incentive Plan will not be transferable or assignable by a participant other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance will be void and unenforceable against us or any of our subsidiaries. However, the Compensation Committee may, in its sole discretion, permit awards (other than incentive stock options) to be transferred, including transfers to a participant's family members, any trust established solely for the benefit of a participant or such participant's family members, any partnership or limited liability company of which a participant, or such participant and such participant's family members, are the sole member(s), and a beneficiary to whom donations are eligible to be treated as "charitable contributions" for tax purposes.

Amendment and Termination. Our board of directors may amend, alter, suspend, discontinue, or terminate the 2019 Incentive Plan or any portion thereof at any time; but no such amendment, alteration,

suspension, discontinuance or termination may be made without stockholder approval if (i) such approval is necessary to comply with any regulatory requirement applicable to the 2019 Incentive Plan or for changes in U.S. GAAP to new accounting standards; (ii) it would materially increase the number of securities which may be issued under the 2019 Incentive Plan (except for adjustments in connection with certain corporate events); or (iii) it would materially modify the requirements for participation in the 2019 Incentive Plan; and any such amendment, alteration, suspension, discontinuance or termination that would materially and adversely affect the rights of any participant or any holder or beneficiary of any award will not to that extent be effective without such individual's consent.

The Compensation Committee may, to the extent consistent with the terms of any applicable award agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any award granted or the associated award agreement, prospectively or retroactively (including after a participant's termination). However, except as otherwise permitted in the 2019 Incentive Plan, any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of any participant with respect to such award will not to that extent be effective without such individual's consent. In addition, without stockholder approval, except as otherwise permitted in the 2019 Incentive Plan, (i) no amendment or modification may reduce the exercise price of any option or the strike price of any stock appreciation right; (ii) the Compensation Committee may not cancel any outstanding option or stock appreciation right and replace it with a new option or stock appreciation right (with a lower exercise price or strike price, as the case may be) or other award or cash payment that is greater than the value of the cancelled option or stock appreciation right; and (iii) the Compensation Committee may not take any other action which is considered a "repricing" for purposes of the stockholder approval rules of any securities exchange or inter-dealer quotation system on which our securities are listed or quoted.

Dividends and Dividend Equivalents. The Compensation Committee in its sole discretion may provide part of an award with dividends or dividend equivalents, on such terms and conditions as may be determined by the Compensation Committee in its sole discretion. Unless otherwise provided in the award agreement, any dividend payable in respect of any share of restricted stock that remains subject to vesting conditions at the time of payment of such dividend will be retained by the Company and remain subject to the same vesting conditions as the share of restricted stock to which the dividend relates. To the extent provided in an award agreement, the holder of outstanding restricted stock units will be entitled to be credited with dividend equivalents either in cash, or in the sole discretion of the Compensation Committee, in shares of common stock having a fair market value equal to the amount of the dividends (and interest may be credited, at the discretion of the Compensation Committee, on the amount of cash dividend equivalents, at a rate and subject to terms determined by the Compensation Committee), which accumulated dividend equivalents (and any interest) will be payable at the same time as the underlying restricted stock units are settled following the lapse of restrictions (and with any accumulated dividend equivalents forfeited if the underlying restricted stock units are forfeited).

Clawback/Repayment. All awards are subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by our board of directors or the Compensation Committee and as in effect from time to time and (ii) applicable law. To the extent that a participant receives any amount in excess of the amount that the participant should otherwise have received under the terms of the award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the participant will be required to repay any such excess amount to the Company. If a participant engages in any detrimental activity (as described below), as determined by the Compensation Committee, the Compensation Committee may, in its sole discretion, provide for one or more of the following: (i) cancellation of any or all of a participant's outstanding awards or (ii) forfeiture by the participant of any gain realized on the vesting or exercise of awards, and repayment of any such gain promptly to the Company. For purposes of the 2019 Incentive Plan and awards thereunder, "detrimental activity" means: any unauthorized disclosure of confidential or proprietary information of the Company or its subsidiaries; any activity that would be grounds to terminate the participant's employment or service for cause; the participant's breach of any restrictive covenant (including, but not limited, to any non-competition or non-solicitation

covenants); or fraud or conduct contributing to any financial restatements or irregularities, as determined by the Compensation Committee in its discretion.

Employment Agreements with Named Executive Officers

Chief Executive Officer Employment Agreements

On October 7, 2014, we entered into an amended and restated chief executive officer employment agreement with each of Messrs. Lindberg and Read, pursuant to which each executive agreed to continue to serve as one of our Co-Chief Executive Officers. The following description of the employment agreements is qualified in its entirety by the full terms and conditions of the employment agreements. Each employment agreement is filed as an exhibit to the registration statement of which this prospectus forms a part and is incorporated herein by reference.

Salary and Incentive Compensation

Pursuant to the employment agreement, each of Messrs. Lindberg and Read's annual base salary was $504,000 ($567,279 in 2018) and his target AIP award is 100% of annual base salary.

Severance

The employment agreements provide that in the event of a termination of employment without cause (as defined in the chief executive officer employment agreement) or resignation for good reason (as defined in the chief executive officer employment agreement), each of Messrs. Lindberg and Read is entitled to (i) payment of the executive's base salary, payable in equal installments in accordance with our regular payroll practices for a period of 24 months following the termination date; (ii) an amount equal to two times the executive's target bonus for the year in which the termination date occurs, payable in equal installments for a period of 24 months following the termination date; and (iii) payment for up to 18 months of medical and dental benefits for the executive and his dependents which are substantially the same as the benefits provided immediately prior to the date of termination (including, in our discretion, payment for the costs associated with continuation coverage pursuant to COBRA). The employment agreements further provide that if the executive's employment is terminated by reason of his death or disability, then he will be entitled to a lump sum amount equal to his target annual bonus for the year in which the termination occurs, prorated based on the ratio of the number of days during such year that the executive was employed to 365.

Restrictive Covenants

Each chief executive officer employment agreement contains non-competition covenants during the term of the agreement as well as confidentiality and employee non-solicitation covenants.

Definitions in Chief Executive Officer Employment Agreements

"Cause" is generally defined as the executive's (i) willful and continued breach of the employment agreement or failure to perform his duties to the Company or its successor after a written demand for substantial performance is delivered to him by the Company or its successor which demand specifically identifies the manner in which the Company or its successor believe that he has not substantially performed his duties; (ii) conviction of or plea of guilty or *nolo contendere* to felony criminal conduct; or (iii) breach of the terms of that certain Restrictive Covenants Agreement dated September 13, 2014 between the executive and Globe Holding Corp. The definition of "cause" further provides that no act or failure to act by the executive shall be deemed "willful" if done, or omitted to be done, by the executive in good faith and with the reasonable belief that the executive's action or omission was in the best interest of the Company.

"Good reason" is generally defined as any of the following undertaken without the executive's express written consent: (i) the assignment to the executive of any duties or responsibilities or a change in the executive's title, position or status that results in a material diminution or adverse change of the executive's authority, duties or responsibilities; (ii) a material reduction by the Company in the executive's annual base salary as in effect from time to time; (iii) the taking of any action by the Company that would materially and adversely affect the executive's participation in, or materially reduce the executive's benefits under, the Company's benefit plans (excluding equity benefits), except to the extent the benefits of all other executives of the Company are similarly reduced; (iv) a material relocation by the Company of the executive's principal office to a location more than 40 miles from the location at which the executive was performing the executive's duties immediately prior to such relocation, except for required travel by the executive on the Company's business; or (v) any material breach by the Company of any provision of the employment agreement. The definition of "good reason" further provides that any of the circumstances described above may not serve as a basis for resignation for "good reason" by the executive unless (i) the executive notifies the Company of any event constituting good reason within 90 days following the initial existence of such circumstance and the Company has failed to cure such circumstance within 30 days following such notice; and (ii) the executive's separation from service due to such circumstance occurs within the two year period following the initial existence of such circumstance.

Executive Employment Agreements

On October 7, 2014, we entered into an executive employment agreement with each of Messrs. Bracher, Sheedy, McMahon and Wilson, pursuant to which each executive agreed to continue to serve as Chief Financial Officer, Vice President of Strategy, Vice President of Sales and Retail Merchandising and Vice President of Purchasing, respectively. The following description of the executive employment agreements is qualified in its entirety by the full terms and conditions of each executive employment agreement. Each executive employment agreement is filed as an exhibit to the registration statement of which this prospectus forms a part and is incorporated herein by reference.

Salary

Pursuant to each executive employment agreement, Mr. Bracher's annual base salary was $450,883 ($507,473 in 2018), Mr. Sheedy's annual base salary was $350,000 ($475,000 in 2018), Mr. McMahon's annual base salary was $309,000 ($347,783 in 2018) and Mr. Wilson's annual base salary was $269,954 ($314,150 in 2018).

Restrictive Covenants

Each executive employment agreement contains non-competition covenants during the term of the agreement as well as confidentiality and employee non-solicitation covenants.

Other Compensation

Benefits

We provide various employee benefit programs to our Named Executive Officers, including medical, vision, dental, life insurance, accidental death & dismemberment, long-term disability, short-term disability, health savings accounts and wellness programs. These benefit programs are generally available to all of our U.S.-based employees. These benefits are provided to the Named Executive Officers to eliminate potential distractions from performing their regular job duties. We believe the cost of these programs is counterbalanced by an increase in productivity by the executives receiving access to them.

Profit Sharing Contributions

We maintain a defined contribution pension plan (the "401(k) Plan") for all full-time employees, including the Named Executive Officers, with at least 3 months of service. The 401(k) Plan is intended to qualify

as a tax-qualified plan under Section 401(k) of the Internal Revenue Code. The 401(k) Plan provides that each participant may contribute up to 60% of such participant's compensation pursuant to certain restrictions. The 401(k) Plan allows for discretionary employer contributions, and we made discretionary contributions for the fiscal year ended December 29, 2018. In fiscal year 2018, the Company made a profit sharing contribution of $29,700 to each Named Executive Officer.

Tax and Accounting Implications

The Compensation Committee operates its compensation programs with the good faith intention of complying with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"). We account for equity-based payments with respect to our long-term equity incentive award programs in accordance with the requirements of FASB Accounting Standards Codification Topic 718, Compensation—Stock Compensation, or FASB ASC Topic 718.

Summary Compensation Table

The following table summarizes the total compensation earned in 2018 by the Named Executive Officers in fiscal year 2018. We have omitted from this table the columns for Change in Pension Value and Nonqualified Deferred Compensation Earnings, because no Named Executive Officer received such types of compensation during fiscal year 2018. We have omitted from this table the column for Equity Awards, because no equity awards were granted to any Named Executive Officers during fiscal year 2018.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($) (1)	Non-Equity Incentive Plan Compensation ($) (2)	All Other Compensation ($) (3)	Total ($)
Eric J. Lindberg, Jr. *Chief Executive Officer,* *Former Co-Chief Executive Officer*	2018	567,279	440,042	2,638,485	3,645,806
S. MacGregor Read, Jr. *Vice Chairman,* *Former Co-Chief Executive Officer*	2018	567,279	440,042	2,638,485	3,645,806
Charles C. Bracher *Chief Financial Officer*	2018	507,473	262,747	725,402	1,495,622
Robert Joseph Sheedy, Jr. *President, Former Chief Merchandise,* *Marketing & Strategy Officer*	2018	475,000	245,934	725,376	1,446,310
Thomas H. McMahon *Executive Vice President, Sales &* *Merchandising*	2018	347,783	180,066	494,269	1,022,118
Steven K. Wilson *Senior Vice President, Purchasing*	2018	314,150	134,372	493,505	942,027

(1) The amounts in the "Salary" column represent the base salary earned by each Named Executive Officer.

(2) The amounts in the "Non-Equity Incentive Plan Compensation" column represent the annual incentive bonus amounts earned by each Named Executive Officer pursuant to the 2018 AIP.

(3) The amounts in the "All Other Compensation" column represent the following with respect to each Named Executive Officer in fiscal year 2018:

- Mr. Lindberg: profit share contribution amount of $29,700 under 401(k) Plan; lump-sum cash payments in the amount of $332,872 in connection with the 2016 Dividend and $2,275,913 in connection with the 2018 Dividend.
- Mr. Read: profit share contribution amount of $29,700 under 401(k) Plan; lump-sum cash payments in the amount of $332,872 in connection with the 2016 Dividend and $2,275,913 in connection with the 2018 Dividend.
- Mr. Bracher: profit share contribution amount of $29,700 under 401(k) Plan; a gift card in the amount of $25.61 given as a gift in recognition of an employment anniversary; lump-sum cash payments in the amount of $88,776 in connection with the 2016 Dividend and $606,910 in connection with the 2018 Dividend.
- Mr. Sheedy: profit share contribution amount of $29,700 under 401(k) Plan; lump-sum cash payments in the amount of $88,776 in connection with the 2016 Dividend and $606,910 in connection with the 2018 Dividend.
- Mr. McMahon: profit share contribution amount of $29,700 under 401(k) Plan; a gift card in the amount of $25.60 given as a gift in recognition of an employment anniversary; a payment of $764.30 in recognition of an employment anniversary; lump-sum cash payments in the amount of $59,177 in connection with the 2016 Dividend and $404,602 in connection with the 2018 Dividend.
- Mr. Wilson: profit share contribution amount of $29,700 under 401(k) Plan; a gift card in the amount of $25.61 given as a gift in recognition of an employment anniversary; lump-sum cash payments in the amount of $59,177 in connection with the 2016 Dividend and $404,602 in connection with the 2018 Dividend.

Grants of Plan-Based Awards in 2018

The following table provides information with respect to awards made under our AIP during the 2018 fiscal year.

GRANTS OF PLAN BASED AWARDS

	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)		
Name	Threshold ($)	Target ($)	Maximum ($)
Eric J. Lindberg, Jr.	—	567,279	—
S. MacGregor Read, Jr.	—	567,279	—
Charles C. Bracher	—	253,737	—
Robert Joseph Sheedy, Jr	—	237,500	—
Thomas H. McMahon	—	173,891	—
Steven K. Wilson	—	157,075	—

(1) The amounts in the "Target" column represent the target amounts available under the 2018 AIP for our 2018 fiscal year with respect to each Named Executive Officer. The calculation uses each Named Executive Officer's base salary as of January 7, 2018. See " —Annual Cash Incentive Compensation—2018 Annual Incentive Plan" for a description of our annual performance-based cash bonus plan. For purposes of this table, the "Threshold" amount shown represents an assumption that the Company achieves the threshold

level of adjusted EBITDA performance and individual performance attainment that is slightly greater than 0%, which would result in a de minimis AIP payout. There is no maximum level with respect to awards under the 2018 AIP.

Outstanding Equity Awards at 2018 Year End

The following table includes certain information with respect to stock options held by the Named Executive Officers as of December 29, 2018.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

Name	Original Grant Date	Number of Securities Underlying Unexercised Options Exercisable (#) (1)	Number of Securities Underlying Unexercised Options Unexercisable (#) (2)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options(#) (3)	Option Exercise Price ($)	Option Expiration Date
Eric J. Lindberg, Jr.	10/21/14	774,120	193,531		10.00	10/21/24
	10/21/14			967,651	5.34	10/21/24
S. MacGregor Read, Jr	10/21/14	774,120	193,531		10.00	10/21/24
	10/21/14			967,651	5.34	10/21/24
Charles C. Bracher	11/25/14	206,432	51,609		10.00	11/25/24
	11/25/14			258,040	5.34	11/25/24
Robert Joseph Sheedy, Jr	11/25/14	206,432	51,609		10.00	11/25/24
	11/25/14			258,040	5.34	11/25/24
Thomas H. McMahon	11/25/14	137,620	34,406		10.00	11/25/24
	11/25/14			172,026	5.34	11/25/24
Steven K. Wilson	11/25/14	137,620	34,406		10.00	11/25/24
	11/25/14			172,026	5.34	11/25/24

(1) The numbers in this column represent vested Time Options. As of December 29, 2018, none of the Performance Options held by the Named Executive Officers were vested.

(2) The numbers in this column represent unvested Time Options as of December 29, 2018. Messrs. Lindberg and Read hold a Time Option pursuant to the A&R Time Option Agreement and the other Named Executive Officers hold a Time Option pursuant to the Time Option Agreement, and each agreement provides that 20% of the shares subject to the Time Option vest and become exercisable on each of the first five anniversaries of the date of grant, subject to the executive's continued employment with us on each applicable vesting date. See "—Equity Incentive Compensation —Time Option Agreement."

(3) The numbers in this column represent unvested Performance Options as of December 29, 2018. Messrs. Lindberg and Read hold a Performance Option pursuant to the A&R Performance Option Agreement and the other Named Executive Officers hold a Performance Option pursuant to the Performance Option Agreement, and each agreement provides that shares subject to the Performance Option vest and become exercisable on each "measurement date" based on the achievement of certain IRR performance hurdles. See "—Equity Incentive Compensation—Performance Option Agreement."

Option Exercises and Stock Vested During Fiscal Year 2018

No Time Options or Performance Options were exercised by the Named Executive Officers during the fiscal year ended December 29, 2018.

Potential Payments Upon Termination or Change in Control

Severance Benefits upon Termination

The chief executive officer employment agreements of each of Messrs. Lindberg and Read provide that in the event of a termination of employment without cause (as defined in the chief executive officer employment agreement) or resignation for good reason (as defined in the chief executive officer employment agreement), each of Messrs. Lindberg and Read is entitled to (i) payment of the executive's base salary, payable in equal installments in accordance with our regular payroll practices for a period of 24 months following the termination date; (ii) an amount equal to two times the executive's target bonus for the year in which the termination date occurs, payable in equal installments for a period of 24 months following the termination date; and (iii) payment for up to 18 months of medical and dental benefits for the executive and his dependents which are substantially the same as the benefits provided immediately prior to the date of termination (including, in our discretion, payment for the costs associated with continuation coverage pursuant to COBRA).

The chief executive officer employment agreements of each of Messrs. Lindberg and Read further provide that if the executive's employment is terminated by reason of his death or disability, then he will be entitled to a lump sum amount equal to his target annual bonus for the year in which the termination occurs, prorated based on the ratio of the number of days during such year that the executive was employed to 365.

Accelerated Vesting of Time Options upon Change in Control

Each of the Named Executive Officers were granted Time Options under the 2014 Stock Plan. The A&R Time Option Agreement and Time Option Agreement each provide that if a change in control (as defined in the 2014 Stock Plan) occurs during the executive's employment, the Time Option will become fully vested and exercisable immediately prior to the effective time of such change in control.

The following tables describe the potential payments and benefits that would have been payable to our Named Executive Officers under existing plans and arrangements if a qualifying termination or change in control occurred on December 29, 2018, the last business day of our 2018 fiscal year. The amounts shown in the tables do not include payments and benefits to the extent they are provided generally to all salaried employees upon termination of employment and do not discriminate in scope, terms or operation in favor of the Named Executive Officers.

Potential Payments Upon Termination or Change in Control to Messrs. Lindberg and Read

Name	Benefit	Without Cause/ Good Reason Termination ($) (1)	Termination due to Death or Disability ($) (2)	Change in Control ($) (3)
Eric Lindberg, Jr.	Base Salary	1,134,559	—	—
	Bonus	1,134,559	567,279	—
	Medical/Dental/COBRA	4,435	—	—
	Accelerated Vesting of Time Option	—	—	1,225,051
	Total	2,273,553	567,279	1,225,051
S. MacGregor Read, Jr.	Base Salary	1,134,559	—	—
	Bonus	1,134,559	567,279	—
	Medical/Dental/COBRA	4,406	—	—
	Accelerated Vesting of Time Option	—	—	1,225,051
	Total	2,273,524	567,279	1,225,051

(1) The chief executive officer employment agreements of each of Messrs. Lindberg and Read provide that in the event of a termination of employment without cause or resignation for good reason, each of Messrs.

Lindberg and Read is entitled to (i) payment of the executive's base salary ($567,279), payable in equal installments in accordance with our regular payroll practices for a period of 24 months following the termination date; (ii) an amount equal to two times the executive's target bonus ($567,279) for the year in which the termination date occurs, payable in equal installments for a period of 24 months following the termination date; and (iii) medical and dental benefit payments ($1,979 monthly for Mr. Lindberg and $1,970 monthly for Mr. Read) and COBRA premium payments ($2,456 monthly for Mr. Lindberg and $2,436 for Mr. Read) for a period of 18 months for the executive and his dependents, which benefits are substantially the same as the benefits provided immediately prior to the date of termination.

(2) The chief executive officer employment agreements of each of Messrs. Lindberg and Read provide that if the executive's employment is terminated by reason of his death or disability, then he will be entitled to a lump sum amount equal to his target annual bonus ($567,279) for the year in which the termination occurs, prorated based on the ratio of the number of days during such year that the executive was employed to 365.

(3) On October 21, 2014, the Company granted each of Messrs. Lindberg and Read a Time Option to purchase 967,651 shares of the Company's common stock, at an exercise price of $10.00, pursuant to the A&R Time Option Agreement. As of December 29, 2018, 193,531 shares subject to the Time Option held by each of Messrs. Lindberg and Read are unvested. The A&R Time Option Agreement provides that if a change in control occurs during the executive's employment, the Time Option will become fully vested and exercisable immediately prior to the effective time of such change in control. The amounts above represent the value associated with the accelerated vesting of the unvested shares subject to the Time Option held by the executive upon a change in control, which is the product of (i) the difference between (A) the estimated fair value of our common stock as of December 29, 2018, as set by the Compensation Committee in accordance with its equity grant policy ($16.33) and (B) the exercise price ($10.00); and (ii) the number of unvested shares subject to the Time Option as of December 29, 2018.

Potential Payments Upon Change in Control to Messrs. Bracher, Sheedy, McMahon and Wilson

Name	Benefit	Change in Control ($) (1)
Charles C. Bracher	Accelerated Vesting of Time Option	326,685
Robert Joseph Sheedy, Jr.	Accelerated Vesting of Time Option	326,685
Thomas H. McMahon	Accelerated Vesting of Time Option	217,790
Steven K. Wilson	Accelerated Vesting of Time Option	217,790

(1) On November 25, 2014, the Company granted each of Messrs. Bracher and Sheedy (i) a Time Option to purchase 258,041 shares of the Company's common stock, at an exercise price of $10.00, pursuant to the Time Option Agreement. As of December 29, 2018, 51,609 shares subject to the Time Option held by each of Messrs. Bracher and Sheedy are unvested. On November 25, 2014, the Company granted each of Messrs. McMahon and Wilson (i) a Time Option to purchase 172,026 shares of the Company's common stock, at an exercise price of $10.00, pursuant to the Time Option Agreement. As of December 29, 2018, 34,406 shares subject to the Time Option held by each of Messrs. McMahon and Wilson are unvested. The Time Option Agreement provides that if a change in control occurs during the executive's employment, the Time Option will become fully vested and exercisable immediately prior to the effective time of such change in control. The amounts provided above represent the spread value of the unvested shares subject to each Time Option held by the applicable Named Executive Officer. The amounts above represent the value associated with the accelerated vesting of the unvested shares subject to each Time Option held by the executive upon a change in control, which is the product of (i) the difference between (A) the estimated fair value of our common stock as of December 29, 2018, as set by the Compensation Committee in accordance with its equity grant policy ($16.33) and (B) the exercise price ($10.00); and (ii) the number of unvested shares subject to the Time Option as of December 29, 2018.

Director Compensation

Pursuant to the company's non-employee director compensation policy, cash and equity compensation is paid or made, as applicable, to each member of our board of directors who is not either (i) an employee of us

or any parent or subsidiary of us, or (ii) an employee of H&F or its affiliates (excluding portfolio companies) (each, a "Non-Employee Director").

Each Non-Employee Director is entitled to receive an annual retainer of $75,000. A Non-Employee Director serving as chairperson of the board of directors is entitled to receive an additional annual retainer of $100,000 for such service. In addition, the non-employee director compensation policy provides that each Non-Employee Director is entitled to receive additional annual retainers shown in the following table, as applicable. The annual retainers are earned on a quarterly basis based on a calendar quarter and paid by us in arrears prior to the fifth business day following the end of each calendar quarter.

	Member	Chair
Audit and Risk Management Committee	$15,000	$25,000
Compensation Committee	$10,000	$15,000

In addition to cash compensation, the non-employee director compensation policy provides that each Non-Employee Director will be granted an annual restricted stock unit award pursuant to the 2014 Stock Plan with respect to a number of shares of our common stock having a grant date fair market value of $100,000. Subject to the Non-Employee Director's continued service to us on each applicable vesting date, the annual restricted stock unit grant will vest in equal annual installments on each of the first three anniversaries of December 31 of each year and will vest in full upon a change in control. Upon each vesting event, the annual restricted stock unit grant, or the relevant portion thereof, will be settled in our shares of common stock within 30 days of the date on which the relevant vesting date occurs. The number of shares underlying the annual restricted stock unit grant will be calculated by dividing $100,000 by the fair market value as of the date the annual restricted stock unit grant is granted (which, following the public trading date, will be the closing price of a share of our common stock on the principal stock exchange on which such shares are listed). Prior to the completion of this offering, the annual restricted stock unit grant has been granted on a date determined by our board of directors. Following the completion of this offering, the annual restricted stock unit grant will be granted on the date of each annual public meeting of our stockholders to each Non-Employee Director who will continue to serve as a Non-Employee Director immediately following such annual meeting.

None of our directors received separate compensation for attending meetings of our board of directors or any committees thereof. All directors are reimbursed for travel and other expenses directly related to director activities and responsibilities.

Messrs. Alterman, Herman, Matthews and York were our Non-Employee Directors in 2018. With respect to fiscal year 2018, none of our other directors, including our employee-directors, Messrs. Lindberg and Read, were entitled to separate compensation for their service on our board of directors.

The following table summarizes the compensation paid to or earned by our directors in 2018.

2018 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash ($) (5)	Equity Awards ($) (6)	All Other Compensation ($) (7)	Total ($)
Kenneth W. Alterman (1)	85,000	100,000	72,569	257,569
Thomas F. Herman (2)	100,000	100,000	72,569	272,569
Norman S. Matthews (3)	85,000	100,000	72,569	257,569
Jeffrey York	75,000	100,000	72,569	247,569
Philip Hammarskjold (4)	—	—	—	—
Sameer Narang (4)	—	—	—	—
Erik D. Ragatz (4)	—	—	—	—

(1) Mr. Alterman received $10,000 in cash as committee fees.
(2) Mr. Herman received $25,000 in cash as committee fees.
(3) Mr. Matthews received $10,000 in cash as committee fees.
(4) Mr. Hammarskjold resigned as a director on March 22, 2019. Messrs. Hammarskjold, Narang and Ragatz did not receive any compensation for their service on our board of directors.
(5) Each Non-Employee Director received an annual retainer of $75,000 in cash for his service on our board of directors.
(6) Each Non-Employee Director was granted a restricted stock unit award on March 30, 2018 with respect to 6,094 shares of our common stock, pursuant to the terms of the 2014 Stock Plan.
(7) In connection with the 2016 Dividend, we made cash payments in the amount of $11,837 on January 12, 2018 to each of Messrs. York, Herman, Matthews and Alterman, in respect of restricted stock units each such person held that vested on December 31, 2017. In addition, in connection with the 2018 Dividend, we made cash payments in the amount of $60,732 on October 22, 2018 to each of Messrs. York, Herman, Matthews and Alterman, in respect of common stock that had been issued pursuant to previously vested restricted stock units. The gross amounts payable for each Non-Employee Director are based on the dividend that would have been received in respect of the shares of common stock underlying their restricted stock units that had vested on the payment date.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Stockholders Agreement

On October 7, 2014, we entered into a stockholders agreement with the H&F Investor, certain executive officers and their family trusts, including Messrs. Lindberg, Read, Bracher and Wilson, and certain of our directors and their family trusts, including Messrs. Herman, Mathews and York. We expect to amend and restate this stockholders agreement in connection with this offering.

This amended and restated agreement will provide that following the completion of this offering, the H&F Investor will have the right to nominate to our board of directors (such persons, the "H&F nominees") a number of nominees equal to: (x) the total number of directors comprising our board of directors at such time, *multiplied* by (y) the percentage of our outstanding common stock held from time to time by the H&F Investor. For purposes of calculating the number of directors that the H&F Investor will be entitled to nominate, any fractional amounts are rounded up to the nearest whole number. In addition, following this offering, the Executive Stockholders (as defined in the amended and restated stockholders agreement) and the Read Trust Rollover Stockholders (as defined in the amended and restated stockholders agreement), trusts controlled by Mr. Lindberg, Mr. Read or members of their immediate family, acting together by majority vote, will have the right to nominate one person (such person, the "Executive nominee") to our board of directors for so long as such stockholders collectively own at least 5% of our outstanding shares of common stock. The amended and restated stockholders agreement will also provide that our Chief Executive Officer will be nominated to our board of directors. For so long as we have a classified board, the H&F nominees will be divided by the H&F Investor as evenly as possible among the classes of directors. The Executive nominee will initially be a Class director and the Chief Executive Officer will initially be a Class director.

Pursuant to the amended and restated stockholders agreement, we will include the H&F nominees, the Executive nominee and the Chief Executive Officer nominee on the slate that is included in our proxy statement relating to the election of directors of the class to which such persons belong and provide the highest level of support for the election of each such person as we provide to any other individual standing for election as a director. In addition, each stockholder party to the amended and restated stockholders agreement will agree to vote in favor of the Company slate that is included in our proxy statement.

In the event that an H&F nominee or the Executive nominee ceases to serve as a director for any reason (other than the failure of our stockholders to elect such individual as a director), the persons entitled to designate such nominee director under the amended and restated stockholders agreement will be entitled to appoint another nominee to fill the resulting vacancy.

The amended and restated stockholders agreement will contain provisions that entitle the H&F Investor, the Executive Stockholders and the Read Trust Rollover Stockholders to certain rights to have their securities registered by us under the Securities Act. The H&F Investor will be entitled to an unlimited number of "demand" registrations and the Executive Stockholders and Read Trust Rollover Stockholders collectively will be entitled to three "demand" registrations, subject in each case to certain limitations. Every stockholder party to the amended and restated stockholders agreement will also be entitled to customary "piggyback" registration rights. In addition, the amended and restated stockholders agreement will provide that we will pay certain expenses of the stockholder parties relating to such registrations and indemnify them against certain liabilities which may arise under the Securities Act.

Indemnification of Directors and Officers

We have entered, or will enter, into an indemnification agreement with each of our directors and executive officers. The indemnification agreements, together with our amended and restated bylaws, will provide that we will jointly and severally indemnify each indemnitee to the fullest extent permitted by the Delaware

general corporation law from and against all loss and liability suffered and expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by or on behalf of the indemnitee in connection with any threatened, pending, or completed action, suit or proceeding. Additionally, we will agree to advance to the indemnitee all out-of-pocket costs of any type or nature whatsoever incurred in connection therewith. See "Description of Capital Stock—Limitations on Liability and Indemnification of Officers and Directors."

Lease Arrangements

As of March 30, 2019, we leased sixteen store properties and one distribution center from entities in which Messrs. Lindberg and Read or their respective families, had a direct or indirect material interest. These entities received aggregate annual lease payments in fiscal year 2018 of approximately $6.6 million and of approximately $1.5 million in the first quarter 2019. The leases for seven of these stores expire in August 2024. The leases on the ten remaining properties expire on various dates between December 2020 and December 2032.

Related Persons Transaction Policy

Prior to the completion of this offering, our board of directors is expected to adopt a written policy on transactions with related persons, which we refer to as our "related person policy." Our related person policy will require that all "related persons" (as defined in paragraph (a) of Item 404 of Regulation S-K) must promptly disclose to our general counsel any "related person transaction" (defined as any transaction that is anticipated would be reportable by us under Item 404(a) of Regulation S-K in which we were or are to be a participant and the amount involved exceeds $120,000 and in which any related person had or will have a direct or indirect material interest) and all material facts with respect thereto. Our general counsel will communicate that information to our board of directors or to a duly authorized committee thereof. Our related person policy will provide that no related person transaction entered into following the completion of this offering will be executed without the approval or ratification of our board of directors or a duly authorized committee thereof. It will be our policy that any directors interested in a related person transaction must recuse themselves from any vote on a related person transaction in which they have an interest.

PRINCIPAL STOCKHOLDERS

The following table and accompanying footnotes set forth information with respect to the beneficial ownership of the common stock of Grocery Outlet Holding Corp. as of , 2019 by:

- each person known by us to own beneficially 5% or more of our outstanding shares of common stock;
- each of our directors;
- each of our named executive officers; and
- our directors and executive officers as a group.

The number of shares and percentages of beneficial ownership prior to this offering set forth below are based on the number of shares of our common stock to be issued and outstanding immediately prior to the consummation of this offering. The number of shares and percentages of beneficial ownership after this offering set forth below are based on the number of shares of our common stock to be issued and outstanding immediately after the consummation of this offering.

Beneficial ownership for the purposes of the following table is determined in accordance with the rules and regulations of the SEC. A person is a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of the security, or "investment power," which includes the power to dispose of or to direct the disposition of the security or has the right to acquire such powers within 60 days.

Unless otherwise noted in the footnotes to the following table, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to their beneficially owned common stock.

Except as otherwise indicated in the footnotes below, the address of each beneficial owner is c/o Grocery Outlet Holding Corp., 5650 Hollis Street, Emeryville, California 94608.

	Shares Beneficially Owned Prior to the Offering		Shares Beneficially Owned After the Offering			
			If Underwriters' Option to Purchase Additional Shares is Not Exercised		If Underwriters' Option to Purchase Additional Shares is Exercised in Full	
Name of Beneficial Owner	Shares	Percentage	Shares	Percentage	Shares	Percentage
5% Stockholders:						
H&F Globe Investor L.P. (1)		%		%		%
Executive Officers and Directors:						
Eric J. Lindberg, Jr. (3)						
S. MacGregor Read, Jr. (4)						
Robert Joseph Sheedy, Jr.						
Charles C. Bracher						
Thomas H. McMahon						
Steven K. Wilson						
Erik D. Ragatz (2)						
Kenneth W. Alterman (5)						
Matthew B. Eisen (2)						
Thomas F. Herman (6)						
Norman S. Matthews						
Sameer Narang (2)						
Jeffrey York						
All directors and executive officers as a group (14 persons)		%		%		%

* Indicates beneficial ownership of less than 1%.

(1) Reflects shares directly held by H&F Globe Investor L.P. (the "H&F Investor"). The general partner of the H&F Investor is H&F Globe Investor GP LLC ("Globe Investor GP"). Hellman & Friedman Capital Partners VII (Parallel), L.P. ("HFCP VII") is the managing member of Globe Investor GP. Hellman & Friedman Investors VII, L.P. ("H&F Investors VII") is the general partner of HFCP VII. H&F Corporate Investors VII, Ltd. ("H&F VII") is the general partner of H&F Investors VII. As the general partner of H&F Investors VII, H&F VII may be deemed to have beneficial ownership of the shares of common stock beneficially owned by the H&F Investor. The board of directors of H&F VII consists of Philip U. Hammarskjold, David R. Tunnell and Allen Thorpe. Each of the members of the board of directors of H&F VII disclaims beneficial ownership of such shares of our common stock, except to the extent of their respective pecuniary interest therein. The address of each entity named in this footnote is c/o Hellman & Friedman LLC, 415 Mission Street, Suite 5700, San Francisco, California 94105.

(2) The address of each of Messrs. Ragatz, Eisen and Narang is c/o Hellman & Friedman LLC, 415 Mission Street, Suite 5700, San Francisco, California 94105.

(3) Consists of shares directly held by the Lindberg Revocable Trust u/a/d 2/14/06 of which Mr. Lindberg is a Trustee, shares directly held by the Lindberg Irrevocable Trust u/a/d 5/12/17 of which Mr. Lindberg is a Trustee and shares directly held by the Tuckernuck Limited Partnership of which The Read Family 2014 Irrevocable Trust, f/b/o Brady Read and The Read Family 2014 Irrevocable Trust, f/b/o Charlotte Read are the general partners. Mr. Lindberg is a Trustee of each of the general partners of The Tuckernuck Limited Partnership.

(4) Consists of shares directly held by The Nordlingen Trust dated 1/23/2012, as amended and restated, 9/17/2014 of which Mr. Read is a Trustee and shares directly held by The Redmond Trust dated 10/19/2003, as amended and restated, 9/17/2014 of which Mr. Read is a Trustee.

(5) Consists of shares directly held by the Alterman Revocable Trust of which Mr. Alterman is a Trustee.

(6) Reflects shares directly held by the Thomas F. Herman Separate Property Trust of which Mr. Herman is a Trustee.

DESCRIPTION OF CAPITAL STOCK

General

In connection with this offering, we will amend and restate our certificate of incorporation and our bylaws. The following description summarizes the material terms of, and is qualified in its entirety by, our amended and restated certificate of incorporation and amended and restated bylaws, each of which will be in effect upon the consummation of this offering, the forms of which are filed as exhibits to the registration statement of which this prospectus is a part. For a complete description of our capital stock, you should refer to our amended and restated certificate of incorporation, amended and restated bylaws and the applicable provisions of Delaware laws. Under "Description of Capital Stock," "we," "us," "our," the "Company" and "our Company" refer to Grocery Outlet Holding Corp. and not to any of its subsidiaries.

Our purpose is to engage in any lawful act or activity for which corporations may now or hereafter be organized under the General Corporation Law of the State of Delaware (the "DGCL"). Upon the consummation of this offering, our authorized capital stock will consist of shares of common stock, par value $0.001 per share, and shares of preferred stock, par value $0.001 per share. No shares of preferred stock will be issued or outstanding immediately after the public offering contemplated by this prospectus. Unless our board of directors determines otherwise, we will issue all shares of our capital stock in uncertificated form.

Common Stock

Holders of our common stock will be entitled to one vote for each share held of record on all matters on which stockholders are entitled to vote generally, including the election or removal of directors. The holders of our common stock do not have cumulative voting rights in the election of directors.

Upon our liquidation, dissolution or winding up and after payment in full of all amounts required to be paid to creditors and subject to the rights of the holders of one or more outstanding series of preferred stock having liquidation preferences, if any, the holders of our common stock will be entitled to receive pro rata our remaining assets available for distribution. Holders of our common stock do not have preemptive, subscription, redemption sinking fund or conversion rights. The common stock will not be subject to further calls or assessment by us. All shares of our common stock that will be outstanding at the time of the completion of the offering will be fully paid and non-assessable. The rights, powers, preferences and privileges of holders of our common stock will be subject to those of the holders of any shares of our preferred stock or any series or class of stock we may authorize and issue in the future.

Preferred Stock

Our amended and restated certificate of incorporation will authorize our board of directors to establish one or more series of preferred stock (including convertible preferred stock). Unless required by law or by the Nasdaq rules, the authorized shares of preferred stock will be available for issuance without further action by you, and holders of our common stock will not be entitled to vote on any amendment to our amended and restated certificate of incorporation that relates solely to the terms of any outstanding shares of preferred stock, if the holders of such shares of preferred stock are entitled to vote thereon. Our board of directors is authorized to determine, with respect to any series of preferred stock, the powers (including voting powers), preferences and relative, participating, optional and other special rights, and the qualifications, limitations or restrictions thereof, including, without limitation:

- the designation of the series;
- the number of shares of the series, which our board of directors may, except where otherwise provided in the preferred stock designation, increase (but not above the total number of authorized shares of the class of stock) or decrease (but not below the number of shares then outstanding);

- whether dividends, if any, will be cumulative or non-cumulative and the dividend rate of the series;
- the dates at which dividends, if any, will be payable;
- redemption rights and price or prices, if any, for shares of the series;
- the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;
- the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of our company;
- whether the shares of the series will be convertible into shares of any other class or series of the stock of our company, or any other security of our company or any other entity, and, if so, the specification of the other class or series or other security, the conversion price or prices or rate or rates, any rate adjustments, the date or dates as of which the shares will be convertible and all other terms and conditions upon which the conversion may be made;
- restrictions on the issuance of shares of the same series or of any other class or series of our capital stock; and
- the voting rights, if any, of the holders of the series.

We could issue a series of preferred stock that could, depending on the terms of the series, impede or discourage an acquisition attempt or other transaction that some, or a majority, of the holders of our common stock might believe to be in their best interests or in which the holders of our common stock might receive a premium for their common stock over the market price of the common stock. Additionally, the issuance of preferred stock may adversely affect the holders of our common stock, including, without limitation, by restricting dividends on the common stock, diluting the voting power of the common stock or subordinating the liquidation rights of the common stock. As a result of these or other factors, the issuance of preferred stock could have an adverse impact on the market price of our common stock.

Dividends

Holders of our common stock will be entitled to receive dividends when, as and if declared by our board of directors out of funds legally available therefor, subject to any statutory or contractual restrictions on the payment of dividends and to the rights of the holders or one or more outstanding series of our preferred stock.

The DGCL permits a corporation to declare and pay dividends out of “surplus” or, if there is no “surplus,” out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. “Surplus” is defined as the excess of the net assets of the corporation over the amount determined to be the capital of the corporation by the board of directors. The capital of the corporation is typically calculated to be (and cannot be less than) the aggregate par value of all issued shares of capital stock. Net assets equals the fair value of the total assets minus total liabilities. The DGCL also provides that dividends may not be paid out of net profits if, after the payment of the dividend, remaining capital would be less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets.

Declaration and payment of any dividend will be subject to the discretion of our board of directors. The time and amount of such dividends, if any, will be dependent upon our financial condition, operations, compliance with applicable law, cash requirements and availability, debt repayment obligations, capital expenditure needs and restrictions in our debt instruments, contractual restrictions, business prospects, industry trends, the provisions of Delaware law affecting the payment of distributions to stockholders and any other factors our board of directors may consider relevant.

We do not expect to declare or pay any dividends on our common stock in the foreseeable future. In addition, our ability to pay dividends on our common stock is limited by the covenants of our credit facilities and may be further restricted by the terms of any future debt or preferred securities. See "Dividend Policy" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities."

Annual Stockholder Meetings

Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that annual stockholder meetings will be held at a date, time and place, if any, as exclusively selected by our board of directors. To the extent permitted under applicable law, we may conduct meetings by remote communications, including by webcast.

Effects of Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws and Certain Provisions of Delaware Law

Our amended and restated certificate of incorporation and amended and restated bylaws will contain and the DGCL does contain provisions, which are summarized in the following paragraphs, that are intended to enhance the likelihood of continuity and stability in the composition of our board of directors. These provisions are intended to avoid costly takeover battles, reduce our vulnerability to a hostile change of control and enhance the ability of our board of directors to maximize stockholder value in connection with any unsolicited offer to acquire us. However, these provisions may have the effect of delaying, deterring or preventing a merger or acquisition of our company by means of a tender offer, a proxy contest or other takeover attempt that a stockholder might consider in its best interest, including attempts that might result in a premium over the prevailing market price for the shares of common stock held by stockholders.

Authorized but Unissued Capital Stock

Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of Nasdaq, which would apply if and so long as our common stock remains listed on Nasdaq, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or then outstanding number of shares of common stock. Additional shares that may be used in the future may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

Our board of directors may generally issue one or more series of preferred shares on terms calculated to discourage, delay or prevent a change of control of our company or the removal of our management. Moreover, our authorized but unissued shares of preferred stock will be available for future issuances in one or more series without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, to facilitate acquisitions and employee benefit plans.

One of the effects of the existence of authorized and unissued and unreserved common stock or preferred stock may be to enable our board of directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of our Company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive our stockholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

Classified Board of Directors

Our amended and restated certificate of incorporation will provide that, subject to the right of holders of any series of preferred stock, our board of directors will be divided into three classes of directors, with the classes

to be as nearly equal in number as possible, and with the directors serving staggered three-year terms, with only one class of directors being elected at each annual meeting of stockholders. 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. Our amended and restated certificate of incorporation and amended and restated bylaws will provide that, subject to any rights of holders of preferred stock to elect additional directors under specified circumstances, the number of directors will be fixed from time to time exclusively pursuant to a resolution adopted by the board of directors; however, if at any time the H&F Investor owns at least 40% in voting power of the stock of our Company entitled to vote generally in the election of directors, the stockholders may also fix the number of directors.

Business Combinations

We will opt out of Section 203 of the DGCL; however, our amended and restated certificate of incorporation will contain similar provisions providing that we may not engage in certain "business combinations" with any "interested stockholder" for a three-year period following the time that the stockholder became an interested stockholder, unless:

- prior to such time, our board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares;
- at or subsequent to that time, the business combination is approved by our board of directors and by the affirmative vote of holders of at least 66 2/3% of our outstanding voting stock that is not owned by the interested stockholder; or
- the stockholder became an interested stockholder inadvertently and (i) as soon as practicable divested itself of sufficient ownership to cease to be an interested stockholder and (ii) had not been an interested stockholder but for the inadvertent acquisition of ownership within three years of the business combination.

Generally, a "business combination" includes a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an "interested stockholder" is a person who, together with that person's affiliates and associates, owns, or within the previous three years owned, 15% or more of our outstanding voting stock. For purposes of this section only, "voting stock" has the meaning given to it in Section 203 of the DGCL.

Under certain circumstances, this provision will make it more difficult for a person who would be an "interested stockholder" to effect various business combinations with our company for a three-year period. This provision may encourage companies interested in acquiring our Company to negotiate in advance with our board of directors because the stockholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction which results in the stockholder becoming an interested stockholder. These provisions also may have the effect of preventing changes in our board of directors and may make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Our amended and restated certificate of incorporation will provide that the H&F Investor, and any of its respective direct or indirect transferees and any group as to which such persons or entities are a party, does not constitute an "interested stockholder" for purposes of this provision.

Removal of Directors; Vacancies

Under the DGCL, unless otherwise provided in our amended and restated certificate of incorporation, directors serving on a classified board may be removed by the stockholders only for cause. Our amended and restated certificate of incorporation will provide that, other than directors elected by holders of our preferred stock, if any, directors may be removed with or without cause upon the affirmative vote of a majority in voting power of all outstanding shares of stock entitled to vote thereon, voting together as a single class; provided, however, at any time when the H&F Investor beneficially owns less than 40% in voting power of the stock of our company entitled to vote generally in the election of directors, directors may only be removed for cause, and only by the affirmative vote of holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of our company entitled to vote thereon, voting together as a single class. In addition, our amended and restated certificate of incorporation will also provide that, subject to the rights granted to one or more series of preferred stock then outstanding, any newly created directorship on the board of directors that results from an increase in the number of directors and any vacancies on our board of directors will be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum, or by a sole remaining director or by the stockholders; provided, however, at any time when the H&F Investor beneficially owns less than 40% in voting power of the stock of our company entitled to vote generally in the election of directors, any newly created directorship on the board of directors that results from an increase in the number of directors and any vacancy occurring in the board of directors may only be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director (and not by the stockholders). Our amended and restated certificate of incorporation will provide that the board of directors may increase the number of directors by the affirmative vote of a majority of the directors or, at any time when the H&F Investor beneficially owns at least 40% of the voting power of the stock of our Company entitled to vote generally in the election of directors, of the stockholders.

No Cumulative Voting

Under Delaware law, the right to vote cumulatively does not exist unless the certificate of incorporation specifically authorizes cumulative voting. Our amended and restated certificate of incorporation will not authorize cumulative voting. Therefore, stockholders holding a majority in voting power of the shares of our stock entitled to vote generally in the election of directors will be able to elect all of our directors.

Special Stockholder Meetings

Our amended and restated certificate of incorporation will provide that special meetings of our stockholders may be called at any time only by or at the direction of the board of directors or the chairman of the board of directors; provided, however, at any time when the H&F Investor beneficially owns, in the aggregate, at least 40% in voting power of the stock of our company entitled to vote generally in the election of directors, special meetings of our stockholders shall also be called by the board of directors or the chairman of the board of directors at the request of the H&F Investor. Our amended and restated bylaws will prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. These provisions may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control or management of our Company.

Requirements for Advance Notification of Director Nominations and Stockholder Proposals

Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors. In order for any matter to be properly brought before a meeting of our stockholders, a stockholder will have to comply with advance notice requirements and provide us with certain information. Generally, to be timely, a stockholder’s notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first

anniversary date of the immediately preceding annual meeting of stockholders. Our amended and restated bylaws will also specify requirements as to the form and content of a stockholder's notice. Our amended and restated bylaws will allow the chairman of the meeting at a meeting of the stockholders to adopt rules and regulations for the conduct of meetings, which may have the effect of precluding the conduct of certain business at a meeting if the rules and regulations are not followed. These provisions may also deter, delay or discourage a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to influence or obtain control of our company.

Stockholder Action by Written Consent

Pursuant to Section 228 of the DGCL, any action required to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of our stock entitled to vote thereon were present and voted, unless our amended and restated certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation will preclude stockholder action by written consent at any time when the H&F Investor beneficially owns less than 40% in voting power of the stock of our Company entitled to vote generally in the election of directors, other than certain rights that holders of our preferred stock may have to act by written consent.

Supermajority Provisions

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that the board of directors is expressly authorized to make, alter, amend, change, add to, rescind or repeal, in whole or in part, our bylaws without a stockholder vote in any matter not inconsistent with Delaware law or our amended and restated certificate of incorporation. In addition, for as long as the H&F Investor beneficially owns at least 40% in voting power of the stock of our company entitled to vote generally in the election of directors, any amendment, alteration, rescission or repeal of our bylaws by our stockholders will require the affirmative vote of a majority in voting power of the outstanding shares of our stock present in person or represented by proxy at the meeting of stockholders and entitled to vote on such amendment, alteration, change, addition, rescission, change, addition or repeal. At any time when the H&F Investor beneficially owns less than 40% in voting power of all outstanding shares of the stock of our company entitled to vote generally in the election of directors, any amendment, alteration, rescission, change, addition or repeal of our bylaws by our stockholders will require the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of our Company entitled to vote thereon, voting together as a single class.

The DGCL provides generally that the affirmative vote of a majority of the outstanding shares entitled to vote thereon, voting together as a single class, is required to amend a corporation's certificate of incorporation, unless the certificate of incorporation requires a greater percentage.

Our amended and restated certificate of incorporation will provide that at any time when the H&F Investor beneficially owns less than 40% in voting power of the stock of our Company entitled to vote generally in the election of directors, the following provisions in our amended and restated certificate of incorporation may be amended, altered, repealed or rescinded only by the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of our company entitled to vote thereon, voting together as a single class:

- the provision requiring a 66 2/3% supermajority vote for stockholders to amend our amended and restated bylaws;
- the provisions providing for a classified board of directors (the election and term of our directors);
- the provisions regarding resignation and removal of directors;

- the provisions regarding competition and corporate opportunities;
- the provisions regarding Section 203 of the DGCL and entering into business combinations with interested stockholders;
- the provisions regarding stockholder action by written consent;
- the provisions regarding calling annual or special meetings of stockholders;
- the provisions regarding filling vacancies on our board of directors and newly created directorships;
- the provisions eliminating monetary damages for breaches of fiduciary duty by a director;
- the provisions regarding forum selection; and
- the amendment provision requiring that the above provisions be amended only with a 66 2/3% supermajority vote.

The combination of the classification of our board of directors, the lack of cumulative voting and the supermajority voting requirements will make it more difficult for our existing stockholders to replace our board of directors as well as for another party to obtain control of us by replacing our board of directors. Because our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management.

These provisions may have the effect of deterring hostile takeovers or delaying or preventing changes in control of our management or our company, such as a merger, reorganization or tender offer. These provisions are intended to enhance the likelihood of continued stability in the composition of our board of directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of our company. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. These provisions are also intended to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our shares that could result from actual or rumored takeover attempts. Such provisions may also have the effect of preventing changes in management of our company.

Dissenters' Rights of Appraisal and Payment

Under the DGCL, with certain exceptions, our stockholders will have appraisal rights in connection with a merger or consolidation of us. Pursuant to the DGCL, stockholders who properly request and perfect appraisal rights in connection with such merger or consolidation will have the right to receive payment of the fair value of their shares as determined by the Delaware Court of Chancery.

Stockholders' Derivative Actions

Under the DGCL, any of our stockholders may bring an action in our name to procure a judgment in our favor, also known as a derivative action, provided that the stockholder bringing the action is a holder of our shares at the time of the incident to which the action relates or such stockholder's stock thereafter devolved by operation of law.

Exclusive Forum

Our amended and restated bylaws will provide that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be

the sole and exclusive forum for any (i) derivative action or proceeding brought on behalf of our company, (ii) action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of our company to our company or our company's stockholders, (iii) action asserting a claim against our company or any director, officer or other employee of our company arising pursuant to any provision of the DGCL or our amended and restated certificate of incorporation or our amended and restated bylaws or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) action asserting a claim against our company or any director, officer or other employee of our company governed by the internal affairs doctrine. These provisions shall not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Unless the Company consents in writing to the selections of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action 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. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of our company shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation. However, it is possible that a court could find our forum selection provisions to be inapplicable or unenforceable.

Conflicts of Interest

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our amended and restated certificate of incorporation will, to the maximum extent permitted from time to time by Delaware law, renounce any interest or expectancy that we have in, or right to be offered an opportunity to participate in, any business opportunities that are from time to time presented to our officers, directors or stockholders or their respective affiliates, other than those officers, directors, stockholders or affiliates who are our or our subsidiaries' employees. Our amended and restated certificate of incorporation will provide that, to the fullest extent permitted by law, none of the H&F Investor or any director who is not employed by us (including any non-employee director who serves as one of our officers in both his director and officer capacities) or his or her affiliates will have any duty to refrain from (i) engaging in a corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that the H&F Investor or any non-employee director acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself or himself, or herself, or its or his, or her, affiliates or for us or our affiliates, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and they may take any such opportunity for themselves or offer it to another person or entity. Our amended and restated certificate of incorporation will not renounce our interest in any business opportunity that is expressly offered to a non-employee director solely in his or her capacity as a director or officer of our company. To the fullest extent permitted by law, no business opportunity will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under our amended and restated certificate of incorporation, we have sufficient financial resources to undertake the opportunity and the opportunity would be in line with our business.

Limitations on Liability and Indemnification of Officers and Directors

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties, subject to certain exceptions. Our amended and restated certificate of incorporation will include a provision that eliminates the personal liability of directors for monetary damages for any breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL. The effect of these provisions is to eliminate the rights of us and our stockholders, through stockholders' derivative suits on our behalf, to recover monetary damages from a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior. However, exculpation does not apply to any director if the

director has acted in bad faith, knowingly or intentionally violated a law during the performance of his or her duties, fiduciary or otherwise, owed to us, authorized illegal dividends, repurchases or redemptions or derived an improper benefit from his or her actions as a director.

Our amended and restated bylaws will provide that we must indemnify and advance expenses to our directors and officers to the fullest extent authorized by the DGCL. We also will be expressly authorized to carry directors' and officers' liability insurance providing indemnification for our directors, officers and certain employees for some liabilities. We believe that these indemnification and advancement provisions and insurance will be useful to attract and retain qualified directors and executive officers.

The limitation of liability, indemnification and advancement provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions also may have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, any investment in our common stock may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

We have entered, or will enter, into an indemnification agreement with each of our directors and officers. These agreements will require us to indemnify these individuals to the fullest extent permitted under the DGCL against liabilities that may arise by reason of their service to us, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is .

Listing

We intend to apply to have our shares of common stock listed on Nasdaq under the symbol "GO."

SHARES ELIGIBLE FOR FUTURE SALE

General

Prior to this offering, there has not been a public market for our common stock, and we cannot predict what effect, if any, market sales of shares of common stock or the availability of shares of common stock for sale will have on the market price of our common stock prevailing from time to time. Nevertheless, sales of substantial amounts of common stock, including shares issued upon the exercise of outstanding options, in the public market, or the perception that such sales could occur, could materially and adversely affect the market price of our common stock and could impair our future ability to raise capital through the sale of our equity or equity-related securities at a time and price that we deem appropriate. See "Risk Factors—Risks Related to this Offering and Ownership of Our Common Stock—Future sales, or the perception of future sales, by us or our existing stockholders in the public market following this offering could cause the market price for our common stock to decline."

Upon the consummation of this offering, we will have shares of common stock outstanding. All shares sold in this offering will be freely tradable without registration under the Securities Act and without restriction by persons other than our "affiliates" (as defined under Rule 144). The shares of common stock held by the H&F Investor and certain of our directors, officers and employees after this offering will be "restricted" securities under the meaning of Rule 144 and may not be sold in the absence of registration under the Securities Act, unless an exemption from registration is available, including the exemptions pursuant to Rule 144 under the Securities Act.

Pursuant to Rule 144, the restricted shares held by our affiliates will be available for sale in the public market at various times after the date of this prospectus following the expiration of the applicable lock-up period.

In addition, a total of shares of our common stock has been reserved for issuance under our 2019 Incentive Plan (subject to adjustments for stock splits, stock dividends and similar events), which will equal approximately % of the shares of our common stock outstanding immediately following this offering. We intend to file one or more registration statements on Form S-8 under the Securities Act to register common stock issued or reserved for issuance under our 2019 Incentive Plan. Any such Form S-8 registration statement will automatically become effective upon filing. Accordingly, shares registered under such registration statement will be available for sale in the open market, unless such shares are subject to vesting restrictions or the lock-up restrictions described below.

Rule 144

In general, under Rule 144 of the Securities Act, as currently in effect, a person (or persons whose shares are deemed aggregated) who is not deemed to be or have been one of our affiliates for purposes of the Securities Act at any time during 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than an affiliate, is entitled to sell such shares without registration, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of a prior owner other than an affiliate, then such person is entitled to sell such shares without complying with any of the requirements of Rule 144.

Under Rule 144, our affiliates or persons selling shares on behalf of our affiliates, who have met the six-month holding period for beneficial ownership of "restricted shares" of our common stock, are entitled to sell within any three-month period, a number of shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares immediately after this offering; or

- the average reported weekly trading volume of our common stock on Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us. The sale of these shares, or the perception that sales will be made, could adversely affect the price of our common stock after this offering because a great supply of shares would be, or would be perceived to be, available for sale in the public market.

Rule 701

In general, under Rule 701 of the Securities Act as currently in effect, any of our employees, consultants or advisors who purchase shares from us in connection with a compensatory stock or option plan or other written agreement in a transaction that was completed in reliance on Rule 701, and complied with the requirements of Rule 701, will be eligible to resell such shares 90 days after the effective date of this offering in reliance on Rule 144, but without compliance with certain restrictions, including the holding period, contained in Rule 144.

Lock-Up Agreements

In connection with this offering, we, our officers, directors and all significant equity holders have agreed with the underwriters, subject to certain exceptions, not to sell, dispose of or hedge any shares of our common stock or securities convertible into or exchangeable for shares of common stock during the period ending 180 days after the date of this prospectus, except with the prior written consent of the representatives of the underwriters.

Immediately following the consummation of this offering, equity holders subject to lock-up agreements will hold shares of our common stock, representing approximately % of our then outstanding shares of common stock, or approximately % if the underwriters exercise in full their option to purchase additional shares.

We have agreed not to issue, sell or otherwise dispose of any shares of our common stock during the 180-day period following the date of this prospectus. We may, however, grant options to purchase shares of common stock, issue shares of common stock upon the exercise of outstanding options, issue shares of common stock in connection with an acquisition or business combination or an employee stock purchase plan and in certain other circumstances.

CERTAIN UNITED STATES FEDERAL INCOME AND ESTATE TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following is a summary of certain United States federal income and estate tax consequences of the purchase, ownership and disposition of our common stock as of the date hereof. Except where noted, this summary deals only with common stock that is held as a capital asset by a non-U.S. holder (as defined below).

A "non-U.S. holder" means a beneficial owner of our common stock (other than an entity treated as a partnership for United States federal income tax purposes) that is not, for United States federal income tax purposes, any of the following:

- an individual citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for United States 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 subject to United States federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income and estate tax consequences different from those summarized below. This summary does not address all aspects of United States federal income and estate taxes and does not deal with foreign, state, local or other tax considerations that may be relevant to non-U.S. holders in light of their particular circumstances. In addition, it does not represent a detailed description of the United States federal income and estate tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws (including if you are a United States expatriate, foreign pension fund, "controlled foreign corporation," "passive foreign investment company" or a partnership or other pass-through entity for United States federal income tax purposes). We cannot assure you that a change in law will not alter significantly the tax considerations that we describe in this summary.

If a partnership (or other entity treated as a partnership for United States federal income tax purposes) holds our common stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our common stock, you should consult your tax advisors.

If you are considering the purchase of our common stock, you should consult your own tax advisors concerning the particular United States federal income and estate tax consequences to you of the purchase, ownership and disposition of our common stock, as well as the consequences to you arising under other United States federal tax laws and the laws of any other taxing jurisdiction.

Dividends

In the event that we make a distribution of cash or other property (other than certain pro rata distributions of our stock) in respect of our common stock, the distribution generally will be treated as a dividend for United States federal income tax purposes to the extent it is paid from our current or accumulated earnings

and profits, as determined under United States federal income tax principles. Any portion of a distribution that exceeds our current and accumulated earnings and profits generally will be treated first as a tax-free return of capital, causing a reduction in the adjusted tax basis of a non-U.S. holder's common stock, and to the extent the amount of the distribution exceeds a non-U.S. holder's adjusted tax basis in our common stock, the excess will be treated as gain from the disposition of our common stock (the tax treatment of which is discussed below under "—Gain on Disposition of Common Stock").

Dividends paid to a non-U.S. holder generally will be subject to withholding of United States federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, dividends that are effectively connected with the conduct of a trade or business by the non-U.S. holder within the United States (and, if required by an applicable income tax treaty, are attributable to a United States permanent establishment) are not subject to the withholding tax, provided certain certification and disclosure requirements are satisfied. Instead, such dividends are subject to United States federal income tax on a net income basis in the same manner as if the non-U.S. holder were a United States person as defined under the Code. Any such effectively connected dividends received by a foreign corporation may be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

A non-U.S. holder who wishes to claim the benefit of an applicable treaty rate and avoid backup withholding, as discussed below, for dividends will be required (a) to provide the applicable withholding agent with a properly executed Internal Revenue Service, or the IRS, Form W-BEN or Form W-8BEN-E (or other applicable form) certifying under penalty of perjury that such holder is not a United States person as defined under the Code and is eligible for treaty benefits or (b) if our common stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable United States Treasury regulations. Special certification and other requirements apply to certain non-U.S. holders that are pass-through entities rather than corporations or individuals.

A non-U.S. holder eligible for a reduced rate of United States federal withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Gain on Disposition of Common Stock

Subject to the discussion of backup withholding and FATCA below, any gain realized by a non-U.S. holder on the sale or other disposition of our common stock generally will not be subject to United States federal income or withholding tax unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment of the non-U.S. holder);
- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or
- we are or have been a "United States real property holding corporation" for United States federal income tax purposes and certain other conditions are met.

A non-U.S. holder described in the first bullet point immediately above will be subject to tax on the gain derived from the sale or other disposition in the same manner as if the non-U.S. holder were a United States person as defined under the Code. In addition, if any non-U.S. holder described in the first bullet point immediately above is a foreign corporation, the gain realized by such non-U.S. holder may be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. An individual non-U.S. holder described in the second bullet point immediately above will be subject to a

30% (or such lower rate as may be specified by an applicable income tax treaty) tax on the gain derived from the sale or other disposition, which gain may be offset by United States source capital losses even though the individual is not considered a resident of the United States.

Generally, a corporation is a "United States real property holding corporation" if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (all as determined for United States federal income tax purposes). We believe we are not and do not anticipate becoming a "United States real property holding corporation" for United States federal income tax purposes.

Federal Estate Tax

Common stock held by an individual non-U.S. holder at the time of death will be included in such holder's gross estate for United States federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

Information Reporting and Backup Withholding

Distributions paid to a non-U.S. holder and the amount of any tax withheld with respect to such distributions generally will be reported to the IRS. Copies of the information returns reporting such distributions and any withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty.

A non-U.S. holder will not be subject to backup withholding on dividends received if such holder certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code), or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale or other disposition of our common stock made within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person as defined under the Code), or such owner otherwise establishes an exemption.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a non-U.S. holder's United States federal income tax liability provided the required information is timely furnished to the IRS.

Additional Withholding Requirements

Under Sections 1471 through 1474 of the Code (such Sections commonly referred to as "FATCA"), a 30% United States federal withholding tax may apply to any dividends paid on our common stock to (i) a "foreign financial institution" (as specifically defined in the Code) which does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (x) an exemption from FATCA, or (y) its compliance (or deemed compliance) with FATCA (which may alternatively be in the form of compliance with an intergovernmental agreement with the United States) in a manner which avoids withholding, or (ii) a "non-financial foreign entity" (as specifically defined in the Code) which does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (x) an exemption from FATCA, or (y) adequate information regarding certain substantial United States beneficial owners of such entity (if any). If a dividend payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under "—Dividends," the withholding under FATCA may be credited against, and therefore reduce, such

other withholding tax. FATCA withholding may also apply to payments of gross proceeds of dispositions of our common stock, although under recently proposed regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization), no withholding will apply on payments of gross proceeds. You should consult your own tax advisors regarding these requirements and whether they may be relevant to your ownership and disposition of our common stock.

UNDERWRITING (CONFLICTS OF INTEREST)

BofA Securities, Inc., Morgan Stanley & Co. LLC, Deutsche Bank Securities Inc. and Jefferies LLC are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

Underwriter	Number of Shares
BofA Securities, Inc.	
Morgan Stanley & Co. LLC	
Deutsche Bank Securities Inc.	
Jefferies LLC	
Barclays Capital Inc.	
Goldman Sachs & Co. LLC	
Guggenheim Securities, LLC	
UBS Securities LLC	
Cowen and Company, LLC	
Telsey Advisory Group	
Drexel Hamilton, LLC	
Penserra Securities LLC	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discount	$	$	$
Proceeds, before expenses, to us	$	$	$

The expenses of the offering, not including the underwriting discount, are estimated at $ and are payable by us. We have agreed to reimburse the underwriters for expenses relating to clearance of this offering with the Financial Industry Regulatory Authority up to $. The underwriters have agreed to reimburse us for certain documented expenses incurred in connection with this offering.

Option to Purchase Additional Shares

We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus, to purchase up to additional shares at the public offering price, less the underwriting discount. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

Reserved Shares

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 5% of the shares offered by this prospectus for sale to some of our directors, officers, employees, business associates and related persons. If these persons purchase reserved shares it will reduce the number of shares available for sale to the general public. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares offered by this prospectus.

No Sales of Similar Securities

We, our executive officers and directors and our other existing security holders have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 180 days after the date of this prospectus without first obtaining the written consent of BofA Securities, Inc. and Morgan Stanley & Co. LLC. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly

- offer, pledge, sell or contract to sell any common stock,
- sell any option or contract to purchase any common stock,
- purchase any option or contract to sell any common stock,
- grant any option, right or warrant for the sale of any common stock,
- lend or otherwise dispose of or transfer any common stock,
- request or demand that we file or make a confidential submission of a registration statement related to the common stock, or
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for or repayable with common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition.

Nasdaq Global Select Market Listing

We expect the shares to be approved for listing on Nasdaq under the symbol "GO."

In order to meet the requirements for listing on that exchange, the underwriters have undertaken to sell a minimum number of shares to a minimum number of beneficial owners as required by that exchange.

Before this offering, there has been no public market for our common stock. The initial public offering price will be determined through negotiations between us and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are:

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us,
- our financial information,
- the history of, and the prospects for, our company and the industry in which we compete,
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues,
- the present state of our development, and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. "Covered" short sales are sales made in an amount not greater than the underwriters' option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. "Naked" short sales are sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. 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 our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on Nasdaq, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Distribution

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail.

Conflicts of Interest

An affiliate of Goldman Sachs & Co. LLC held a portion of the outstanding balance of our term loan under the Second Lien Credit Agreement in the aggregate amount of $ million as of , 2019, and, as a result, will receive at least 5% of the proceeds from this offering. See "Use of Proceeds." Because of the manner in which the proceeds will be used, the offering will be conducted in accordance with FINRA Rule 5121. In accordance with that rule, no "qualified independent underwriter" is required because the underwriters primarily responsible for managing this offering are free of any conflict of interest, as that term is defined in the rule. Additionally, pursuant to FINRA Rule 5121, Goldman Sachs & Co. LLC will not confirm sales of securities to any account over which they exercise discretionary authority without the prior written approval of the customer.

Other Relationships

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates, including as lenders under the revolving credit facility and term loans under both the First Lien Credit Agreement and the Second Lien Credit Agreement. They have received, or may in the future receive, customary fees and commissions for these transactions.

Each of BofA Securities, Inc., an affiliate of Morgan Stanley & Co. LLC, Deutsche Bank Securities Inc. and an affiliate of Jefferies LLC serves as a joint lead arranger and a joint book runner under our Credit Facilities. Certain of the underwriters and their affiliates held a portion of the outstanding balance of our term loan under the First Lien Credit Agreement in an aggregate amount of $ million as of , 2019 and, as a result, will receive a portion of the proceeds from this offering. See "Use of Proceeds." Additionally, an affiliate of BofA Securities, Inc. has provided advisory services and certain debt financing to both H&F and us.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative

securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Selling Restrictions

European Economic Area

In relation to each member state of the European Economic Area, no offer of ordinary shares which are the subject of the offering has been, or will be made to the public in that Member State, other than under the following exemptions under the Prospectus Directive:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Representatives for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of ordinary shares referred to in (a) to (c) above shall result in a requirement for us or any Representative to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person located in a Member State to whom any offer of ordinary shares is made or who receives any communication in respect of an offer of ordinary shares, or who initially acquires any ordinary shares will be deemed to have represented, warranted, acknowledged and agreed to and with each Representative and us that (1) it is a "qualified investor" within the meaning of the law in that Member State implementing Article 2(1)(e) of the Prospectus Directive; and (2) in the case of any ordinary shares acquired by it as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, the ordinary shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Representatives has been given to the offer or resale; or where ordinary shares have been acquired by it on behalf of persons in any Member State other than qualified investors, the offer of those ordinary shares to it is not treated under the Prospectus Directive as having been made to such persons.

We, the Representatives and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgments and agreements.

This prospectus has been prepared on the basis that any offer of shares in any Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of shares. Accordingly any person making or intending to make an offer in that Member State of shares which are the subject of the offering contemplated in this prospectus may only do so in circumstances in which no obligation arises for us or any of the Representatives to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the Representatives have authorized, nor do they authorize, the making of any offer of shares in circumstances in which an obligation arises for us or the Representatives to publish a prospectus for such offer.

For the purposes of this provision, the expression an "offer of ordinary shares to the public" in relation to any ordinary shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the ordinary shares to be offered so as to enable an investor to

decide to purchase or subscribe the ordinary shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in each Member State.

The above selling restriction is in addition to any other selling restrictions set out below.

Notice to Prospective Investors in the United Kingdom

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 Directive) (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"). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, us, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ("DFSA"). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("ASIC"), in relation to the offering.

This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the "Corporations Act"), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

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 Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. 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 Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of 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 Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) 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 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

- 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 (as defined in Section 239(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:

- to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

- where no consideration is or will be given for the transfer;

- where the transfer is by operation of law;

- as specified in Section 276(7) of the SFA; or

- as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

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 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) 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.

LEGAL MATTERS

The validity of the shares of common stock offered by this prospectus will be passed upon for us by Simpson Thacher & Bartlett LLP, Palo Alto, California. Certain legal matters relating to this offering will be passed upon for the underwriters by Davis Polk & Wardwell LLP, Menlo Park, California.

EXPERTS

The consolidated financial statements as of December 31, 2016, December 30, 2017 and December 29, 2018 and for each of the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018 included in this prospectus and the related financial statement schedule included in this prospectus, have been audited by Deloitte & Touche LLP ("Deloitte"), an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the registration statement. Such consolidated financial statements and financial statement schedule have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

Deloitte advised the Audit and Risk Management Committee of the Company's board of directors that in 2017 and 2018 a different member firm of Deloitte Touche Tohmatsu Limited had performed certain non-audit services (i.e., a loan staff arrangement to support accounting, bookkeeping, human resource, and certain administrative functions) for a foreign subsidiary of another company owned by funds affiliated with H&F (the "H&F Funds"). These non-audit services were deemed to be prohibited management functions under the SEC's auditor independence rules.

Deloitte informed the Audit and Risk Management Committee that Deloitte maintained objectivity and impartiality on all issues encompassed within its audits of the Company's consolidated financial statements for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018 because:

- the impermissible non-audit services had no impact on the Company's financial statements and were not subject to Deloitte's audits;
- Deloitte's audit team for the Company had not been previously aware of the impermissible non-audit services and was not involved in the provision of such services;
- the impermissible non-audit services have been terminated; and
- the impermissible non-audit services had been performed for a subsidiary of a H&F Funds portfolio company that is immaterial to the H&F Funds and unrelated to the Company (other than the common ownership of the H&F Funds).

After considering the facts and circumstances, the Audit and Risk Management Committee concurred with Deloitte's conclusion that, for the reasons described above, the impermissible services did not impair Deloitte's objectivity and impartiality with respect to the planning and execution of the audits of the Company's consolidated financial statements for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock offered by this prospectus. This prospectus is a part of the registration statement and does not contain all of the information set forth in the registration statement and its exhibits and schedules, portions of which have been omitted as permitted by the rules and regulations of the SEC. For further information about us and our common stock, you should refer to the registration statement and its exhibits and schedules.

We will file annual, quarterly and special reports and other information with the SEC. Our filings with the SEC will be available to the public on the SEC's website at http://www.sec.gov. Those filings will also be available to the public on, or accessible through, our website under the heading "Investor Relations" at www.groceryoutlet.com. The information we file with the SEC or contained on or accessible through our corporate website or any other website that we may maintain is not part of this prospectus or the registration statement of which this prospectus is a part.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of Grocery Outlet Holding Corp.:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Grocery Outlet Holding Corp. and its subsidiaries (the "Company") as of December 30, 2017 and December 29, 2018, the related consolidated statements of income and comprehensive income, stockholders' equity, and cash flows, for each of the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, and the related notes and Schedule I listed in the Index to the Consolidated Financial Statements (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 29, 2018 and December 30, 2017, and the results of its operations and its cash flows for each of the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's 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 in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ DELOITTE & TOUCHE LLP

San Francisco, California
March 26, 2019

We have served as the Company's auditor since 2007.

GROCERY OUTLET HOLDING CORP.

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 30, 2017 AND DECEMBER 29, 2018
(in thousands)

	December 30, 2017	December 29, 2018
Assets		
Current assets:		
Cash and cash equivalents	$ 5,801	$ 21,063
Independent operator receivables and current portion of independent operator notes, net of allowance $2,049 and $1,141	4,495	5,056
Other accounts receivable, net of allowance $66 and $24	2,187	2,069
Merchandise inventories	183,012	198,304
Prepaid rent—related party	567	512
Prepaid expenses and other current assets	11,494	13,368
Total current assets	207,556	240,372
Independent operator notes, net of allowance $6,982 and $7,926	7,489	13,646
Property and equipment—net	277,746	304,032
Intangible assets—net	75,665	68,824
Goodwill	747,943	747,943
Other assets	1,472	2,045
Total assets	$ 1,317,871	$ 1,376,862

(Continued)

GROCERY OUTLET HOLDING CORP.

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 30, 2017 AND DECEMBER 29, 2018
(in thousands, except share and per share amounts)

	December 30, 2017	December 29, 2018
Liabilities and Stockholders' Equity		
Current liabilities:		
Trade accounts payable	$ 95,555	$ 98,123
Accrued expenses	15,997	31,194
Accrued compensation	11,370	10,795
Current portion of long-term debt	5,384	7,349
Income and other taxes payable	3,026	3,463
Total current liabilities	131,332	150,924
Long-term liabilities:		
Long-term debt—net	705,502	850,019
Deferred income taxes	9,304	15,135
Deferred rent	44,600	60,833
Total liabilities	$ 890,738	$ 1,076,911
Commitments and contingencies (see Note 10)		
Stockholders' equity:		
Capital stock:		
Common stock—par value $0.001, voting common stock, 107,536,215 shares authorized, 48,065,066 and 48,026,446 shares issued and outstanding as of December 29, 2018 and December 30, 2017	$ 48	$ 48
Common stock—par value $0.001, nonvoting common stock, 17,463,785 shares authorized, 740,139 shares issued and outstanding as of December 29, 2018 and December 30, 2017	1	1
Series A Preferred stock—par value $0.001, nonvoting preferred stock, 1 share authorized, 1 share issued and outstanding as of December 29, 2018 and December 30, 2017	—	—
Additional capital	403,308	287,476
Retained earnings	23,776	12,426
Total stockholders' equity	427,133	299,951
Total liabilities and stockholders' equity	$ 1,317,871	$ 1,376,862

(Concluded)

See notes to consolidated financial statements.

GROCERY OUTLET HOLDING CORP.

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2016, DECEMBER 30, 2017 AND DECEMBER 29, 2018
(in thousands, except per share data)

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Net sales	$ 1,831,531	$ 2,075,465	$ 2,287,660
Cost of sales	1,270,354	1,443,582	1,592,263
Gross profit	561,177	631,883	695,397
Operating expenses:			
Selling, general and administrative	457,051	510,136	557,100
Depreciation and amortization	37,152	43,152	45,421
Stock-based compensation	2,905	1,659	10,409
Total operating expenses	497,108	554,947	612,930
Income from operations	64,069	76,936	82,467
Other expense:			
Interest expense, net	47,147	49,698	55,362
Debt extinguishment and modification costs	—	1,466	5,253
Total other expense	47,147	51,164	60,615
Income before income taxes	16,922	25,772	21,852
Income tax expense	6,724	5,171	5,984
Net income and comprehensive income	$ 10,198	$ 20,601	$ 15,868
Basic earnings per share	$ 0.21	$ 0.42	$ 0.33
Diluted earnings per share	$ 0.21	$ 0.42	$ 0.32
Weighted average shares outstanding:			
Basic	48,653	48,633	48,805
Diluted	48,698	48,704	48,857
Unaudited pro forma basic earnings per share (Note 11)			[ ]
Unaudited pro forma diluted earnings per share (Note 11)			[ ]
Unaudited pro forma weighted average shares outstanding (Note 11):			
Basic			[ ]
Diluted			[ ]

See notes to consolidated financial statements.

GROCERY OUTLET HOLDING CORP.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2016, DECEMBER 30, 2017 AND DECEMBER 29, 2018
(in thousands, except share amounts)

	Voting Common		Nonvoting Common		Preferred		Additional Capital	Retained Earnings (Accumulated Deficit)	Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance—January 2, 2016	47,982,438	$ 48	774,998	$ 1	1	$ —	$ 486,758	$ (7,023)	$ 479,784
Issuance of shares	44,008	—	723	—			172		172
Repurchase of shares			(20,000)	—			(253)		(253)
Stock based compensation							2,905		2,905
Dividend paid							(86,454)		(86,454)
Net income and comprehensive income								10,198	10,198
Balance—December 31, 2016	48,026,446	$ 48	755,721	$ 1	1	$ —	$ 403,128	$ 3,175	$ 406,352
Issuance of shares			1,621	—					—
Repurchase of shares			(17,203)	—			(172)		(172)
Stock based compensation							1,659		1,659
Dividend paid							(1,307)		(1,307)
Net income and comprehensive income								20,601	20,601
Balance—December 30, 2017	48,026,446	$ 48	740,139	$ 1	1	$ —	$ 403,308	$ 23,776	$ 427,133
Cumulative effect of accounting change								133	133
Issuance of shares	38,620	—	2,100	—			29		29
Repurchase of shares			(2,100)	—			(34)		(34)
Stock based compensation							10,409		10,409
Dividend paid							(126,236)	(27,351)	(153,587)
Net income and comprehensive income								15,868	15,868
Balance—December 29, 2018	48,065,066	$ 48	740,139	$ 1	1	$ —	$ 287,476	$ 12,426	$ 299,951

See notes to consolidated financial statements.

GROCERY OUTLET HOLDING CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2016, DECEMBER 30, 2017 AND DECEMBER 29, 2018
(in thousands)

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Operating activities:			
Net income	$ 10,198	$ 20,601	$ 15,868
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of property and equipment	26,391	31,812	37,052
Amortization of intangible assets	10,761	11,344	10,005
Impairment of long-lived assets	—	—	637
Amortization of debt issuance costs	4,301	4,442	4,024
Amortization of bond discounts	—	—	84
Debt extinguishment and modification costs	—	1,466	5,253
Loss on disposal of assets	519	549	669
Stock-based compensation	2,905	1,659	10,409
Accounts receivable reserve	4,018	3,004	749
Deferred lease liabilities	14,404	13,152	16,233
Deferred income taxes	6,579	4,745	5,831
Changes in operating assets and liabilities:			
Independent operator and other accounts receivable	(392)	(2,595)	(642)
Merchandise inventories	(20,439)	(18,202)	(15,292)
Prepaid expenses and other current assets	(1,887)	(1,346)	(1,543)
Income and other taxes payable	1,439	881	159
Trade accounts payable	10,041	10,255	3,936
Accrued expenses	814	2,250	12,954
Accrued compensation	1,223	686	(575)
Net cash provided by operating activities	70,875	84,703	105,811
Investing activities:			
Cash advances to independent operators	(7,461)	(8,471)	(10,456)
Repayments of cash advances from independent operators	3,948	3,511	3,749
Purchase of property and equipment	(58,701)	(71,066)	(64,762)
Proceeds from sales of assets	948	1,262	1,092
Intangible assets, deposits and licenses	(4,150)	(3,056)	(3,173)
Net cash used in investing activities	(65,416)	(77,820)	(73,550)

(Continued)

GROCERY OUTLET HOLDING CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2016, DECEMBER 30, 2017 AND DECEMBER 29, 2018
(in thousands)

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Financing activities:			
Proceeds from 2014 loans	$ 90,000	$ —	$ —
Proceeds from 2018 loans	—	—	871,688
Principal payments on 2014 loans	(5,173)	(5,317)	(725,010)
Payments on capital lease	(49)	(89)	(94)
Dividends paid	(86,454)	(1,307)	(153,587)
Issuance of shares	172	—	29
Repurchase of shares	(253)	(172)	(34)
Debt issuance costs paid	(2,571)	(1,050)	(9,991)
Net cash used in financing activities	(4,328)	(7,935)	(16,999)
Net increase (decrease) in cash and cash equivalents	1,131	(1,052)	15,262
Cash and cash equivalents—Beginning of period	5,722	6,853	5,801
Cash and cash equivalents—End of period	$ 6,853	$ 5,801	$ 21,063
Supplemental cash flow information—Cash paid:			
Interest	$ 43,301	$ 45,836	$ 47,305
Income taxes refunded (paid) in cash	$ 885	$ 66	$ (289)
Noncash investing and financing activities:			
Purchases of property and equipment included in accounts payable	$ 8,218	$ 6,883	$ 7,851

(Concluded)

See notes to consolidated financial statements.

GROCERY OUTLET HOLDING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 30, 2017 AND DECEMBER 29, 2018 AND FOR THE YEARS ENDED DECEMBER 31, 2016, DECEMBER 30, 2017 AND DECEMBER 29, 2018.

1. Organization and Summary of Significant Accounting Policies

The Company—Grocery Outlet Holding Corp. ("GO Holding"), which is majority-owned by a private equity investment fund, owns 100% of Globe Intermediate Corp. ("Intermediate"), which owns 100% of GOBP Holdings, Inc. ("Holdings"), which owns 100% of GOBP Midco, Inc. ("Midco"), which owns 100% of Grocery Outlet Inc. ("GOI"), a high-growth, extreme value retailer of quality, name-brand consumables and fresh products sold through a network of independently operated stores. GOI owns 100% of Amelia's LLC ("Amelia's"), also an extreme value retailer of quality, name-brand consumables and fresh products (GO Holding and its subsidiaries, the "Company"). The product offering is ever-changing with a constant rotation of opportunistic products, complemented by everyday staples across grocery, produce, refrigerated and frozen foods, beer and wine, fresh meat and seafood, general merchandise and health and beauty care.

The Company has 296 stores in five western states, as well as 20 stores in Pennsylvania. All stores, except for two Company-operated stores in California and six in Pennsylvania, are independent business entities operated by entrepreneurial small business owners with a relentless focus on selecting the best products for their communities, providing personalized customer service and driving improved store performance. The Company enters into an independent operator agreement ("Operator Agreement") with each independent operator ("IO"), which grants that IO a license to operate a particular Grocery Outlet Bargain Market retail store. The Operator Agreement requires the IO to be a business entity owned by one or more individuals. The vast majority of the IOs operate a single store, with most working as two-person teams. IOs are independent businesses and are responsible for store operations, including ordering, merchandising and managing inventory, marketing locally and directly hiring, training and employing their store workers.

Principles of Consolidation—The accompanying consolidated financial statements include GO Holding and its wholly-owned subsidiaries. Intercompany transactions and balances have been eliminated in consolidation. See discussion below on variable interest entities for further information.

Fiscal Year—The Company's fiscal year ends on the Saturday closest to December 31. The fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018 all contained 52 weeks.

Use of Estimates—The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results can differ from these estimates depending upon certain risks and uncertainties, and changes in these estimates are recorded when known.

Cash and Cash Equivalents—The Company considers all highly liquid investments, purchased with original maturities of three months or less, to be cash equivalents. All cash equivalents are unrestricted and available for immediate use.

Allowance for IO Receivables and Notes and Other Accounts Receivable—The Company maintains allowances and accruals for estimated losses of amounts advanced to independent operators and other third parties determined to be uncollectible. See Note 2 for a detail of these amounts as of December 30, 2017 and December 29, 2018.

Concentrations of Credit Risk—Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash and cash equivalents including money market funds and notes and accounts receivables. Although the Company deposits its cash with creditworthy financial institutions, its deposits, at times, may exceed federally insured limits. To date, the Company has not experienced any losses on its cash deposits. No individual customer or independent operator accounted for greater than 10% of the Company's sales for the years ended December 31, 2016, December 30, 2017 and December 29, 2018 and no individual customer or independent operator accounted for 10% or greater accounts receivable and notes receivable as of December 30, 2017 and December 29, 2018.

Merchandise Inventories—Merchandise inventories are valued at the lower of cost or market. Cost is determined by the first-in, first-out weighted-average cost method for warehouse inventories and the retail inventory method for store inventories. The Company provides for estimated inventory losses between physical inventory counts based on historical averages. This provision is adjusted periodically to reflect the actual shrink results of the physical inventory counts.

Property and Equipment—Property and equipment is stated at cost and includes expenditures for significant improvements to leased premises.

Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the assets, generally ranging from three to 15 years. Amortization of leasehold improvements is computed based on the shorter of their estimated useful life or the remaining terms of the lease. Remaining terms of leases currently range from one to 20 years.

The Company evaluates events and changes in circumstances that could indicate carrying amounts of long-lived assets, including property and equipment, may not be recoverable. When such events or changes in circumstances occur, the Company assesses the recoverability of long-lived assets by determining whether or not the carrying value of such assets will be recovered through undiscounted future cash flows derived from their use and eventual disposition. For purposes of this assessment, long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If the sum of the undiscounted future cash flows is less than the carrying amount of an asset, the Company records an impairment loss for the amount by which the carrying amount of the assets exceeds its fair value. The Company recorded an impairment charge of $0.6 million in the year ended December 29, 2018. There were no impairment charges recorded in the years ended December 31, 2016 or December 30, 2017.

Deferred Rent—The Company recognizes rent holidays at the earlier of the first rent payment or from the period of time the Company has possession of the property, as well as tenant allowances and escalating rent provisions, on a straight-line basis over the expected term of the operating lease. The expected term may also include the exercise of renewal options if such exercise is determined to be reasonably assured and is used to determine whether the lease is capital or operating. Deferred rent is included in long-term liabilities.

Construction Allowances—As part of certain lease agreements, the Company receives construction allowances from landlords. The construction allowances are deferred and amortized on a straight-line basis over the life of each respective lease as a reduction to rent expense.

Debt Issuance Costs—Debt issuance costs are amortized using the straight-line method over the term of the related credit agreements which approximates the effective interest rate method. Debt issuance cost amortization is included in interest expense, net in the consolidated statements of operations. Debt issuance costs associated with the Company's senior term loans are presented on the Company's consolidated balance sheets as a direct reduction in the carrying value of the associated debt liability. Fees paid to lenders to obtain its secured revolving loan facility are presented as a non-current asset on the consolidated balance sheets in the Other Assets line item. Debt issuance cost amortization recognized was $4.3 million, $4.4 million and $4.0 million for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, respectively.

Goodwill and Other Intangible Assets—The Company has both goodwill and intangible assets recorded on its consolidated balance sheet. Goodwill is not amortized, but rather is subject to an annual impairment test. The annual impairment testing date is the first day of the fourth quarter. Should certain events or indicators of impairment occur between annual impairment tests, the Company would perform an impairment test of goodwill at that date. In this analysis, the Company's assets and liabilities, including goodwill and other intangible assets, are assigned to the respective reporting unit. Measurement of an impairment loss would be based on the excess of the carrying amount of the reporting unit over its fair value.

The fair value of the reporting unit is determined using a combination of the income approach, which estimates the fair value of the reporting unit based on its discounted future cash flows, and two market approach methodologies, which estimate the fair value of the reporting unit based on market prices for publicly traded comparable companies as well as revenue and earnings multiples for merged and acquired companies in a similar industry. There were no goodwill impairment charges recorded for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018.

There were no changes in the carrying amount of goodwill for the fiscal years ended December 30, 2017 and December 29, 2018 and no impairments of goodwill have been recorded since its inception.

Intangible assets include trademarks, computer software, mailing lists and other intangible assets. The Company reviews its intangible assets for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of the assets are not recoverable, the impairment is measured as the amount by which the carrying value of the asset exceeds its fair value. There were no impairments of intangible assets recognized for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018.

Trademarks represent the value of all the Company's trademarks and trade names in the marketplace. The Company is amortizing the value assigned to the trade name on a straight-line basis over 15 years.

Computer software includes both acquired software and eligible costs to develop internal-use software that are incurred during the application development stage. These assets are amortized over their estimated useful lives of three years.

Other intangible assets, including the unamortized fair value of previously acquired leasehold interests and mailing lists are amortized over their estimated useful lives, ranging from one to 20 years.

Stock-based Compensation—Stock-based compensation cost is measured at grant date, based on the fair value of the award, and is recognized on a straight-line method over the requisite service period for awards expected to vest. The Company estimates the fair value of employee stock-based payment awards subject to only a service condition on the date of grant using the Black-Scholes valuation model. The Black-Scholes model requires the use of highly subjective and complex assumptions, including the option's expected term and the price volatility of the underlying stock. The Company estimates the fair value of employee stock-based payment awards subject to both a market condition and the occurrence of a performance condition on the date of grant using a Monte Carlo simulation model that assumes the performance criteria will be met and the target payout levels will be achieved. The Company will continue to use the Black-Scholes and Monte Carlo models for option pricing following the consummation of this offering.

Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company recognizes compensation expense for awards expected to vest with only a service condition on a straight-line basis over the requisite service period, which is generally the award's vesting period. Vesting of these awards is accelerated for certain employees in the event of a change in control. Compensation expense for employee stock-based awards whose vesting is subject to the fulfillment of both a market condition and the occurrence of a performance condition is recognized on a graded-vesting basis at the time the achievement of the performance condition becomes probable.

The expected stock price volatility for the common stock was estimated by taking the average historic price volatility for industry peers based on daily price observations over a period equivalent to the expected term of the stock option grants. Industry peers consist of several public companies in the Company's industry which are of similar size, complexity and stage of development. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury implied yield at the date of grant. The weighted-average expected term is determined with reference to historical exercise and post-vesting cancellation experience and the vesting period and contractual term of the awards. The forfeitures rate is estimated based on historical experience and expected future activity.

The fair value of shares of common stock underlying the stock options has historically been the determined by the Company's board of directors, with input from management. Because there has been no public market for the Company's common stock, the board of directors determined the fair value of common stock at the time of grant by considering a number of objective and subjective factors including independent third-party valuations of the Company's common stock, operating and financial performance, the lack of liquidity of the Company's capital stock and general and industry specific economic outlook, among other factors. Following the consummation of this offering, the fair value of our common stock will be the closing price of our common stock as reported on the date of grant.

Segment Reporting—The Company manages its business on the basis of one operating segment. All of the Company's sales were made to customers located in the United States and all property and equipment is located in the United States.

Fair Value Measurements—The fair value of financial instruments are categorized based upon the level of judgment associated with the inputs used to measure their fair values. Fair value is measured using inputs from the three levels of the fair value hierarchy, which are described as follows:

Level 1—Quoted prices in active markets for identical assets or liabilities

Level 2—Quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3—Inputs that are unobservable (for example, cash flow modeling inputs based on management's assumptions)

The assets' or liabilities' fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following table sets forth (in thousands) the fair value of the Company's financial liabilities by level within the fair value hierarchy as of December 30, 2017:

		Fair value measurements using		
	Fair value	Level 1	Level 2	Level 3
Financial Liabilities:				
Long-term debt, including current portion (1)	726,810	—	726,810	—
Total financial liabilities	$ 726,810	$ —	$ 726,810	$ —

(1) Of this amount, $5,290 is classified as current. The gross carrying amounts of the Company's bank debt, before reduction of the debt issuance costs, approximate their fair values as the stated rates approximate market rates for loans with similar terms.

The following table sets forth (in thousands) the fair value of the Company's financial liabilities by level within the fair value hierarchy as of December 29, 2018:

		Fair value measurements using		
	Fair value	Level 1	Level 2	Level 3
Financial Liabilities:				
Long-term debt, including current portion (1)	852,577	—	852,577	—
Total financial liabilities	$852,577	$ —	$852,577	$ —

(1) Of this amount, $7,250 is classified as current. The gross carrying amounts of the Company's bank debt, before reduction of the debt issuance costs, approximate their fair values as the stated rates approximate market rates for loans with similar terms.

The Company did not transfer any assets measured at fair value on a recurring basis to or from Level 2 for any of the periods presented.

Cash and cash equivalents, IO receivables, other accounts receivable and accounts payable—The carrying value of such financial instruments approximates their fair value due to factors such as the short-term nature or their variable interest rates.

Independent operator notes (net)—The carrying value of such financial instruments approximates their fair value.

Insurance and Self-Insurance Liabilities—The Company uses a combination of insurance and self-insurance mechanisms to provide for the potential liabilities of workers' compensation; general liability; property insurance; and vehicle, director and officers' liabilities. Liabilities associated with the risks that are retained by the Company are estimated by considering historical claims experience. These liabilities could be significantly affected if future occurrences and claims differ from these historical trends.

Revenue Recognition

Net Sales

The Company recognizes revenues from the sale of products at the point of sale, net of any taxes or deposits collected and remitted to governmental authorities. The Company's performance obligations are satisfied upon the transfer of goods to the customer, at the point of sale, and payment from customers is also due at the time of sale. Discounts provided to customers by the Company are recognized at the time of sale as a reduction in sales as the products are sold. Discounts provided by independent operators are not recognized as a reduction in sales as these are provided solely by the independent operator who bears the incidental costs arising from the discount. The Company does not accept manufacturer coupons.

The Company does not have any material contract assets or receivables from contracts with customers, any revenue recognized in the current year from performance obligations satisfied in previous periods, any performance obligations, or any material costs to obtain or fulfill a contract as of December 29, 2018.

Gift Cards

The Company records a deferred revenue liability when a Grocery Outlet gift card is sold. Revenue related to gift cards is recognized as the gift cards are redeemed, which is when the Company has satisfied its performance obligation. While gift cards are generally redeemed within 12 months, some are never fully redeemed. The Company reduces the liability and recognizes revenue for the unused portion of the gift cards ("breakage") under the proportional method, where recognition of breakage income is based upon the historical run-off rate of unredeemed gift cards. The Company's gift card deferred revenue liability was $1.6 million as of December 30, 2017 and $1.7 million as of December 29, 2018. Breakage amounts were $44,350, $58,723 and

$69,247 for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, respectively. The Company recognized a one-time breakage transition adjustment of $0.1 million that increased fiscal 2018 opening retained earnings, related to the adoption of ASU 2014-09. See Recently Adopted Accounting Standards section below.

Disaggregated Revenues

The following table presents sales revenue (in thousands) by type of product for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018.

	December 31, 2016	December 30, 2017	December 29, 2018
Perishable (1)	$ 621,194	$ 694,696	$ 768,373
Non-perishable (2)	1,210,337	1,380,769	1,519,287
Total sales	$ 1,831,531	$ 2,075,465	$ 2,287,660

(1) Perishable departments include dairy and deli; produce and floral; and fresh meat and seafood.
(2) Non-perishable departments include grocery; general merchandise; health and beauty care; frozen foods; and beer and wine.

Cost of Sales—Cost of sales includes, among other things, merchandise costs, inventory markdowns, shrink and transportation, distribution and warehousing costs, including depreciation.

Marketing and Advertising Expenses—Costs for store promotions, newspaper, television, radio and other media advertising are expensed at the time the promotion or advertising takes place. Advertising costs are included in selling, general and administrative expenses in the accompanying consolidated statements of operations and amounted to approximately $19.8 million, $20.8 million and $21.2 million in the years ended December 31, 2016, December 30, 2017 and December 29, 2018, respectively.

Income Taxes—Income taxes are accounted for using an asset and liability approach that requires recognition of deferred tax assets and liabilities for expected future tax consequences of events that have been recognized in the Company's consolidated financial statements or tax returns. In estimating future tax consequences, all expected future events are considered, other than changes in the tax law. A valuation allowance is established, when necessary, to reduce net deferred income tax assets to the amount expected to be realized. The Company has not recorded any valuation allowances against its deferred income tax balances for the fiscal years ended December 30, 2017 and December 29, 2018. Significant items comprising the Company's future tax benefits and liabilities (deferred tax assets and liabilities) include net operating losses, depreciation and amortization, goodwill, intangible assets and deferred rent.

The Company recognizes interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. The Company records uncertain tax positions in accordance with ASC Topic 740, Income Taxes, on the basis of a two-step process in which (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

Variable Interest Entities—In accordance with the variable interest entities sub-section of ASC Topic 810, Consolidation, the Company assesses at each reporting period whether the Company, or any consolidated entity, is considered the primary beneficiary of a variable interest entity ("VIE") and therefore required to consolidate it. Determining whether to consolidate a VIE may require judgment in assessing (i) whether an entity is a VIE, and (ii) if a reporting entity is a VIE's primary beneficiary. A reporting entity is determined to be a VIE's primary beneficiary if it has the power to direct the activities that most significantly impact a VIE's

economic performance and the obligation to absorb losses or rights to receive benefits that could potentially be significant to a VIE.

The Company had 283 stores operated by independent operators as of December 30, 2017 and 308 stores operated by independent operators as of December 29, 2018. The Company has Operator Agreements in place with each independent operator. The independent operator orders its merchandise exclusively from the Company which is provided to the independent operator on consignment. Under the independent operator agreement, the independent operator may select a majority of merchandise that the Company consigns to the independent operator, which the independent operator chooses from the Company's merchandise order guide according to the independent operator's knowledge and experience with local customer purchasing trends, preferences, historical sales and similar factors. The independent operator agreement gives the independent operator discretion to adjust the Company's initial prices if the overall effect of all price changes at any time comports with the reputation of the Company's Grocery Outlet retail stores for selling quality, name-brand consumables and fresh products and other merchandise at extreme discounts. Independent operators are required to furnish initial working capital and to acquire certain store and safety assets. The independent operator is required to hire, train and employ a properly trained workforce sufficient in number to enable the independent operator to fulfill its obligations under the independent operator agreement. The independent operator is responsible for expenses required for business operations, including all labor costs, utilities, credit card processing fees, supplies, taxes, fines, levies and other expenses. Either party may terminate the independent operator agreement without cause upon 75 days' notice.

As consignor of all merchandise to each independent operator, the aggregate net sales proceeds from merchandise sales belongs to the Company. Sales related to independent operator stores were $1,741.7 million, $1,993.7 million and $2,214.7 million for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, respectively. The Company, in turn, pays independent operators a commission based on a share of the gross profit of the store. Inventories and related sales proceeds are the property of the Company, and the Company is responsible for store rent and related occupancy costs. Independent operator commissions of $268.6 million, $306.6 million and $340.0 million were expensed and included in selling, general and administrative expenses for the years ended December 31, 2016, December 30, 2017 and December 29, 2018, respectively. Independent operator commissions of $3.6 million and $3.9 million are included in accrued expenses as of December 30, 2017 and December 29, 2018, respectively.

Independent operators may fund their initial store investment from existing capital, a third-party loan or most commonly through a loan from the Company (Note 2). To ensure independent operator performance, the operator agreements grant the Company security interests in the assets owned by the independent operator. The total investment at risk associated with each independent operator is not sufficient to permit each independent operator to finance its activities without additional subordinated financial support and, as a result, the independent operators are VIEs which the Company has variable interests in. To determine if the Company is the primary beneficiary of these VIEs, the Company evaluates whether it has (i) the power to direct the activities that most significantly impact the independent operator's economic performance and (ii) the obligation to absorb losses or the right to receive benefits of the independent operator that could potentially be significant to the independent operator. The Company's evaluation includes identification of significant activities and an assessment of its ability to direct those activities.

Activities that most significantly impact the independent operator economic performance relate to sales and labor. Sales activities that significantly impact the independent operators' economic performance include determining what merchandise the independent operator will order and sell and the price of such merchandise, both of which the independent operator controls. The independent operator is also responsible for all of their own labor. Labor activities that significantly impact the independent operator's economic performance include hiring, training, supervising, directing, compensating (including wages, salaries and employee benefits) and terminating all of the employees of the independent operator, activities which the independent operator controls. Accordingly, the independent operator has the power to direct the activities that most significantly impact the

independent operator's economic performance. Furthermore, the mutual termination rights associated with the operator agreements do not give the Company power over the independent operator.

The Company's maximum exposure to the independent operators is generally limited to the gross receivable due from these entities, which was $21.0 million and $27.8 million as of December 30, 2017 and December 29, 2018, respectively (Note 2).

Net income per share—Basic net income per share is computed using net income available to common stockholders divided by the weighted-average number of common shares outstanding during the period. Diluted net income per share reflects the dilutive effects of stock options and restricted stock outstanding during the period, to the extent such securities would not be anti-dilutive, and is determined using the treasury stock method.

Recently Issued Accounting Standards—The following summarizes recently issued accounting standards:

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update ("ASU") No. 2016-02, "Leases" (Topic 842). Under the new guidance, lessees will be required to recognize a lease liability and a right-of-use asset for all leases (with the exception of leases with a term of 12 months or less) at the commencement date. The Company has elected the package of practical expedients permitted within the new standard, which among other things, allows the Company to carryforward the historical lease classification. In July 2018 the FASB issued ASU No. 2018-11 which provides entities with an additional, and optional, transition method to adopt the new lease requirements by allowing entities to initially apply the requirements by recognizing a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. These ASUs are effective on a modified retrospective basis for fiscal years and interim periods within those years beginning after December 15, 2018. The Company will adopt the ASU beginning in the first quarter of fiscal 2019. See Note 10, Commitments and Contingencies, for the future minimum rental payments for all non-cancelable operating leases in effect on December 29, 2018. The amounts presented in this table are undiscounted and therefore do not approximate the impact of adopting this ASU. While the Company is still evaluating the financial statement impact of the ASU, the Company expects the adoption of the ASU to have a material effect on the Company's financial position due to the recognition of the lease rights and obligations as assets and liabilities. The Company does not expect the adoption of the ASU to have a material impact to the Company's statements of income.

In August 2018, the FASB issued ASU No. 2018-15, "Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract." The ASU aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. This ASU is effective retrospectively for fiscal years and interim periods within those years beginning after December 15, 2019. The Company will adopt the ASU beginning in the first quarter of fiscal 2020. The Company does not expect the adoption of this ASU to have a material effect on the Company's financial statements.

Recently Adopted Accounting Standards

On December 31, 2017, the Company adopted the FASB's ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)" ("ASU 2014-09"), which supersedes the revenue recognition requirements in Accounting Standards Codification Topic 605, Revenue Recognition. The core principle of ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance provides a five-step process to achieve that core principle. ASU 2014-09 requires disclosures enabling users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required about contracts with customers, significant judgments and changes in judgments and assets recognized

from the costs to obtain or fulfill a contract. The Company adopted the standard using a modified retrospective approach and did not adjust comparative information. As noted above, the adoption of the standard did not have a material effect on the Company's Consolidated Statements of Operations, Consolidated Balance Sheets or Consolidated Statements of Cash Flows.

Concurrent with the adoption of ASU 2014-09, the Company adopted ASU No. 2016-04, "Recognition of Breakage for Certain Prepaid Stored-Value Products." The new guidance created an exception under ASC Topic 405-20, Liabilities-Extinguishments of Liabilities, to derecognize financial liabilities related to certain prepaid stored-value products using a revenue-like breakage model. As noted above, the Company recorded a one-time adjustment to opening retained earnings of $0.1 million upon adoption of the new ASUs, and the Company expects to recognize immaterial amounts earlier than historical recognition patterns under the new breakage model.

On December 31, 2017, the Company prospectively adopted ASU No. 2016-09, "Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting." This ASU identifies areas for simplification involving several aspects of accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, an option to recognize gross stock compensation expense with actual forfeitures recognized as they occur, as well as certain classifications on the statement of cash flows. The adoption of this ASU did not have an impact on the Company's financial statements.

2. Independent Operator Notes and Receivables

The amounts included in independent operator notes and accounts receivable consist primarily of funds loaned to independent operators by the Company, net of amounts that are estimated to be uncollectible.

Independent operator notes are payable on demand and, where applicable, typically bear interest at a rate of 9.95%. Independent operator notes and receivables are also subjected to estimations of collectability based on an evaluation of overall credit quality, the estimated value of the underlying collateral and historical collections experience, including the fact that, typically, independent operators pay third-party operations-related payables prior to paying down their note with the Company. While estimates are required in making this determination, the Company believes that the independent operator notes and receivables balances, net of allowances, represent what the Company expects to collect from independent operators.

Amounts due from independent operators and the related allowances and accruals for estimated losses (in thousands) as of December 30, 2017 consist of the following:

		Allowance				
	Gross	Current portion	Long-term portion	Net	Current portion	Long-term portion
Independent operator notes	$16,502	$ (992)	$ (6,982)	$ 8,527	$1,039	$ 7,489
Independent operator receivables	4,513	(1,057)	—	3,457	3,456	—
	$21,015	$(2,049)	$ (6,982)	$11,984	$4,495	$ 7,489

Amounts due from independent operators and the related allowances and accruals for estimated losses (in thousands) as of December 29, 2018 consist of the following:

	Gross	Allowance		Net		
		Current portion	Long-term portion		Current portion	Long-term portion
Independent operator notes	$23,450	$ (577)	$ (7,926)	$14,947	$1,301	$ 13,646
Independent operator receivables	4,319	(564)	—	3,755	3,755	—
	$27,769	$(1,141)	$ (7,926)	$18,702	$5,056	$ 13,646

A summary of activity (in thousands) in the Company's independent operator notes and receivables allowance is as follows:

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Balance at beginning of year	$ 1,909	$ 6,046	$ 9,031
Provision for independent operator notes and receivables	4,284	3,259	1,029
Write-off of provision for notes and receivables	(147)	(274)	(993)
Balance at end of year	$ 6,046	$ 9,031	$ 9,067

3. Property and Equipment

Property and equipment (in thousands) as of December 30, 2017 and December 29, 2018 consist of the following:

	Property and Equipment, At Cost	Accumulated Depreciation and Amortization	Property and Equipment, Net
December 30, 2017:			
Leasehold improvements	$ 162,592	$ (27,247)	$ 135,345
Fixtures and equipment	193,397	(55,766)	137,631
Lease acquisition costs	352	(112)	240
Construction in progress	4,530	—	4,530
Totals	$ 360,871	$ (83,125)	$ 277,746
December 29, 2018:			
Leasehold improvements	$ 190,158	$ (39,509)	$ 150,649
Fixtures and equipment	220,337	(78,996)	141,341
Lease acquisition costs	433	(251)	182
Construction in progress	11,860	—	11,860
Totals	$ 422,788	$ (118,756)	$ 304,032

Construction in progress is primarily composed of leasehold improvements and fixtures and equipment related to new or remodeled stores where construction had not been completed at year-end.

Long-lived assets were evaluated for potential impairment by measuring their fair value on a nonrecurring basis. Fair value of long-lived assets is determined by estimating the amount and timing of net future cash flows (including rental expense for leased properties, sublease rental income, common area maintenance costs, and real estate taxes) and discounting them using a risk-adjusted rate. The Company estimates future cash flows based on its experience and knowledge of the market in which each store is located. The Company recorded a charge for the impairment of long-lived assets of $0.6 million in the fiscal year ended

December 29, 2018 for planned store relocations or closures in 2019. The impairment charge is recorded in selling, general and administrative expenses in the Consolidated Statements of Operations. During the fiscal years ended December 31, 2016 and December 30, 2017, there were no adjustments to the carrying value of long-lived assets due to impairment charges.

Depreciation and amortization expense on property and equipment was $26.4 million, $31.8 million and $37.1 million in the years ended December 31, 2016, December 30, 2017 and December 29, 2018, respectively.

4. Intangible Assets

Intangible assets (in thousands) as of December 30, 2017 and December 29, 2018 consist of the following:

	Useful Lives	Intangible Assets, At Cost	Accumulated Amortization	Intangible Assets, Net
December 30, 2017:				
Intangibles—subject to amortization				
Trademarks	15 years	$ 58,400	$ (12,538)	$ 45,862
Customer lists	5 years	160	(103)	57
Leasehold interests	1–20 years	30,468	(9,540)	20,928
Computer software	3 years	15,940	(11,473)	4,467
Total intangibles—subject to amortization		104,968	(33,654)	71,314
Intangibles not subject to amortization				
Liquor licenses		4,350	—	4,350
Totals		$109,318	$ (33,654)	$ 75,664
December 29, 2018:				
Intangibles—subject to amortization				
Trademarks	15 years	$ 58,400	$ (16,431)	$ 41,969
Customer lists	5 years	160	(135)	25
Leasehold interests	1–20 years	30,468	(12,735)	17,733
Computer software	3 years	18,176	(14,324)	3,852
Total intangibles—subject to amortization		107,204	(43,625)	63,579
Intangibles not subject to amortization				
Liquor licenses		5,245	—	5,245
Totals		$112,449	$ (43,625)	$ 68,824

Amortization expense for intangible assets was $10.8 million, $11.3 million and $10.0 million for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, respectively. During the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, there were no adjustments to the carrying value of intangible assets due to impairment charges. Estimated aggregate future amortization expense (in thousands) by fiscal year for intangible assets is as follows:

2019	$ 9,268
2020	8,143
2021	7,086
2022	6,320
2023	5,651
Thereafter	27,111
Total	$63,579

5. Long-Term Debt

Long-term debt (in thousands) as of December 30, 2017 and December 29, 2018 consist of the following:

	December 30, 2017	December 29, 2018
Term loans under 2014 First Lien Credit Agreement	$ 525,010	—
Term loans under 2014 Second Lien Credit Agreement	200,000	—
Term loans under 2018 First Lien Credit Agreement	—	723,236
Term loans under 2018 Second Lien Credit Agreement	—	148,535
Capital lease	2,113	2,019
Subtotal	727,123	873,790
Less current portion	(5,384)	(7,349)
Long-term debt	721,739	866,441
Less debt issuance costs (Note 1)	(16,237)	(16,422)
Long-term debt—net	$ 705,502	$ 850,019

First Lien Credit Agreement

On October 22, 2018, Holdings entered into a first lien credit agreement (“First Lien Credit Agreement”), whereby a syndicate of lenders agreed to loan a $725.0 million senior term loan and to provide revolving loans and standby letters of credit of up to $100.0 million. The First Lien Credit Agreement is secured by substantially all of Holdings’ assets and expires on October 21, 2025, with respect to the term loan, and October 20, 2023, with respect to the revolving loan facility. At the same time, Holdings retired the existing 2014 first lien credit agreement as part of the debt modification transaction.

Interest on the First Lien Credit Agreement loans are at either the Eurodollar rate, with a floor of 1.00%, as adjusted for the reserve percentage required under regulations issued by the Federal Reserve Board for determining maximum reserve requirements with respect to Eurocurrency funding, plus an applicable margin rate of between 3.75% for the initial term loans and between 3.25% and 3.75% for revolving credit loans, depending on the secured leverage ratio, or an ABR rate, with a floor of 2.00%, plus an applicable margin rate of 2.75% for the initial term loan or between 2.25% and 2.75% for revolving credit loans, depending on the secured leverage ratio. The ABR rate is determined as the greater of (a) the prime rate, (b) the federal funds effective rate, plus 0.5%, (c) the Eurodollar rate plus 1%, or (d) 2.00% solely with regard to the initial term loan. Holdings is able to select the rate type at the time of its initial borrowing. For loans utilizing the Eurodollar basis, Holdings is able to select a fixed-interest period of between 2 and 12 months, subject to certain restrictions. The interest rate in effect as of December 30, 2017 and December 29, 2018 was 5.19% and 6.09%, respectively.

Starting April 1, 2019, the term loan under the First Lien Credit Agreement is payable in minimum quarterly installments of $1.8 million per quarter with the remaining balance due on October 21, 2025. The Company was in compliance with debt covenants under the First Lien Credit Agreement as of December 29, 2018.

As part of this transaction, Holdings incurred capitalizable debt issuance costs of $7.2 million which will amortize over the life of the First Lien Credit Agreement. In addition, Holdings incurred $1.0 million in capitalizable debt issuance costs directly related to the acquisition of the revolving loan facility which will amortize ratably over the life of the revolving loan facility. Holdings incurred $1.8 million in debt issuance costs that could not be capitalized and were expensed immediately.

Unamortized 2014 First Lien Credit Agreement debt issuance costs of $5.9 million will amortize over the respective lives of the term loan and revolving credit facility under the First Lien Credit Agreement. Holdings

wrote-off unamortized debt issuance costs of $2.5 million related to the investors who exited the syndicate or decreased their holding.

Holdings may utilize the $100.0 million revolving loan facility for standby letters of credit. All amounts do not require minimum repayments, and any outstanding amounts are due on October 21, 2023. As of December 30, 2017, Holdings had $3.4 million in outstanding letters of credit against the former $75 million revolving loan facility and other than for these standby letters of credit, Holdings did not utilize the former facility for the fiscal year ended December 30, 2017. As of December 29, 2018, Holdings had $3.4 million in outstanding letters of credit. Other than for the standby letters of credit, Holdings did not utilize this facility for the fiscal year ended December 29, 2018.

The additional debt taken on with the new First Lien Credit Agreement and Second Lien Credit Agreement (as defined below) funded the $152.2 million cash dividend declared on October 22, 2018 and paid during the fiscal year ended December 29, 2018. The Company also paid cash dividends of $1.4 million to its stockholders during the fiscal year ended December 29, 2018 in conjunction with the cash dividend declared on June 23, 2016. A total of $153.6 million of cash dividends were paid during the fiscal year ended December 29, 2018 (Note 6). The payments of these dividends were compliant with the First Lien Credit Agreement and Second Lien Credit Agreement covenants.

Second Lien Credit Agreement

On October 22, 2018, Holdings entered into a second lien credit agreement (“Second Lien Credit Agreement”), whereby a syndicate of lenders agreed to loan a $150.0 million senior term loan, payable on October 21, 2026. At the same time, Holdings retired the existing 2014 second lien credit agreement as part of the debt modification transaction.

Interest on the Second Lien Credit Agreement term loan is at either the Eurodollar rate, with a floor of 1.00%, as adjusted for the reserve percentage required under regulations issued by the Federal Reserve Board for determining maximum reserve requirements with respect to Eurocurrency funding, plus an applicable margin rate of 7.25%, or an ABR rate, with a floor of 2.00%, plus an applicable margin rate of 6.25%. The ABR rate is determined as the greater of (a) the prime rate, (b) the federal funds effective rate, plus 0.5%, (c) the Eurodollar rate plus 1%, or (d) 2.00% solely with regard to the initial term loans. Holdings is able to select the rate type at the time of its initial borrowing. For loans utilizing the Eurodollar basis, Holdings is able to select a fixed-interest period of between 2 and 12 months, subject to certain restrictions. The interest rate in effect as of December 29, 2018 and December 30, 2017 was 9.59% and 9.94%, respectively.

The term loan under the Second Lien Credit Agreement does not require minimum quarterly installment payments and is payable in full on October 21, 2026. The company was in compliance with debt covenants under the Second Lien Credit Agreement as of December 29, 2018.

Unamortized Second Lien Credit Agreement debt issuance costs of $4.1 million will amortize ratably over the life of the agreement. Holdings wrote-off unamortized debt issuance costs of $0.9 million related to the investors who exited the syndicate or decreased their holding.

The First Lien Credit Agreement and Second Lien Credit Agreement contain covenants limiting Holdings and the ability of its restricted subsidiaries to, among other things: pay dividends or distributions, repurchase equity, prepay junior debt and make certain investments; incur additional debt or issue certain disqualified stock and preferred stock; incur liens on assets; merge or consolidate with another company or sell all or substantially all assets; enter into transactions with affiliates; and enter into agreements that would restrict its subsidiaries to pay dividends or make other payments to Holdings. These covenants are subject to important exceptions and qualifications as described in the First Lien Credit Agreement and the Second Lien Credit Agreement.

The components of interest expense, net and debt extinguishment and modification costs (in thousands) are as follows:

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Interest on term loan debt	$ 43,656	$ 46,235	$ 52,569
Amortization of debt issuance costs	4,301	4,442	4,024
Interest on capital leases	151	122	117
Other	—	30	2
Interest income	(961)	(1,131)	(1,350)
Interest expense, net	$ 47,147	$ 49,698	$ 55,362
Write off of debt issuance costs	—	1,258	3,459
Debt modification costs	—	208	1,794
Debt extinguishment and modification costs	$ —	$ 1,466	$ 5,253

Principal maturities of long-term debt (in thousands) as of December 29, 2018, are as follows:

2019	$ 7,349
2020	9,173
2021	7,383
2022	7,390
2023	7,399
Thereafter	835,096
Total	$873,790

6. Stockholders' Equity

Common Stock—The Company is authorized to issue both voting and non-voting common stock, both of which have a par value of $0.001.

Preferred Series A Stock—The Company has authorized and issued one share of Preferred Series A Stock with a par value of $0.001. The Company does not have any unauthorized and unissued shares. This share has no voting rights with respect to any matters submitted to a vote of the stockholders, except as a separate class at a stockholders' meeting solely with respect to electing the "Series A Director." Preferred Series A Stock is not entitled to receive dividends and has a liquidation preference of $1.00 per share.

2014 Stock Incentive Plan—Effective October 21, 2014, the Company adopted the 2014 Stock Incentive Plan (the "2014 Plan"), whereby certain employees may be granted options or stock appreciation rights for voting or nonvoting shares of the Company or other restricted stock awards of shares, restricted shares and other stock awards that are valued in whole or in part by reference to, or are otherwise based on the fair market value per share of the Company's stock. Such shares may be authorized but unissued stock or previously issued stock acquired by the Company. A total of 8,601,345 shares may be issued under the 2014 Plan. As of December 29, 2018, no stock appreciation rights have been issued under the 2014 Plan.

Options—Two types of options may be issued as follows:

a. Time-vesting options vest at 20% per year, subject to certain change in control provisions and may be exercised up to 10 years from the date of issuance.

b. Performance-based options vest and become exercisable on each measurement date in certain percentages based on internal rates of return and may be exercised up to 10 years from the date of issuance. The measurement date can be either; (i) prior to the occurrence of a change in control at each date upon which the controlling shareholders receive Proceeds; (ii) upon a change in control event or (iii) upon lead investor divestiture to a holding position under 10% of outstanding shares after an initial public offering.

The initial grant-date fair value was determined based on the contemporaneous purchase price of the stock issued as a result of the Company's acquisition of Holdings in 2014. The fair value of shares of common stock underlying stock options was the responsibility of, and determined by, the Company's board of directors, with input from management. There was no public market for the Company's common stock and the board of directors determined the fair value of common stock at the option grant date by considering a number of objective and subjective factors including quarterly independent third-party valuations of the Company's common stock, operating and financial performance, the lack of liquidity of capital stock and general and industry specific economic outlook, among other factors.

Restricted Stock Units—Under the 2014 Plan, the Company may also issue restricted stock units ("RSUs"). RSUs are grants for voting or nonvoting shares that vest in three equal annual installments as specified in the RSU.

As option and RSU awards represent equity awards of the Company, such awards are fair valued as of the grant date. For the time-vesting options, a Black-Scholes valuation model is utilized; for the RSUs, the current stock price estimate is utilized; and for the performance-based options, a Monte Carlo simulation approach implemented in a risk-neutral framework is utilized to fair value the awards.

The respective models resulted in a weighted-average fair value for time-vesting and performance-based options and RSUs granted as of December 30, 2017 and December 29, 2018 as follows:

	December 30, 2017	December 29, 2018
Time-vesting options	$ 3.24	$ 4.15
RSUs	10.83	14.54
Performance-vesting options	4.08	6.53

The following assumptions were used:

	December 30, 2017	December 29, 2018
Exercise price	$ 12.71	$ 16.81
Volatility	50%	35%
Risk-free rate	1.5%	2.6%
Dividend yield	0.0%	0.0%
Expected life (in years)	2.5	2.8

The valuation models require the input of highly subjective assumptions. Expected volatility of the options is based on companies of similar growth and maturity and the Company's peer group in the industry in which the Company does business because the Company does not have sufficient historical volatility data for its own shares. The expected term of the options represent the period of time that options granted were expected to be outstanding. The risk-free rate was based on the U.S. treasury zero-coupon issues, with a remaining term equal to the expected term of the options used in the respective valuation model. In the future, the Company's expected volatility and expected term may change, which could change the grant-date fair value of future awards and, ultimately, the expense the Company records.

Time-vesting options, performance-based options, and RSUs under the 2014 plan as of December 30, 2017 and December 29, 2018 are as follows:

	Time-Vesting Options		Performance-Based Options		Restricted Stock Units	
	Number of Options	Weighted-Average Exercise Price	Number of Options	Weighted-Average Exercise Price	Number of RSUs	Weighted-Average Exercise Price
Outstanding—December 31, 2016	3,850,164	$ 10.10	3,815,733	$ 8.40	38,573	$ —
Granted	160,371	12.71	160,373	12.71	33,276	—
Vested	—	—	—	—	—	
Exercised	(21,503)	10.00	—	—	—	—
Forfeitures	(48,308)	10.34	(37,503)	8.47	—	—
Outstanding—December 30, 2017	3,940,724	10.20	3,938,603	8.57	71,849	—
Granted	238,443	16.81	238,443	16.81	24,376	—
Vested	—	—	—	—	(38,620)	
Exercised	(2,100)	11.89	—	—	—	—
Forfeitures	(44,227)	11.36	(46,376)	9.56	—	—
Outstanding—December 29, 2018	4,132,840	10.57	4,130,670	6.18 (1)	57,605	—
Total exercisable at December 29, 2018	2,967,981		—			
Total vested at December 29, 2018					82,628	
Total vested and expected to vest at December 29, 2018	4,051,107		4,039,716		140,232	

(1) The decrease in weighted-average exercise price for outstanding performance-based options at December 29, 2018 is due to the dividend declared on October 22, 2018 pursuant to which all performance-based options outstanding on this date received a $2.94 downward adjustment to their exercise price. Please see further information in Note 6 below.

The Company recognizes compensation expense on the options and RSUs under the 2014 Plan by amortizing the grant date fair value over the expected vesting period to the extent the Company determines the vesting of the grant is probable.

All of the shares issued pursuant to exercise of time-vesting options, performance-based options and RSUs are subject to GO Holding's stockholders' agreement upon issuance. The stockholders' agreement permits the Company to repurchase shares from employees within a stated period of time from the date of their termination if they are terminated prior to a liquidity event. If the employee voluntarily terminates or is terminated for cause, the Company may repurchase the shares for a per share price equal to the lower of fair value or the cost paid by the employee to obtain the shares. If the employee is involuntarily terminated, the Company may repurchase the shares for a per share price equal to fair value. As a result, the employee will only realize appreciation in the fair value of the shares upon involuntary termination or a change in control or initial public offering. Shares held by members of the board of directors may be repurchased by the Company at fair market value.

The Company has not recorded compensation expense related to time-based options held by employees, as involuntary termination, change in control or initial public offering are not probable as of December 29, 2018. Unamortized compensation cost is $25.7 million for outstanding time-based options as of December 29, 2018, which will be amortized over the remaining requisite service period if and when the Company determines that vesting is probable.

The Company recognized $0.4 million of compensation expense related to RSUs held by directors in the fiscal year ended December 29, 2018. Unamortized compensation expense for the RSUs is $0.4 million at December 29, 2018, which will be amortized over the remaining requisite service period.

The Company has determined that the ultimate vesting of the performance-based options is not probable and, accordingly, has not recognized any expense related to these awards. Unamortized compensation cost is $25.5 million for outstanding performance-based options as of December 29, 2018, which will be amortized over the remaining requisite service period if and when the Company determines that vesting is probable.

Holdings declared and paid a cash dividend of $152.2 million to its parent company, Intermediate, on October 22, 2018. Intermediate then paid this cash dividend to GO Holding which used the proceeds to make a cash dividend to its stockholders of $2.94 per share. Pursuant to the 2014 Plan, the Company paid a dividend of $2.94 for each exercisable time-vesting option and RSU. Time-vesting options and RSUs that became exercisable from October 22, 2018 to December 29, 2018 received the $2.94 dividend. GO Holding also paid cash dividends of $1.4 million to its stockholders during the fiscal year ended December 29, 2018 in conjunction with the cash dividend declared on June 23, 2016. A total of $153.6 million of cash dividends were paid during the fiscal year ended December 29, 2018.

Holdings declared a cash dividend of $86.5 million to its parent company, Intermediate, on June 23, 2016. Intermediate then paid this cash dividend to GO Holding which used the proceeds to make a cash dividend to its stockholders of $1.72 per share. Pursuant to the 2014 Plan, the Company paid a dividend of $1.72 for each exercisable time-vesting option and RSU. Time-vesting options and RSUs that became exercisable from June 23, 2016 to December 29, 2018 received the $1.72 dividend.

Stock-based compensation of $1.7 million for the fiscal year ended December 30, 2017 includes $1.3 million in payments related to the June 23, 2016 dividend for outstanding options that became exercisable in the current year. Of the $10.4 million in stock-based compensation recorded in the fiscal year ended December 29, 2018, $8.7 million related to payment of the October 22, 2018 dividend and $1.3 million related to payment of the June 23, 2016 dividend on outstanding options that became exercisable in the current year. The remaining stock-based compensation in both years related to the aforementioned RSU compensation expense.

All performance-based options outstanding at the time of the June 23, 2016 and October 22, 2018 dividends received a $1.72 and $2.94 downward adjustment to the pre-dividend exercise price, respectively.

The dividends triggered a modification of both the time-vesting and performance-based options which resulted in a step-up of the fair value reflected in the remaining unamortized compensation costs disclosed above. In essence, all outstanding option awards with previously determined grant date fair values were replaced with new option awards that were valued using assumptions as of the dividend date. Time-vesting options were revalued using the Black-Scholes model and performance-based options were revalued using the Monte Carlo simulation approach.

For time-vesting options and RSUs that were outstanding at the time of the June 23, 2016 and October 22, 2018 dividend, and are expected to vest in 2019 and beyond, the Company intends to make dividend payments as these time-vesting options and RSUs vest. Pursuant to the 2014 Plan, if the Company is unable to make those payments, it may instead elect to reduce the per share exercise price of each such option by an amount equal to the dividend amount in lieu of making the applicable option payment. As such, the Company’s dividends are not considered declared and payable and are not accrued as a liability in the Company’s Consolidated Balance Sheet as of December 29, 2018.

7. Retirement Plans

The Company makes payments into the UFCW—Northern California Employers Joint Pension Trust Fund (the “Pension Fund”) and the UFCW—Benefits Trust Fund (“Benefits Fund”), multiemployer pension and

welfare trusts, established for the benefit of union employees at two company operated stores under the terms of its collective bargaining agreement. The Company currently operates under a collective bargaining agreement that expires September 6, 2019. Payments into the Pension Fund were $0.5 million for each of the fiscal years ended December 31, 2016 and December 30, 2017 and $0.4 million for the fiscal year ended December 29, 2018. Payments into the Benefits Fund were $1.5 million for each of the fiscal years ended December 31, 2016 and December 30, 2017 and $1.1 million for the fiscal year ended December 29, 2018. Such contributions represent less than 5% of the total contributions to the Fund. The Company paid no surcharges to the Fund. The Company does not have future obligations to contribute to the Benefits Fund upon termination of the collective bargaining agreement.

The risks of participating in a multiemployer pension plan are different from single-employer pension plans in the following aspects:

a. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.

b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

c. If the Company stops participating in its multiemployer pension plan, the Company may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The following information represents the Company’s participation in the plan for the annual period ended December 30, 2017, the latest available information from the Fund. All such information is based on information the Company received from the plan.

The Fund’s Employer Identification Number and Plan Number is 946313554-001. Under the provisions of the Pension Protection Act (PPA) zone status, the Fund was in critical status during the Plan year. Among other factors, generally, plans in critical status are less than 65 percent funded. In an effort to improve the Plan’s funding situation, the trustees adopted a rehabilitation plan on July 8, 2010. The rehabilitation plan changes the benefits for participants who retire and commence a pension on or after January 1, 2012, and changes future benefit accruals earned on or after January 1, 2012. Except in limited circumstances, the pensions of participants and beneficiaries whose pension effective date is before January 1, 2012, is not affected.

For the Company’s nonunion employees, the Company offers the following plans:

a. A defined contribution retirement plan for warehouse employees, which requires an annual contribution of 15% of eligible salaries. The defined contribution retirement plan is available to nonunion employees who meet certain service criteria.

b. A noncontributory profit-sharing plan for administrative personnel under which the board of directors may authorize an annual contribution of up to 15% of eligible salaries. The profit-sharing plan is available to nonunion employees who meet certain service criteria.

   The Company expensed $3.9 million, $3.3 million and $3.6 million for contributions to these two plans for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018, respectively.

c. A 401(k) retirement plan for warehouse employees, which is available to those employees who meet certain service criteria.

d. A 401(k) retirement plan for administrative personnel, which is available to those employees who meet certain service criteria.

e. The Company is not obligated to match any employee contributions for the 401(k) retirement plans.

For Amelia's employees who meet certain service criteria, the Company has a 401(k) retirement plan under which the Company will match employee contributions at a rate of 35% of each participating employee's contributions, not to exceed 6% of wages. The Company expensed $36,110, $31,063 and $29,929 for contributions to this plan for the fiscal years ending December 31, 2016, December 30, 2017 and December 29, 2018, respectively.

8. Income Taxes

For financial reporting purposes, the Company had income before taxes of $16.9 million for the fiscal year ended December 31, 2016, $25.8 million for the fiscal year ended December 30, 2017 and $21.9 for the fiscal year ended December 29, 2018.

The Company's components of income tax expense (in thousands) for the fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018 are as follows:

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Current:			
Federal	$ 98	$ 237	$ (200)
State	47	189	353
Total current	145	426	153
Deferred:			
Federal	5,446	2,928	4,523
State	1,133	1,817	1,308
Total deferred	6,579	4,745	5,831
Income tax expense	$ 6,724	$ 5,171	$ 5,984

A reconciliation of the U.S. federal statutory income tax rate to the Company's effective income tax rate is as follows:

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Taxes at federal statutory rates	35.0%	35.0%	21.0%
Effect of change in federal tax rate	—	(21.1%)	—
State income taxes net of federal benefit	4.1%	5.1%	6.0%
Other	0.6%	1.1%	0.4%
Effective income tax rate	39.7%	20.1%	27.4%

The primary components of the Company's deferred tax assets and liabilities (in thousands) as of December 30, 2017 and December 29, 2018 are as follows:

	December 30, 2017	December 29, 2018
Deferred tax assets:		
Accrued compensation	$ 2,765	$ 2,594
Inventory	3,110	3,553
Transaction costs	1,704	1,520
Deferred rent	7,290	12,530
Net operating loss and other carryforwards	33,263	25,781
Reserves and allowances	3,699	4,056
Other	953	1,181
Interest expense carryforward	—	3,862
Total deferred tax assets	52,784	55,077
Deferred tax liabilities:		
Prepaid expenses	(701)	(733)
Depreciation and amortization	(33,341)	(36,271)
Intangible assets	(9,717)	(9,073)
Goodwill	(16,534)	(21,897)
Debt transaction costs	(1,795)	(2,238)
Total deferred tax liabilities	(62,088)	(70,212)
Net deferred tax liabilities	$ (9,304)	$ (15,135)

The Company has net operating loss carryforwards of $96.4 million for federal income tax purposes and $27.0 million for California income tax purposes, which begin to expire in 2032. Certain tax attributes are subject to an annual limitation as a result of the Company's acquisition of Holdings, which constitutes a change in ownership as defined under Internal Revenue Code Section 382. Based on the Company's analysis, the Company's projected net operating losses to be utilized in future years will not be affected by this annual limitation.

As of December 29, 2018 and December 30, 2017, the Company had no uncertain tax positions and does not anticipate any changes to its uncertain tax positions within the next 12 months.

The Company is subject to taxation in the United States and various state jurisdictions. As of December 29, 2018, the Company's tax returns remain open to examination by the tax authorities for tax years 2015 to 2018 for US federal and 2014 to 2018 for various state jurisdictions.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act makes broad and complex changes to the U.S. tax code, including, but not limited to, (1) reducing the U.S. federal corporate tax rate from 35 percent to 21 percent; (2) eliminating the corporate alternative minimum tax (AMT) and changing how existing AMT credits can be realized; (3) creating a new limitation on deductible interest expense; (4) changing rules related to uses and limitations of net operating loss carryforwards created in tax years beginning after December 31, 2017; and (5) expanding bonus depreciation to allow full expensing of qualified property.

The SEC staff issued Staff Accounting Bulletin No. 118 (SAB 118), which provides guidance on accounting for the income tax effects of the Tax Act under ASC Topic 740. SAB 118 provides a measurement period that should not extend beyond one year from the enactment date of the Tax Act for companies to complete the accounting for the effects of the Tax Act. In accordance with SAB 118, a company must reflect the income tax effects of those aspects of the Tax Act for which the accounting under ASC Topic 740 is complete. To the

extent that a company's accounting for certain income tax effects of the Tax Act is incomplete, but it is able to determine a reasonable estimate, it must record a provisional estimate in the financial statements. If a company cannot determine a provisional estimate to be included in the financial statements, it should continue to apply ASC Topic 740 on the basis of the provisions of the tax laws that were in effect immediately before the enactment of the Tax Act.

The Company recognized a provisional tax benefit of $5.4 million associated with the Tax Act in its consolidated financial statements for the fiscal year ended December 30, 2017, which was associated with the re-measurement of the Company's deferred tax assets and liabilities. During the year ended December 29, 2018, the Company finalized its accounting for the impacts of the Tax Act and recorded an insignificant measurement period adjustment associated with the re-measurement of the Company's deferred tax assets and liabilities.

9. Related Party Transactions

Leases for 16 store locations and one warehouse location relate to property controlled by stockholders (Note 10).

During the fiscal years ended December 29, 2018 and December 30, 2017, one independent operator store was operated by family members of one employee. Independent operator commissions for this store totaled $1.3 million for each of the fiscal years ended December 31, 2016 and December 30, 2017 and $1.2 million for the fiscal year ended December 29, 2018.

The Company offers interest-bearing notes to independent operators and the gross receivable due from these entities was $21.0 million and $27.8 million as of December 30, 2017 and December 29, 2018, respectively (Note 2).

10. Commitments and Contingencies

Leases—Numerous retail facilities for store locations are leased by the Company under operating leases expiring at various dates through 2038. Many leases provide for renewal options, as well as require the Company to pay specified common area maintenance costs and contingent rents based on a percentage of sales.

Future minimum rental payments (in thousands) for all non-cancelable operating leases having a remaining term in excess of one year as of December 29, 2018 are as follows:

	Third Parties	Related Parties	Total
2019	$ 82,971	$ 6,152	$ 89,123
2020	91,538	6,201	97,739
2021	93,090	6,297	99,387
2022	92,359	6,532	98,891
2023	91,955	6,410	98,365
Thereafter	801,832	48,914	850,746
Total future minimum rental payments	$ 1,253,745	$ 80,506	$ 1,334,251

The Company also has non-cancelable subleases with unrelated third parties with future minimum rental receipts totaling $3.6 million ending in various years through 2023, which have not been deducted from the future minimum payments.

Rental expense (in thousands) for all operating leases for fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018 is as follows:

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Rent expense—third-party lessors	$ 56,825	$ 72,622	$ 79,347
Rent expense—related parties	6,490	7,309	7,141
Contingent rentals	619	531	548
Less rentals from subleases	(1,129)	(1,079)	(1,075)
Total rent expense	$ 62,805	$ 79,383	$ 85,961

Insurance—The Company is a member of a captive insurance group which manages the Company's risk of loss from general liability, automobile, and workers' compensation claims. Accruals for claims under this program are recorded based on the estimated ultimate liability of known claims and claims incurred but not reported. The Company recorded a liability of $2.9 million and $3.7 million as of December 30, 2017 and December 29, 2018, respectively, for such claims which are reflected in the consolidated balance sheets as accrued expenses. The Company may utilize the $100 million revolving loan facility for standby letters of credit to support potential liability.

Litigation—The Company is involved from time to time in claims, proceedings, and litigation arising in the normal course of business. The Company does not believe the impact of such litigation will have a material adverse effect on the Company's consolidated financial statements taken as a whole.

Purchase Commitments—The Company has future purchase commitments of $10.0 million per year through fiscal year 2022 with our primary fresh meat vendor.

11. Earnings Per Share Attributable to Common Stockholders

Earnings Per Share Attributable to Common Stockholders

A reconciliation of the numerator and denominator used in the calculation of basic and diluted earnings per share attributable to common stockholders is as follows:

Dollars and shares in thousands, except per share amounts	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Numerator			
Net income attributable to common stockholders—basic	$ 10,198	$ 20,601	$ 15,868
Denominator			
Weighted-average shares of common stock—basic	48,653	48,633	48,805
Effect of dilutive RSUs	45	71	52
Weighted-average shares of common stock—diluted	48,698	48,704	48,857
Earnings per share attributable to common stockholders:			
Basic	$ 0.21	$ 0.42	$ 0.33
Diluted	$ 0.21	$ 0.42	$ 0.32

Unaudited pro forma earnings per share

The unaudited pro forma earnings per share reflects the application of shares from the proposed initial public offering (assuming the mid-point of the initial public offering price range) that are necessary to cover the portion of the $152.2 million dividend paid to stockholders on October 22, 2018 which

was in excess of the Company's historical earnings. Net income attributable to common stockholders has been adjusted to assume no interest was paid on the incremental term loans entered into necessary to finance the dividend.

Dollars and shares in thousands, except per share amounts	Fiscal Year Ended December 29, 2018 (unaudited)
Numerator	
Net income attributable to common stockholders—basic	
Subtract: Interest paid on incremental term loans	
Pro forma net income attributable to common stockholders—basic	
Denominator	
Basic:	
Weighted-average shares of common stock—basic	48,672
Add: common shares offered hereby to fund the dividend in excess of earnings	
Pro forma weighted-average shares of common stock—basic	
Diluted:	
Pro forma weighted-average shares of common stock—basic	
Weighted average effect of dilutive RSUs	
Pro forma weighted-average shares of common stock—diluted	
Pro forma earnings per share attributable to common stockholders:	
Basic	
Diluted	

12. Subsequent Events

The Company performed an evaluation of subsequent events from the consolidated balance sheets date of December 29, 2018 through March 26, 2019, the date that the consolidated financial statements were available to be issued, and has concluded that there are no events requiring recording or disclosure in the consolidated financial statements.

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SCHEDULE 1—REGISTRANT'S CONDENSED FINANCIAL STATEMENTS

GROCERY OUTLET HOLDING CORP.
Parent Company Only
CONDENSED BALANCE SHEETS
(in thousands, except share and per share amounts)

	December 30, 2017	December 29, 2018
ASSETS		
Current assets:		
Other current assets	$ —	$ 497
Total current assets	—	497
Investment in wholly owned subsidiary	427,882	300,922
Total assets	$ 427,882	$ 301,419
LIABILITIES AND SHAREHOLDERS' EQUITY		
Intercompany payable	$ 750	$ 1,468
Total liabilities	750	1,468
Stockholders' equity:		
Capital stock:		
Common stock—par value $0.001, voting common stock, 107,536,215 shares authorized, 48,065,066 and 48,026,446 shares issued and outstanding as of December 29, 2018 and December 30, 2017	48	48
Common stock—par value $0.001, nonvoting common stock, 17,463,785 shares authorized, 740,139 shares issued and outstanding as of December 29, 2018 and December 30, 2017	1	1
Series A Preferred stock—par value $0.001, nonvoting preferred stock, 1 share authorized, 1 share issued and outstanding as of December 29, 2018 and December 30, 2017	—	—
Additional paid-in capital	403,308	287,476
Retained Earnings	23,776	12,426
Total stockholders' equity	427,133	299,951
Total liabilities and stockholders' equity	$ 427,882	$ 301,419

See notes to condensed Parent Company financial statements.

GROCERY OUTLET HOLDING CORP.
Parent Company Only
CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(in thousands)

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Operating expenses	$ 294	$ 181	$ 216
Operating loss	(294)	(181)	(216)
Loss before equity in net income of subsidiary	(294)	(181)	(216)
Equity in net income of subsidiary, net of tax	10,492	20,782	16,084
Net income and comprehensive income	$ 10,198	$ 20,601	$ 15,868

See notes to condensed Parent Company financial statements.

GROCERY OUTLET HOLDING CORP.
Parent Company Only
CONDENSED STATEMENTS OF CASH FLOWS
(in thousands)

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Cash flows from operating activities:			
Net income	$ 10,198	$ 20,601	$ 15,868
Adjustments to reconcile net income to net cash used in operating activities			
Equity in net income of subsidiary	(10,492)	(20,782)	(16,084)
Dividend received from subsidiary (return on capital)	—	—	27,351
Changes in operating assets and liabilities			
Other current assets	—	—	(497)
Net cash (used in) provided by operating activities	(294)	(181)	26,638
Cash flows from investing activities:			
Dividend received from subsidiary (return of capital)	86,454	—	126,236
Net cash provided by investing activities	86,454	—	126,236
Cash flows from financing activities:			
Intercompany payables	375	353	718
Proceeds from exercise of stock options	172	—	29
Repurchase of shares	(253)	(172)	(34)
Dividend paid to shareholders	(86,454)	—	(153,587)
Net cash used in financing activities	(86,160)	181	(152,874)
Net (decrease) increase in cash	—	—	—
Cash, beginning of period	—	—	—
Cash, end of period	$ —	$ —	$ —

See notes to condensed Parent Company financial statements.

GROCERY OUTLET HOLDING CORP.
(PARENT COMPANY ONLY)
NOTES TO CONDENSED FINANCIAL STATEMENTS

1. Description of Grocery Outlet Holding Corp.

Grocery Outlet Holding Corp. (the "Parent"), which is majority-owned by a private equity investment fund, owns 100% of Globe Intermediate Corp. ("Intermediate"), which owns 100% of GOBP Holdings, Inc. ("Holdings"), which owns 100% of GOBP Midco, Inc. ("Midco"), which owns 100% of Grocery Outlet Inc. ("GOI"), a high-growth, extreme value retailer of quality, name-brand consumables and fresh products sold through a network of independently operated stores.

The Parent was incorporated in Delaware on September 11, 2014 and became the ultimate parent of GOI on October 7, 2014. The Parent has no operations or significant assets or liabilities other than its investment in Intermediate. Accordingly, the Parent is dependent upon distributions from Intermediate to fund its limited, non-significant operating expenses. However, Holdings' and GOI's ability to pay dividends or lend to Intermediate or Parent is limited under the terms of various debt agreements.

Intermediate and Holdings are parties to credit facilities that contain covenants limiting the Parent's ability and the ability of its restricted subsidiaries to, among other things: pay dividends or distributions, repurchase equity, prepay junior debt and make certain investments; incur additional debt or issue certain disqualified stock and preferred stock; incur liens on assets; merge or consolidate with another company or sell all or substantially all assets; enter into transactions with affiliates; and enter into agreements that would restrict its subsidiaries to pay dividends or make other payments to the Parent. Due to the aforementioned qualitative restrictions, substantially all of the assets of the Parent's subsidiaries are restricted. These covenants are subject to important exceptions and qualifications as described in such credit facilities.

2. Basis of Presentation

The accompanying condensed financial statements (parent company only) include the accounts of the Parent and its investment in Intermediate, accounted for in accordance with the equity method, and do not present the financial statements of the Parent and its subsidiary on a consolidated basis. These parent company only financial statements should be read in conjunction with the Grocery Outlet Holding Corp. consolidated financial statements.

3. Dividends from Subsidiaries

The Parent received a dividend from Intermediate of $86.5 million on June 23, 2016 for the fiscal year ended December 31, 2016. This dividend has been reflected as a reduction to investment in wholly owned subsidiary in the accompanying condensed financial statements. On the same date, the Parent declared a dividend of $86.5 million to holders of its common stock. This dividend has been reflected as a return of capital in the accompanying condensed financial statements.

The Parent received a dividend from Intermediate of $153.6 million on October 22, 2018 for the fiscal year ended December 29, 2018. This dividend has been reflected as a reduction to investment in wholly owned subsidiary in the accompanying condensed financial statements. On the same date, the Parent declared a dividend of $153.6 million to holders of its common stock. This dividend has been reflected as a $27.4 million return on capital and a $126.2 million return of capital in the accompanying condensed financial statements.

GROCERY OUTLET HOLDING CORP.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(unaudited)

	December 29, 2018	March 30, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 21,063	$ 19,596
Independent operator receivables and current portion of independent operator notes, net of allowance $1,141 and $1,294	5,056	6,043
Other accounts receivable, net of allowance $24 and $15	2,069	2,731
Merchandise inventories	198,304	212,520
Prepaid rent—related party	512	512
Prepaid expenses and other current assets	13,368	15,212
Total current assets	240,372	256,614
Independent operator notes, net of allowance $7,926 and $8,965	13,646	13,884
Property and equipment—net	304,032	308,353
Operating right-of-use asset	—	659,664
Intangible assets—net	68,824	66,991
Goodwill	747,943	747,943
Other assets	2,045	6,463
Total	$ 1,376,862	$ 2,059,912

(Continued)

GROCERY OUTLET HOLDING CORP.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(unaudited)

	December 29, 2018	March 30, 2019
Liabilities and Stockholders' Equity		
Current liabilities:		
Trade accounts payable	$ 98,123	$ 112,492
Accrued expenses	31,194	27,786
Accrued compensation	10,795	11,094
Current portion of long-term debt	7,349	5,705
Current lease liability	—	33,441
Income and other taxes payable	3,463	3,096
Total current liabilities	150,924	193,614
Long-term liabilities:		
Long-term debt—net	850,019	848,951
Deferred income taxes	15,135	16,571
Lease liability	—	696,925
Deferred rent	60,833	—
Total liabilities	$ 1,076,911	$ 1,756,061
Commitments and contingencies (see Note 9)		
Stockholders' equity:		
Capital stock:		
Common stock—par value $0.001, voting common stock, 107,536,215 shares authorized, 48,065,066 and 48,095,326 shares issued and outstanding as of December 29, 2018 and March 30, 2019	$ 48	$ 48
Common stock—par value $0.001, nonvoting common stock, 17,463,785 shares authorized, 740,139 shares issued and outstanding as of December 29, 2018 and March 30, 2019	1	1
Series A Preferred stock—par value $0.001, nonvoting preferred stock, 1 share authorized, 1 share issued and outstanding as of December 29, 2018 and March 30, 2019	0	0
Additional capital	287,476	287,687
Retained earnings	12,426	16,115
Total stockholders' equity	299,951	303,851
Total liabilities and stockholders' equity	$ 1,376,862	$ 2,059,912

(Concluded)

See notes to condensed consolidated financial statements.

GROCERY OUTLET HOLDING CORP.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(in thousands, except per share data)
(unaudited)

	13 Weeks Ended	
	March 31, 2018	March 30, 2019
Net sales	$ 550,558	$ 606,271
Cost of sales	381,989	419,254
Gross profit	168,569	187,017
Operating expenses:		
Selling, general and administrative	136,736	152,854
Depreciation and amortization	11,178	12,296
Stock-based compensation	134	211
Total operating expenses	148,048	165,361
Income from operations	20,521	21,656
Other expense:		
Interest expense, net	12,912	16,438
Total other expense	12,912	16,438
Income before income taxes	7,609	5,218
Income tax expense	2,084	1,444
Net income and comprehensive income	$ 5,525	$ 3,774
Basic earnings per share	$ 0.11	$ 0.08
Diluted earnings per share	$ 0.11	$ 0.08
Weighted average shares outstanding:		
Basic	48,801	48,834
Diluted	48,835	48,862
Unaudited pro forma basic earnings per share (Note 10)		[ ]
Unaudited pro forma diluted earnings per share (Note 10)		[ ]
Unaudited pro forma weighted average shares outstanding (Note 10):		
Basic		[ ]
Diluted		[ ]

See notes to condensed consolidated financial statements.

GROCERY OUTLET HOLDING CORP.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share amounts)
(unaudited)

	Voting Common		Nonvoting Common		Preferred		Additional	Retained	Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Earnings	Equity
Balance—December 30, 2017	48,026,446	$ 48	740,139	$ 1	1	$ —	$ 403,308	$ 23,776	$ 427,133
Cumulative effect of accounting change related to adoption of ASU 2014-09								133	133
Issuance of shares	38,620	—							—
Stock based compensation							134		134
Dividend paid								(79)	(79)
Net income and comprehensive income								5,525	5,525
Balance—March 31, 2018	48,065,066	$ 48	740,139	$ 1	1	$ —	$ 403,442	$ 29,355	$ 432,846
Balance—December 29, 2018	48,065,066	$ 48	740,139	$ 1	1	$ —	$ 287,476	$ 12,426	$ 299,951
Cumulative effect of accounting change related to adoption of ASU 2016-02								169	169
Issuance of shares	30,260	—							—
Stock based compensation							211		211
Dividend paid								(254)	(254)
Net income and comprehensive income								3,774	3,774
Balance—March 30, 2019	48,095,326	$ 48	740,139	$ 1	1	$ —	$ 287,687	$ 16,115	$ 303,851

See notes to condensed consolidated financial statements.

GROCERY OUTLET HOLDING CORP.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	13 Weeks Ended	
	March 31, 2018	March 30, 2019
Operating activities:		
Net income	$ 5,525	$ 3,774
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	9,121	10,287
Amortization of intangible assets	2,414	2,562
Amortization of debt issuance costs	1,093	651
Amortization of bond discounts	—	111
Loss on disposal of assets	(52)	182
Stock-based compensation	134	211
Accounts receivable reserve	1,538	1,483
Deferred lease liabilities	7,288	—
Non-cash lease expense	—	10,747
Deferred income taxes	2,087	1,436
Changes in operating assets and liabilities:		
Independent operator and other accounts receivable	(427)	(29)
Merchandise inventories	(6,908)	(14,216)
Prepaid expenses and other current assets	(418)	988
Income and other taxes payable	(151)	(439)
Trade accounts payable	10,261	16,962
Accrued expenses	4,851	(3,501)
Accrued compensation	(4,811)	299
Operating lease liability	—	(9,268)
Net cash provided by operating activities	31,545	22,240
Investing activities:		
Cash advances to independent operators	(1,737)	(2,171)
Repayments of cash advances from independent operators	810	893
Purchase of property and equipment	(14,228)	(18,399)
Proceeds from sales of assets	154	401
Intangible assets, deposits and licenses	(276)	(721)
Net cash used in investing activities	(15,277)	(19,997)
Financing activities:		
Principal payments on 2014 loans	(1,322)	—
Principal payments on 2018 loans	—	(1,813)
Payments on other financing	(23)	(201)
Dividends paid	(79)	(254)
Deferred offering costs paid	—	(1,442)
Net cash used in financing activities	(1,424)	(3,710)
Net increase (decrease) in cash and cash equivalents	14,844	(1,467)
Cash and cash equivalents—Beginning of the period	5,801	21,063
Cash and cash equivalents—End of the period	$ 20,645	$ 19,596
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 11,395	$ 10,841
Cash refunded for income taxes	$ (3)	$ (80)
Property and equipment accrued at end of period	$ 518	$ 4,117

See notes to condensed consolidated financial statements.

GROCERY OUTLET HOLDING CORP.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation—The accompanying unaudited interim Condensed Consolidated Financial Statements have been prepared from the records of Grocery Outlet Holding Corp. and subsidiaries (the "Company"). All significant intercompany balances and transactions were eliminated. The Condensed Consolidated Balance Sheet as of December 29, 2018 is derived from the Company's annual audited Consolidated Financial Statements for the fiscal year ended December 29, 2018, which should be read in conjunction with these Condensed Consolidated Financial Statements and which are included in the Prospectus herein. Certain information in footnote disclosures normally included in annual financial statements was condensed or omitted for the interim periods presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In the opinion of management, the interim data includes all adjustments, consisting of normal recurring adjustments, necessary for a fair statement of the results for the interim periods. The interim results of operations and cash flows are not necessarily indicative of those results and cash flows expected for the year. The Company's results of operations are for the 13 weeks ended March 30, 2019 and March 31, 2018.

Use of Estimates—The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results can differ from these estimates depending upon certain risks and uncertainties, and changes in these estimates are recorded when known.

Merchandise Inventories—Merchandise inventories are valued at the lower of cost or market. Cost is determined by the first-in, first-out weighted-average cost method for warehouse inventories and the retail inventory method for store inventories. The Company provides for estimated inventory losses between physical inventory counts based on historical averages. This provision is adjusted periodically to reflect the actual shrink results of the physical inventory counts.

Leases—The Company adopted Accounting Standards Update No. 2016-02 ("ASU 2016-02"), *Leases (Topic 842)*, and all subsequent amendments, effective December 30, 2018 using the modified retrospective approach under which the Company recorded the cumulative effect of transition as of the effective date and did not restate comparative periods. Under this transition method the Company determines if an arrangement is a lease at inception. Operating leases are included in right-of-use ("ROU") assets, current lease liabilities, and lease liabilities on the consolidated balance sheets. Finance leases are included in other assets, current portion of long-term debt, and long-term debt on our consolidated balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease over the same term. ROU assets and liabilities are recognized at commencement date based on the present value of the lease payments over the lease term, reduced by landlord incentives. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate, which is estimated to approximate the interest rate on a collateralized basis with similar terms and payments based on the information available at the commencement date to determine the present value of our lease payments. The ROU asset also excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. Amortization of the ROU asset, interest expense on the lease liability and operating and financing cash flows for finance leases is immaterial.

The Company has lease agreements with retail facilities for store locations, distribution centers, office space and equipment with lease and non-lease components, which are accounted for separately. Leases with an initial term of 12 months or less are not recorded on the balance sheet; lease expense for these leases is recognized on a straight-line basis over the lease term. The short-term lease expense is reflective of the short-term lease commitments on a go forward basis. The Company subleases certain real estate to unrelated third parties under non-cancelable leases and the sublease portfolio consists of operating leases for retail stores.

Segment Reporting—The Company manages its business on the basis of one reportable and operating segment. All of the Company's sales were made to customers located in the United States and all property and equipment is located in the United States.

Fair Value Measurements—The fair value of financial instruments is categorized based upon the level of judgment associated with the inputs used to measure their fair values. Fair value is measured using inputs from the three levels of the fair value hierarchy, which are described as follows:

Level 1—Quoted prices in active markets for identical assets or liabilities

Level 2—Quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3—Inputs that are unobservable (for example, cash flow modeling inputs based on management's assumptions)

The assets' or liabilities' fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following table sets forth (in thousands) the fair value of the Company's financial liabilities by level within the fair value hierarchy:

	December 29, 2018	March 30, 2019
Financial Liabilities:		
Long-term debt, long-term portion (Level 2)	$ 845,327	$859,672
Long-term debt, current portion (Level 2)	7,250	5,438
Total financial liabilities (1)	$ 852,577	$865,110

(1) The carrying amounts of the Company's bank debt, before reduction of the debt issuance costs, approximate their fair values as the stated rates approximate market rates for loans with similar terms.

Cash and cash equivalents, IO receivables, other accounts receivable and accounts payable—The carrying value of such financial instruments approximates their fair value due to factors such as the short-term nature or their variable interest rates.

Independent operator notes (net)—The carrying value of such financial instruments approximates their fair value.

Revenue Recognition

Net Sales

The Company recognizes revenues from the sale of products at the point of sale, net of any taxes or deposits collected and remitted to governmental authorities. The Company's performance obligations are satisfied upon the transfer of goods to the customer, at the point of sale, and payment from customers is also due

at the time of sale. Discounts provided to customers by the Company are recognized at the time of sale as a reduction in sales as the products are sold. Discounts provided by independent operators are not recognized as a reduction in sales as these are provided solely by the independent operator who bears the incidental costs arising from the discount. The Company does not accept manufacturer coupons.

The Company does not have any material contract assets or receivables from contracts with customers, any revenue recognized in the current year from performance obligations satisfied in previous periods, any performance obligations, or any material costs to obtain or fulfill a contract as of December 29, 2018 and March 30, 2019.

Gift Cards

The Company records a deferred revenue liability when a Grocery Outlet gift card is sold. Revenue related to gift cards is recognized as the gift cards are redeemed, which is when the Company has satisfied its performance obligation. While gift cards are generally redeemed within 12 months, some are never fully redeemed. The Company reduces the liability and recognizes revenue for the unused portion of the gift cards ("breakage") under the proportional method, where recognition of breakage income is based upon the historical run-off rate of unredeemed gift cards. The Company's gift card deferred revenue liability was $1.7 million as of December 29, 2018 and $1.3 million as of March 30, 2019. Breakage amounts were immaterial for the 13 weeks ended March 31, 2018 and March 30, 2019. The Company recognized an immaterial one-time breakage transition adjustment in the first quarter of fiscal 2018 that increased fiscal 2018 opening retained earnings, related to the adoption of ASU 2014-09.

Disaggregated Revenues

The following table presents sales revenue (in thousands) by type of product for the 13 weeks ended March 31, 2018 and March 30, 2019.

	March 31, 2018	March 30, 2019
Perishable (1)	$186,688	$206,956
Non-perishable (2)	363,870	399,315
Total sales	$550,558	$606,271

(1) Perishable departments include dairy and deli; produce and floral; and fresh meat and seafood.
(2) Non-perishable departments include grocery; general merchandise; health and beauty care; frozen foods; and beer and wine.

Variable Interest Entities— In accordance with the variable interest entities sub-section of ASC Topic 810, Consolidation, the Company assesses at each reporting period whether the Company, or any consolidated entity, is considered the primary beneficiary of a variable interest entity ("VIE") and therefore required to consolidate it. Determining whether to consolidate a VIE may require judgment in assessing (i) whether an entity is a VIE, and (ii) if a reporting entity is a VIE's primary beneficiary. A reporting entity is determined to be a VIE's primary beneficiary if it has the power to direct the activities that most significantly impact a VIE's economic performance and the obligation to absorb losses or rights to receive benefits that could potentially be significant to a VIE.

The Company had 308 stores operated by independent operators as of December 29, 2018 and 315 stores operated by independent operators as of March 30, 2019. The Company has Operator Agreements in place with each independent operator. The independent operator orders its merchandise exclusively from the Company which is provided to the independent operator on consignment. Under the independent operator agreement, the independent operator may select a majority of merchandise that the Company consigns to the independent

operator, which the independent operator chooses from the Company's merchandise order guide according to the independent operator's knowledge and experience with local customer purchasing trends, preferences, historical sales and similar factors. The independent operator agreement gives the independent operator discretion to adjust the Company's initial prices if the overall effect of all price changes at any time comports with the reputation of the Company's Grocery Outlet retail stores for selling quality, name-brand consumables and fresh products and other merchandise at extreme discounts. Independent operators are required to furnish initial working capital and to acquire certain store and safety assets. The independent operator is required to hire, train and employ a properly trained workforce sufficient in number to enable the independent operator to fulfill its obligations under the independent operator agreement. The independent operator is responsible for expenses required for business operations, including all labor costs, utilities, credit card processing fees, supplies, taxes, fines, levies and other expenses. Either party may terminate the independent operator agreement without cause upon 75 days' notice.

As consignor of all merchandise to each independent operator, the aggregate net sales proceeds from merchandise sales belongs to the Company. Sales related to independent operator stores were $532.7 million and $589.3 million for the 13 weeks ended March 31, 2018 and March 30, 2019, respectively. The Company, in turn, pays independent operators a commission based on a share of the gross profit of the store. Inventories and related sales proceeds are the property of the Company, and the Company is responsible for store rent and related occupancy costs. Independent operator commissions of $82.7 million and $91.2 million were expensed and included in selling, general and administrative expenses for the 13 weeks ended March 31, 2018 and March 30, 2019, respectively. Independent operator commissions of $3.9 million and $5.7 million are included in accrued expenses as of December 29, 2018 and March 30, 2019, respectively.

Independent operators may fund their initial store investment from existing capital, a third-party loan or most commonly through a loan from the Company (Note 2). To ensure independent operator performance, the operator agreements grant the Company security interests in the assets owned by the independent operator. The total investment at risk associated with each independent operator is not sufficient to permit each independent operator to finance its activities without additional subordinated financial support and, as a result, the independent operators are VIEs which the Company has variable interests in. To determine if the Company is the primary beneficiary of these VIEs, the Company evaluates whether it has (i) the power to direct the activities that most significantly impact the independent operator's economic performance and (ii) the obligation to absorb losses or the right to receive benefits of the independent operator that could potentially be significant to the independent operator. The Company's evaluation includes identification of significant activities and an assessment of its ability to direct those activities.

Activities that most significantly impact the independent operator economic performance relate to sales and labor. Sales activities that significantly impact the independent operators' economic performance include determining what merchandise the independent operator will order and sell and the price of such merchandise, both of which the independent operator controls. The independent operator is also responsible for all of their own labor. Labor activities that significantly impact the independent operator's economic performance include hiring, training, supervising, directing, compensating (including wages, salaries and employee benefits) and terminating all of the employees of the independent operator, activities which the independent operator controls. Accordingly, the independent operator has the power to direct the activities that most significantly impact the independent operator's economic performance. Furthermore, the mutual termination rights associated with the operator agreements do not give the Company power over the independent operator.

The Company's maximum exposure to the independent operators is generally limited to the gross receivable due from these entities, which was $27.8 million and $30.2 million as of December 29, 2018 and March 30, 2019 (Note 2).

Recently Issued Accounting Standards

In June 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"). ASU 2016-13, which was further

updated and clarified by the FASB through issuance of additional related ASUs, amends the guidance surrounding measurement and recognition of credit losses on financial assets measured at amortized cost, including trade receivables and debt securities, by requiring recognition of an allowance for credit losses expected to be incurred over an asset's lifetime based on relevant information about past events, current conditions, and supportable forecasts impacting its ultimate collectability. This "expected loss" model will result in earlier recognition of credit losses than the current "as incurred" model, under which losses are recognized only upon an occurrence of an event that gives rise to the incurrence of a probable loss. ASU 2016-13 is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, and is to be adopted on a modified retrospective basis. The Company will adopt ASU 2016-13 beginning in the first quarter of fiscal 2020 and is currently evaluating the impact on the consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract* ("ASU 2018-15"). ASU 2018-15 aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. ASU 2018-15 is effective retrospectively for fiscal years and interim periods within those years beginning after December 15, 2019. The Company will adopt ASU 2018-15 beginning in the first quarter of fiscal 2020. The Company does not expect the adoption of ASU 2018-15 to have a material effect on the Company's financial statements.

Recently Adopted Accounting Standards

The Company adopted ASU 2016-02, *Leases (Topic 842)*, on December 30, 2018, using the modified retrospective approach with the cumulative effect of transition. The modified retrospective approach provides a method for recording existing leases at adoption with the comparative reporting periods being presented in accordance with ASU No. 2018-11, *Leases (Topic 840)*. The Company elected a number of the practical expedients permitted under the transition guidance within the new standard. This included the election to apply the practical expedient package upon transition, which comprised the following:

- The Company did not reassess whether expired or existing contracts are or contain a lease;
- The Company did not reassess the classification of existing leases; and
- The Company did not reassess the accounting treatment for initial direct costs.

In addition, the Company elected the practical expedient related to short-term leases, which allows the Company not to recognize a ROU asset and lease liability for leases with an initial expected term of 12 months or less.

Adoption of the new standard resulted in the recording of additional lease assets of $646 million and lease liabilities of $709 million on the consolidated balance sheets as of December 30, 2018, which includes the reclassification of amounts presented in comparative periods as deferred rent as a reduction to the ROU assets. The adoption of the new standard did not result in a material cumulative-effect adjustment to the opening balance of retained earnings. The standard did not materially impact the consolidated statement of income and other comprehensive income or the consolidated statement of cash flows. See Note 3 for further discussion on the adoption of ASU 2016-02.

2. INDEPENDENT OPERATOR NOTES AND RECEIVABLES

The amounts included in independent operator notes and accounts receivable consist primarily of funds loaned to independent operators by the Company, net of amounts that are estimated to be uncollectible.

Independent operator notes are payable on demand and, where applicable, typically bear interest at a rate of 9.95%. Independent operator notes and receivables are also subjected to estimations of collectability based on an evaluation of overall credit quality, the estimated value of the underlying collateral and historical collections experience, including the fact that, typically, independent operators pay third-party operations-related payables prior to paying down their note with the Company. While estimates are required in making this determination, the Company believes that the independent operator notes and receivables balances, net of allowances, represent what the Company expects to collect from independent operators.

Amounts due from independent operators and the related allowances and accruals for estimated losses (in thousands) as of December 29, 2018 and March 30, 2019 consist of the following:

		Allowance				
	Gross	Current portion	Long-term portion	Net	Current portion	Long-term portion
December 29, 2018						
Independent operator notes	$ 23,450	$ (577)	$ (7,926)	$14,947	$1,301	$ 13,646
Independent operator receivables	4,319	(564)	—	3,755	3,755	—
	$ 27,769	$(1,141)	$ (7,926)	$18,702	$5,056	$ 13,646

		Allowance				
	Gross	Current portion	Long-term portion	Net	Current portion	Long-term portion
March 30, 2019						
Independent operator notes	$ 24,733	$ (629)	$ (8,965)	$15,139	$1,255	$ 13,884
Independent operator receivables	5,453	(665)	—	4,788	4,788	—
	$ 30,186	$(1,294)	$ (8,965)	$19,927	$6,043	$ 13,884

3. LEASES

The Company generally leases retail facilities for store locations, distribution centers, office space and equipment and accounts for these leases as operating leases. The Company accounts for one retail store lease and certain equipment leases as finance leases. Leases with an initial term of 12 months or less are not recorded on the balance sheet; lease expense for these leases is recognized on a straight-line basis over the lease term. The Company accounts for lease components (e.g., fixed payments including rent, real estate taxes and insurance costs) separately from the non-lease components (e.g., common-area maintenance costs).

Leases for 16 store locations and one warehouse location relate to property controlled by related parties. The ROU asset and lease liability related to these properties was $46.3 million and $50.4 million, respectively. As of March 30, 2019, the Company had executed leases for 43 store locations that it had not yet taken possession of with total undiscounted future lease payments of $224.1 million over approximately 15 years.

The Company’s lease terms may include options to extend the lease when the Company is reasonably certain that it will exercise such options. Based upon our initial investment in store leasehold improvements, the Company utilizes an initial reasonably certain lease life of 15 years. Most leases include one or more options to renew, with renewal terms that can extend the lease term from one to 5 years or more. The Company’s leases do not include any material residual value guarantees or material restrictive covenants. The Company also has non-cancelable subleases with unrelated third parties with future minimum rental receipts as of March 30, 2019 totaling $4.1 million ending in various years through 2024, and as of December 29, 2018 totaling $3.6 million ending in various years through 2023, which have not been deducted from the future minimum payments.

The balance sheet classification of our right-of-use assets and lease liabilities as of March 30, 2019 was as follows (in thousands):

Leases	Classification	
Assets:		
Operating lease assets	Operating Right-of-use Asset	$ 659,664
Finance lease assets	Other Assets	4,496
Total leased assets		664,160
Liabilities:		
Current		
Operating	Current operating lease liabilities	32,889
Finance	Current portion of long-term debt	552
Noncurrent		
Operating	Noncurrent operating lease liabilities	692,887
Finance	Long-term debt – net	4,038
Total lease liabilities		$ 730,366

Rental expense (in thousands) for all operating leases for fiscal years ended December 31, 2016, December 30, 2017 and December 29, 2018 (under ASC 840) was as follows:

	Fiscal Year Ended		
	December 31, 2016	December 30, 2017	December 29, 2018
Rent expense—third-party lessors	$ 56,825	$ 72,622	$ 79,347
Rent expense—related parties	6,490	7,309	7,141
Contingent rentals	619	531	548
Less rentals from subleases	(1,129)	(1,079)	(1,075)
Total rent expense	$ 62,805	$ 79,383	$ 85,961

The components of lease expense for the 13 weeks ended March 30, 2019 were as follows (in thousands):

Lease Cost	Classification	
Operating lease cost	Selling, general and administrative expenses	$ 23,211
Finance lease cost:		
Amortization of right-of-use assets	Depreciation and amortization	$ 173
Interest on leased liabilities	Interest expense, net	$ 71
Sublease income	Other income	$ (353)
Net Lease Cost		$ 23,102

Short-term lease expense and variable lease payments for operating expenses were immaterial for the 13 weeks ended March 30, 2019.

The undiscounted future lease payments under the lease liability as of December 29, 2018 (under ASC 840) were as follows (in thousands):

	Third Parties	Related Parties	Total
Fiscal 2019	$ 82,971	$ 6,152	$ 89,123
Fiscal 2020	91,538	6,201	97,739
Fiscal 2021	93,090	6,297	99,387
Fiscal 2022	92,359	6,532	98,891
Fiscal 2023	91,955	6,410	98,365
Fiscal years thereafter	801,832	48,914	850,746
Total future lease payments	$1,253,745	$ 80,506	$1,334,251

The undiscounted future lease payments under the lease liability as of March 30, 2019 were as follows (in thousands):

Maturity of Lease Liabilities	Operating Leases	Finance Leases	Total
Remainder of fiscal 2019	$ 65,341	$ 631	$ 65,972
Fiscal 2020	90,189	756	90,945
Fiscal 2021	90,605	777	91,382
Fiscal 2022	89,954	724	90,678
Fiscal 2023	89,707	622	90,329
Fiscal 2024	88,810	556	89,366
After fiscal 2024	654,755	1,873	656,628
Total lease payments	1,169,361	5,939	$1,175,301
Less: Interest	(443,586)	(1,347)	
Present value of lease liabilities	$ 725,775	$ 4,592	

The weighted-average lease term and discount rate as of March 30, 2019 was as follows:

Lease Term and Discount Rate	
Weighted-average remaining lease term (years):	
Operating leases	12.60
Finance leases	8.47
Weighted-average discount rate:	
Operating leases	7.83%
Finance leases	7.50%

Supplemental cash flow information for the 13 weeks ended March 30, 2019 related to leases was as follows (in thousands):

Other Information	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	$ 21,225
Leased assets obtained in exchange for new operating lease liabilities—adoption	$ 641,529
Leased assets obtained in exchange for new operating lease liabilities—first quarter 2019	$ 30,942

4. GOODWILL AND INTANGIBLE ASSETS

Information regarding the Company's goodwill and intangible assets as of December 29, 2018 is as follows (in thousands):

	Useful Lives	Gross carrying amount	Accumulated amortization	Net carrying amount
Trademarks	15 years	$ 58,400	$ (16,431)	$ 41,969
Customer lists	5 years	160	(135)	25
Leasehold interests	1–20 years	30,468	(12,735)	17,733
Computer software	3 years	18,176	(14,324)	3,852
Total finite-lived intangibles		107,204	(43,625)	63,579
Liquor licenses	Indefinite	5,245	—	5,245
Goodwill		747,943	—	747,943
Total goodwill and other intangibles		$ 860,392	$ (43,625)	$ 816,767

Information regarding the Company's goodwill and intangible assets as of March 30, 2019 is as follows (in thousands):

	Useful Lives	Gross carrying amount	Accumulated amortization	Net carrying amount
Trademarks	15 years	$ 58,400	$ (17,404)	$ 40,996
Customer lists	5 years	160	(143)	17
Leasehold interests	1–20 years	30,468	(13,611)	16,857
Computer software	3 years	18,640	(15,021)	3,619
Total finite-lived intangibles		107,668	(46,179)	61,489
Liquor licenses	Indefinite	5,502	—	5,502
Goodwill		747,943	—	747,943
Total goodwill and other intangibles		$ 861,113	$ (46,179)	$ 814,934

Amortization expense on finite-lived intangible assets was $2.4 million and $2.8 million for the 13 weeks ended March 31, 2018 and March 30, 2019, respectively. Liquor license assets have been classified as indefinite-lived intangible assets and accordingly, are not subject to amortization. There were no impairments of goodwill or intangible assets recorded in the 13 weeks ended March 31, 2018 and March 30, 2019.

The estimated future amortization expense related to finite-lived intangible assets on the Company's balance sheet at March 30, 2019 is as follows (in thousands):

Remainder of fiscal 2019	$ 6,982
Fiscal 2020	8,278
Fiscal 2021	7,221
Fiscal 2022	6,297
Fiscal 2023	5,621
Thereafter	27,090
Total	$61,489

5. LONG-TERM DEBT

Long-term debt (in thousands) as of December 29, 2018 and March 30, 2019 consist of the following:

	December 29, 2018	March 30, 2019
Term loans under 2018 First Lien Credit Agreement	$ 723,236	$721,489
Term loans under 2018 Second Lien Credit Agreement	148,535	148,582
Notes payable	—	426
Capital lease	2,019	—
Subtotal	873,790	870,497
Less current portion	(7,349)	(5,705)
Long-term debt	866,441	864,792
Less debt issuance costs	(16,422)	(15,841)
Long-term debt—net	$ 850,019	$848,951

Please refer to Note 5 of the audited 2018 consolidated financial statements for a summary of the First and Second Lien Credit Agreements.

The components of interest expense, net (in thousands) are as follows:

	13 Weeks Ended	
	March 31, 2018	March 30, 2019
Interest on term loan debt	$ 12,093	$ 16,098
Amortization of debt issuance costs	1,093	651
Interest on capital leases	30	71
Other	—	7
Interest income	(304)	(389)
Interest expense, net	$ 12,912	$ 16,438

6. STOCKHOLDERS' EQUITY

Please refer to Note 6 of the audited 2018 consolidated financial statements for a summary of the Company's equity plan and a description of the time-vesting and performance-based options and restricted stock units ("RSUs") granted.

The initial grant-date fair value of options was determined based on the contemporaneous purchase price of the stock issued as a result of the Company's acquisition of Holdings in 2014. The fair value of shares of common stock underlying stock options was the responsibility of, and determined by, the Company's Board of Directors, with input from management. There was no public market for the Company's common stock and the Board of Directors determined the fair value of common stock at the option grant date by considering a number of objective and subjective factors including quarterly independent third-party valuations of the Company's common stock, operating and financial performance, the lack of liquidity of capital stock and general and industry specific economic outlook, among other factors.

As option and RSU awards represent equity awards of the Company, such awards are fair valued as of the grant date. For the time-vesting options, a Black-Scholes valuation model is utilized; for the RSUs, the current stock price estimate is utilized; and for the performance-based options, a Monte Carlo simulation approach implemented in a risk-neutral framework is utilized to fair value the awards.

The respective models resulted in a weighted-average fair value for time-vesting and performance-based options and RSUs granted as of March 30, 2019 as follows:

	March 30, 2019
Time-vesting options	$ 2.31
RSUs	13.42
Performance-vesting options	7.18

The following assumptions were used:

	March 30, 2019
Exercise price	$ 17.57
Volatility	35%
Risk-free rate	2.8%
Dividend yield	0.0%
Expected life (in years)	3.0

The valuation models require the input of highly subjective assumptions. Expected volatility of the options is based on companies of similar growth and maturity and the Company's peer group in the industry in which the Company does business because the Company does not have sufficient historical volatility data for its own shares. The expected term of the options represents the period of time that options granted were expected to be outstanding. The risk-free rate was based on the U.S. treasury zero-coupon issues, with a remaining term equal to the expected term of the options used in the respective valuation model. In the future, the Company's expected volatility and expected term may change, which could change the grant-date fair value of future awards and, ultimately, the expense the Company records.

Time-vesting options, performance-based options, and RSUs under the 2014 plan as of March 30, 2019 are as follows:

	Time-Vesting Options		Performance-Based Options		Restricted Stock Units	
	Number of Options	Weighted-Average Exercise Price	Number of Options	Weighted-Average Exercise Price	Number of RSUs	Weighted-Average Exercise Price
Outstanding—December 29, 2018	4,132,840	10.57	4,130,670	6.18	57,605	—
Granted	35,375	17.57	35,375	17.57	22,768	—
Vested	—	—	—	—	(30,260)	
Exercised	—	—	—	—	—	—
Forfeitures	(14,375)	14.18	(15,375)	10.74	—	—
Outstanding—March 30, 2019	4,153,840	10.61	4,150,670	6.26	50,113	—
Total exercisable at March 30, 2019	2,987,398		—			
Total vested at March 30, 2019					112,888	
Total vested and expected to vest at March 30, 2019	4,093,752		4,083,915		163,000	

The Company recognizes compensation expense on the options and RSUs under the 2014 Plan by amortizing the grant date fair value over the expected vesting period to the extent the Company determines the vesting of the grant is probable.

The Company has not recorded compensation expense related to time-based options held by employees, as involuntary termination, change in control or initial public offering are not probable as of March 30, 2019. Unamortized compensation cost is $25.7 million for outstanding time-based options as of March 30, 2019, which will be amortized over the remaining requisite service period if and when the Company determines that vesting is probable.

The Company recognized $53,720 of compensation expense related to RSUs held by directors in the 13 weeks ended March 30, 2019. Unamortized compensation expense for the RSUs is $0.6 million at March 30, 2019, which will be amortized over the remaining requisite service period.

The Company has determined that the ultimate vesting of the performance-based options is not probable and, accordingly, has not recognized any expense related to these awards. Unamortized compensation cost is $25.9 million for outstanding performance-based options as of March 30, 2019, which will be amortized over the remaining requisite service period if and when the Company determines that vesting is probable.

Holdings declared a cash dividend of $86.5 million to its parent company, Intermediate, on June 23, 2016. Intermediate then paid this cash dividend to GO Holding which used the proceeds to make a cash dividend to its stockholders of $1.72 per share. Pursuant to the 2014 Plan, the Company paid a dividend of $1.72 for each exercisable time-vesting option and RSU.

Holdings declared and paid a cash dividend of $152.2 million to its parent company, Intermediate, on October 22, 2018. Intermediate then paid this cash dividend to GO Holding which used the proceeds to make a cash dividend to its stockholders of $2.94 per share. Pursuant to the 2014 Plan, the Company paid a dividend of $2.94 for each exercisable time-vesting option and RSU.

Time-vesting options and RSUs that became exercisable in the 13 weeks ended March 30, 2019, and were outstanding as of the above dividend dates, received the $1.72 and $2.94 dividend. A total of $0.1 million of cash dividends were paid during the 13 weeks ended March 30, 2019.

Stock-based compensation of $0.2 million for the 13 weeks ended March 30, 2019 includes the $0.1 million in dividend payments and $0.1 million in RSU compensation expense.

All performance-based options outstanding at the time of the June 23, 2016 and October 22, 2018 dividends received a $1.72 and $2.94 downward adjustment to the pre-dividend exercise price, respectively.

The dividends triggered a modification of both the time-vesting and performance-based options which resulted in a step-up of the fair value reflected in the remaining unamortized compensation costs disclosed above. In essence, all outstanding option awards with previously determined grant date fair values were replaced with new option awards that were valued using assumptions as of the dividend date. Time-vesting options were revalued using the Black-Scholes model and performance-based options were revalued using the Monte Carlo simulation approach.

For time-vesting options and RSUs that were outstanding at the time of the June 23, 2016 and October 22, 2018 dividend, and are expected to vest in 2019 and beyond, the Company intends to make dividend payments as these time-vesting options and RSUs vest. Pursuant to the 2014 Plan, if the Company is unable to make those payments, it may instead elect to reduce the per share exercise price of each such option by an amount equal to the dividend amount in lieu of making the applicable option payment. As such, the Company’s dividends are not considered declared and payable and are not accrued as a liability in the Company’s Consolidated Balance Sheet as of March 30, 2019.

7. INCOME TAXES

The income tax provision for the thirteen weeks ended March 31, 2018 and March 30, 2019 was $2.1 million, or an effective tax rate of 27.4%, and $1.4 million, or an effective tax rate of 27.7%, respectively.

8. RELATED PARTY TRANSACTIONS

Leases for 16 store locations and one warehouse location relate to property controlled by stockholders.

During the fiscal quarter ended March 31, 2018 and March 30, 2019, one independent operator store was operated by family members of one employee. Independent operator commissions for this store totaled $0.3 million for each of the 13-week periods ended March 31, 2018 and March 30, 2019.

The Company offers interest-bearing notes to independent operators and the gross receivable due from these entities was $27.8 million and $30.2 million as of December 29, 2018 and March 30, 2019 (Note 2).

9. COMMITMENTS AND CONTINGENCIES

The Company is involved from time to time in claims, proceedings, and litigation arising in the normal course of business. The Company does not believe the impact of such litigation will have a material adverse effect on the Company's consolidated financial statements taken as a whole.

10. EARNINGS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS

Earnings Per Share Attributable to Common Stockholders

A reconciliation of the numerator and denominator used in the calculation of basic and diluted earnings per share attributable to common stockholders is as follows:

	13 Weeks Ended	
Dollars and shares in thousands, except per share amounts	**March 31, 2018**	**March 30, 2019**
Numerator		
Net income attributable to common stockholders—basic	$ 5,525	$ 3,774
Denominator		
Weighted-average shares of common stock—basic	48,801	48,834
Effect of dilutive RSUs	34	28
Weighted-average shares of common stock—diluted	48,835	48,862
Earnings per share attributable to common stockholders:		
Basic	$ 0.11	$ 0.08
Diluted	$ 0.11	$ 0.08

Unaudited pro forma earnings per share

The unaudited pro forma earnings per share reflects the application of shares from the proposed initial public offering (assuming the mid-point of the initial public offering price range) that are necessary to cover the portion of the $152.2 million dividend paid to stockholders on October 22, 2018 which was in excess of the Company's historical earnings. Net income attributable to common stockholders has been adjusted to assume no interest was paid on the incremental term loans entered into necessary to finance the dividend.

Dollars and shares in thousands, except per share amounts	13 Weeks Ended March 30, 2019 (unaudited)
Numerator	
Net income attributable to common stockholders—basic	
Subtract: Interest paid on incremental term loans	
Pro forma net income attributable to common stockholders—basic	
Denominator	
Basic:	
Weighted-average shares of common stock—basic	48,834
Add: common shares offered hereby to fund the dividend in excess of earnings	
Pro forma weighted-average shares of common stock—basic	
Diluted:	
Pro forma weighted-average shares of common stock—basic	
Weighted average effect of dilutive RSUs	
Pro forma weighted-average shares of common stock—diluted	
Pro forma earnings per share attributable to common stockholders:	
Basic	
Diluted	

11. SUBSEQUENT EVENTS

The Company performed an evaluation of subsequent events from the consolidated balance sheets date of March 30, 2019 through May 22, 2019, the date that the consolidated financial statements were available to be issued, and has concluded that there are no events requiring recording or disclosure in the consolidated financial statements.

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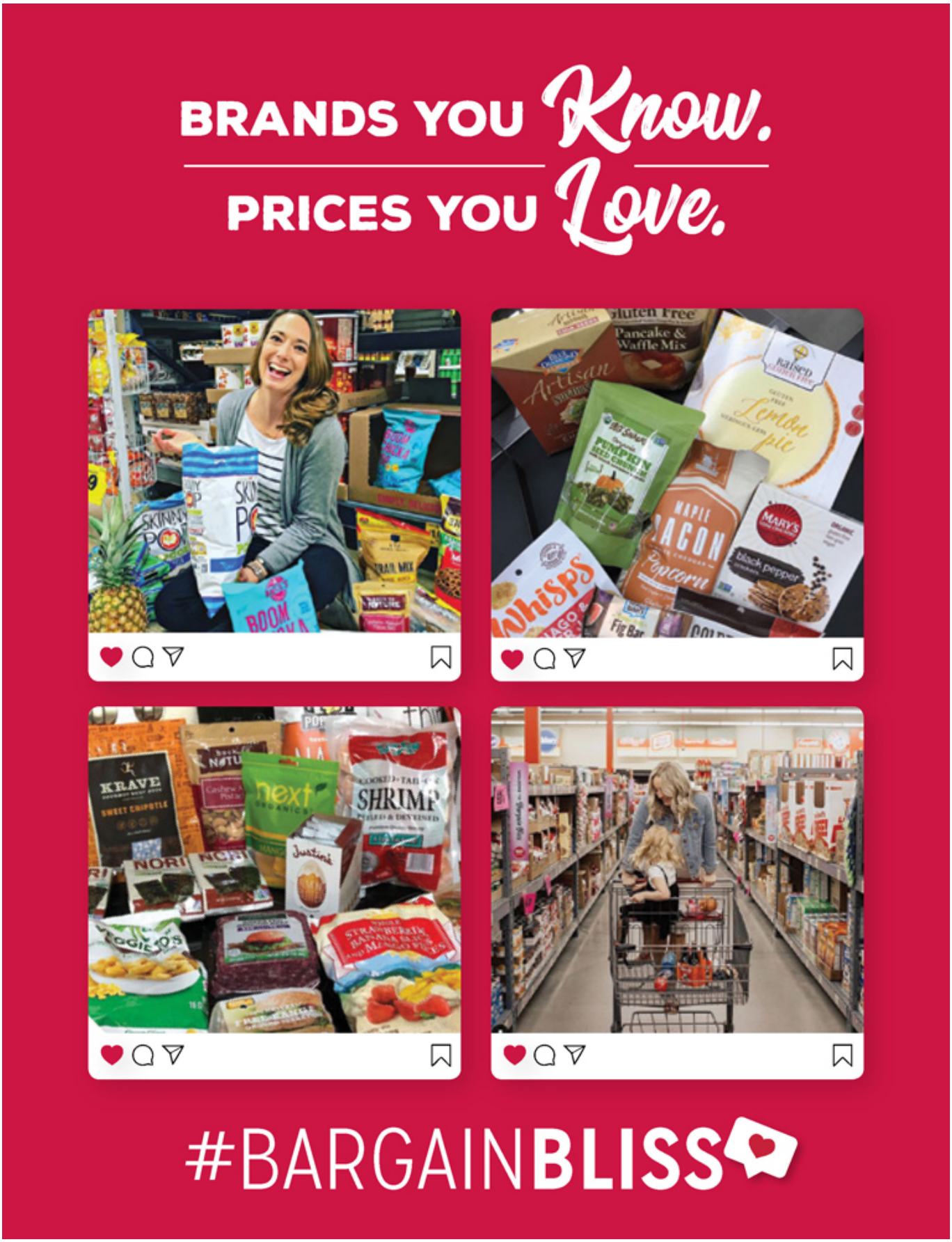

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth the costs and expenses, other than the underwriting discount, payable by the registrant in connection with the sale and distribution of the securities being registered. All amounts are estimated except the SEC registration fee, the FINRA filing fee and Nasdaq listing fee.

	Amount to be paid
SEC Registration Fee	$ *
FINRA Filing Fee	*
Initial Nasdaq Listing Fee	*
Legal Fees and Expenses	*
Accounting Fees and Expenses	*
Printing Fees and Expenses	*
Blue Sky Fees and Expenses	*
Transfer Agent and Registrar Fees	*
Miscellaneous Expenses	*
Total	$ *

* To be listed in amendment.

Item 14. Indemnification of Directors and Officers

Section 102(b)(7) of the Delaware General Corporation Law (the "DGCL") allows a corporation to provide in its certificate of incorporation that a director of the corporation will not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except where the director breached the duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit. Our amended and restated certificate of incorporation will provide for this limitation of liability.

Section 145 of the DGCL, provides, among other things, that a Delaware corporation may indemnify any person who was, is or is threatened to be made, 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 such corporation), by reason of the fact that such person is or was an officer, director, employee or agent of such corporation or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include 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, provided such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful. A Delaware corporation may indemnify any persons who were or are a party to any threatened, pending or completed action or suit 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 another corporation or enterprise. The indemnity may include expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, provided such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests, provided further that no indemnification is permitted without judicial approval if the officer, director, employee or agent is adjudged to be liable to the corporation. Where an officer or

director is successful on the merits or otherwise in the defense of any action referred to above, the corporation must indemnify him or her against the expenses (including attorneys' fees) which such officer or director has actually and reasonably incurred.

Section 145 further authorizes a corporation to purchase and maintain insurance on behalf of any person who 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 or enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would otherwise have the power to indemnify such person under Section 145.

Our amended and restated bylaws will provide that we must indemnify and advance expenses to our directors and officers to the full extent authorized by the DGCL.

Further, prior to the completion of the offering, we expect to enter into indemnification agreements with each of our directors and executive officers that may be broader than the specific indemnification provisions contained in our amended and restated bylaws or the DGCL. Such agreements may require us, among other things, to advance expenses and otherwise indemnify our executive officers and directors against certain liabilities that may arise by reason of their status or service as executive officers or directors, to the fullest extent permitted by law. We intend to enter into indemnification agreements with any new directors and executive officers in the future.

The indemnification rights set forth above shall not be exclusive of any other right which an indemnified person may have or hereafter acquire under any statute, any provision of our amended and restated certificate of incorporation, our amended and restated bylaws, agreement, vote of stockholders or disinterested directors or otherwise. Notwithstanding the foregoing, we shall not be obligated to indemnify a director or officer in respect of a proceeding (or part thereof) instituted by such director or officer, unless such proceeding (or part thereof) has been authorized by the board of directors pursuant to the applicable procedure outlined in the amended and restated bylaws.

Section 174 of the DGCL provides, among other things, that a director, who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption, may be held jointly and severally liable for such actions. A director who was either absent when the unlawful actions were approved or dissented at the time may avoid liability by causing his or her dissent to such actions to be entered in the books containing the minutes of the meetings of the board of directors at the time such action occurred or immediately after such absent director receives notice of the unlawful acts.

We expect to maintain standard policies of insurance that provide coverage (1) to our directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act and (2) to us with respect to indemnification payments that we may make to such directors and officers.

The underwriting agreement provides for indemnification by the underwriters of us and our officers and directors, and by us of the underwriters, for certain liabilities arising under the Securities Act or otherwise in connection with this offering.

Item 15. Recent Sales of Unregistered Securities

Since May 20, 2016, we have granted stock option and restricted stock units to purchase an aggregate of 1,104,302 shares of our common stock to employees and directors under our 2014 Stock Incentive Plan. These options have had exercise prices ranging between $11.32 and $18.46 when such options were issued. The issuances of these stock options and restricted stock units were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, or

Rule 701 promulgated under Section 3(b) of the Securities Act, as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. None of the foregoing transactions involved any underwriters, underwriting discounts or commissions or any public offering.

Item 16. Exhibits and Financial Statement Schedules

(a) *Exhibits*. See Exhibit Index immediately preceding the signature page hereto, which is incorporated by reference as if fully set forth herein.

(b) *Financial Statement Schedules*. Schedule I—Registrant's Condensed Financial Statements is included in the registration statement beginning on page F-32.

Item 17. Undertakings

(1) 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 of 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.

(2) 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 as 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
1.1†	Form of Underwriting Agreement
3.1†	Form of Amended and Restated Certificate of Incorporation of Grocery Outlet Holding Corp.
3.2†	Form of Amended and Restated Bylaws of Grocery Outlet Holding Corp.
4.1†	Form of Stock Certificate for Common Stock
4.2†	Form of Amended and Restated Stockholders Agreement by and among Grocery Outlet Holding Corp. and the other parties named therein
5.1	Form of Opinion of Simpson Thacher & Bartlett LLP
10.1	First Lien Credit Agreement, dated as of October 22, 2018, among Globe Intermediate Corp., GOBP Holdings, Inc., Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, the lenders from time to time party thereto and the letter of credit issuers from time to time party thereto
10.2	First Lien Security Agreement, dated as of October 22, 2018, among Globe Intermediate Corp., GOBP Holdings, Inc., the subsidiaries of GOBP Holdings, Inc. from time to time party thereto and Morgan Stanley Senior Funding, Inc., as collateral agent
10.3	First Lien Pledge Agreement, dated as of October 22, 2018, among Globe Intermediate Corp., GOBP Holdings, Inc., the subsidiaries of GOBP Holdings, Inc. from time to time party thereto and Morgan Stanley Senior Funding, Inc., as collateral agent
10.4	First Lien Copyright Security Agreement, dated as of October 22, 2018, between Grocery Outlet, Inc. and Morgan Stanley Senior Funding, Inc., as collateral agent
10.5	First Lien Trademark Security Agreement, dated as of October 22, 2018, between Grocery Outlet, Inc. and Morgan Stanley Senior Funding, Inc., as collateral agent
10.6	First Lien Guarantee, dated as of October 22, 2018, among Globe Intermediate Corp., GOBP Holdings, Inc., the subsidiaries of GOBP Holdings, Inc. from time to time party thereto and Morgan Stanley Senior Funding, Inc., as collateral agent
10.7	Second Lien Credit Agreement, dated as of October 22, 2018, among Globe Intermediate Corp., GOBP Holdings, Inc., Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, and the lenders from time to time party thereto
10.8	Second Lien Security Agreement, dated as of October 22, 2018, among Globe Intermediate Corp., GOBP Holdings, Inc., the subsidiaries of GOBP Holdings, Inc. from time to time party thereto and Morgan Stanley Senior Funding, Inc., as collateral agent
10.9	Second Lien Pledge Agreement, dated as of October 22, 2018, among Globe Intermediate Corp., GOBP Holdings, Inc., Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, and the lenders from time to time party thereto
10.10	Second Lien Copyright Security Agreement, dated as of October 22, 2018, between Grocery Outlet, Inc. and Morgan Stanley Senior Funding, Inc., as collateral agent
10.11	Second Lien Trademark Security Agreement, dated as of October 22, 2018, between Grocery Outlet, Inc. and Morgan Stanley Senior Funding, Inc., as collateral agent

Exhibit Number	Description
10.12	Second Lien Guarantee, dated as of October 22, 2018, among Globe Intermediate Corp., GOBP Holdings, Inc., Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, and the lenders from time to time party thereto
10.13*	Globe Holding Corp. 2014 Stock Incentive Plan
10.14*	Amended and Restated Performance Vesting Stock Option Grant Notice and Agreement (Globe Holding Corp. 2014 Stock Incentive Plan) (Eric J. Lindberg, Jr., S. MacGregor Read, Jr.), dated October 21, 2014
10.15*	Amended and Restated Time Vesting Stock Option Grant Notice and Agreement (Globe Holding Corp. 2014 Stock Incentive Plan) (Eric J. Lindberg, Jr., S. MacGregor Read, Jr.), dated October 21, 2014
10.16*	Form of Performance Vesting Stock Option Grant Notice and Agreement (Globe Holding Corp. 2014 Stock Incentive Plan) (Charles C. Bracher, Robert Joseph Sheedy, Jr., Thomas H. McMahon, Steven K. Wilson)
10.17*	Form of Time Vesting Stock Option Grant Notice and Agreement (Globe Holding Corp. 2014 Stock Incentive Plan) (Charles C. Bracher, Robert Joseph Sheedy, Jr., Thomas H. McMahon, Steven K. Wilson)
10.18†*	Grocery Outlet Holding Corp. 2019 Incentive Plan
10.19†*	Form of Nonqualified Option Grant and Award Agreement (Grocery Outlet Holding Corp. 2019 Incentive Plan)
10.20†*	Form of Restricted Stock Unit Grant and Award Agreement (Grocery Outlet Holding Corp. 2019 Incentive Plan)
10.21†*	Grocery Outlet Inc. 2019 Annual Incentive Plan
10.22*	Amended and Restated Executive Employment Agreement by and between Eric J. Lindberg, Jr., Grocery Outlet Inc. and Globe Holding Corp., dated October 7, 2014
10.23*	Amended and Restated Executive Employment Agreement by and between S. MacGregor Read, Jr., Grocery Outlet Inc. and Globe Holding Corp., dated October 7, 2014
10.24*	Restrictive Covenant Agreement, by and between Eric J. Lindberg, Jr. and Globe Holding Corp., dated September 13, 2014.
10.25*	Restrictive Covenant Agreement, by and between S. MacGregor Read, Jr. and Globe Holding Corp., dated September 13, 2014.
10.26*	Grocery Outlet Inc. Executive Change in Control Agreement, by and between Charles C. Bracher, Grocery Outlet Inc. and Globe Holding Corp., dated October 7, 2014
10.27*	Grocery Outlet Inc. Executive Change in Control Agreement, by and between Robert Joseph Sheedy, Jr., Grocery Outlet Inc. and Globe Holding Corp., dated October 7, 2014
10.28*	Grocery Outlet Inc. Executive Change in Control Agreement, by and between Thomas H. McMahon, Grocery Outlet Inc. and Globe Holding Corp., dated October 7, 2014
10.29*	Grocery Outlet Inc. Executive Change in Control Agreement, by and between Steven K. Wilson, Grocery Outlet Inc. and Globe Holding Corp., dated October 7, 2014
10.30†*	Grocery Outlet Holding Corp. Non-Employee Director Compensation Policy and Equity Ownership Guidelines
10.31†*	Form of Indemnification Agreement between Grocery Outlet Holding Corp. and directors and executive officers of Grocery Outlet Holding Corp.

Exhibit Number	Description
21.1	Subsidiaries of the Registrant
23.1†	Consent of Simpson Thacher & Bartlett LLP (included in Exhibit 5.1)
23.2	Consent of Deloitte & Touche LLP
23.3††	Consent of eSite Inc.
24.1††	Power of Attorney (included in the signature page to this Registration Statement)

† To be filed by amendment.
†† Previously filed.
* Management contract or compensatory plan or arrangement.

Signatures

Pursuant to the requirements of the Securities Act, we have duly caused this registration statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Emeryville, State of California, on May 22, 2019.

Grocery Outlet Holding Corp.

By: /s/ Eric J. Lindberg, Jr
Name: Eric J. Lindberg, Jr
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities indicated on May 22, 2019.

Signature	Title
/s/ Eric J. Lindberg, Jr Eric J. Lindberg, Jr	Executive Officer and Director (Principal Executive Officer)
/s/ Charles C. Bracher Charles C. Bracher	Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ Lindsay E. Gray Lindsay E. Gray	Vice President Corporate Controller (Principal Accounting Officer)
* Erik D. Ragatz	Director, Chairman of the Board
* Kenneth W. Alterman	Director
* Matthew B. Eisen	Director
* Thomas F. Herman	Director
* S. MacGregor Read, Jr.	Director
* Norman S. Matthews	Director
* Sameer Narang	Director
* Jeffrey York	Director

*By: /s/ Eric J. Lindberg, Jr
Name: Eric J. Lindberg, Jr
Title: Attorney-in-fact

Exhibit 5.1

Simpson Thacher & Bartlett LLP

2475 HANOVER STREET
PALO ALTO, CA 94304

TELEPHONE: +1-650-251-5000
FACSIMILE: +1-650-251-5002

Direct Dial Number E-mail Address

, 2019

Grocery Outlet Holding Corp.
5650 Hollis Street
Emeryville, CA 94608

Ladies and Gentlemen:

We have acted as counsel to Grocery Outlet Holding Corp., a Delaware corporation (the "Company"), in connection with the Registration Statement on Form S-1 (the "Registration Statement") filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Act"), relating to the issuance by the Company of an aggregate of shares of Common Stock, par value $0.001 per share (together with any additional shares of such stock that may be issued by the Company pursuant to Rule 462(b) (as prescribed by the Commission pursuant to the Act) in connection with the offering described in the Registration Statement, the "Shares").

We have examined the Registration Statement, a form of the share certificate and a form of the Amended and Restated Certificate of Incorporation of the Company (the "Amended Charter"), each of which have been filed with the Commission as an exhibit to the Registration Statement. In addition, we have examined, and have relied as to matters of fact upon, originals, or duplicates or certified or conformed copies, of such records, agreements, documents and other instruments and such certificates or comparable documents of public officials and of officers and representatives of the Company and have made such other investigations as we have deemed relevant and necessary in connection with the opinions hereinafter set forth.

In rendering the opinions set forth below, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as duplicates or certified or conformed copies and the authenticity of the originals of such latter documents. We have also assumed that the Amended Charter is filed with the Secretary of State for the State of Delaware in the form filed with the Commission as an exhibit to the Registration Statement prior to the issuance of any of the Shares.

Based upon the foregoing, and subject to the qualifications, assumptions and limitations stated herein, we are of the opinion that (1) when the Board of Directors of the Company (the "Board") has taken all necessary corporate action to authorize and approve the issuance of the Shares, (2) when the Amended Charter has been duly filed and (3) upon payment and delivery in accordance with the applicable definitive underwriting agreement approved by the Board, the Shares will be validly issued, fully paid and nonassessable.

We do not express any opinion herein concerning any law other than the Delaware General Corporation Law.

We hereby consent to the filing of this opinion letter as Exhibit 5.1 to the Registration Statement and to the use of our name under the caption "Legal Matters" in the prospectus included in the Registration Statement.

Very truly yours,

SIMPSON THACHER & BARTLETT LLP

Exhibit 10.1

Execution Version

FIRST LIEN CREDIT AGREEMENT

Dated as of October 22, 2018

among

GLOBE INTERMEDIATE CORP.,
as Holdings,

GOBP HOLDINGS, INC.,
as the Borrower,

The Several Lenders
from Time to Time Parties Hereto,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Administrative Agent, Collateral Agent and Swingline Lender,

MORGAN STANLEY SENIOR FUNDING, INC.
BANK OF AMERICA, N.A.,
DEUTSCHE BANK AG NEW YORK BRANCH, and
JEFFERIES FINANCE, LLC
as Letter of Credit Issuers

MORGAN STANLEY SENIOR FUNDING, INC.,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
DEUTSCHE BANK SECURITIES INC. and
JEFFERIES FINANCE LLC

as Joint Lead Arrangers and Joint Bookrunners

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SCHEDULES

EXHIBITS

FIRST LIEN CREDIT AGREEMENT, dated as of October 22, 2018, among **GLOBE INTERMEDIATE CORP.**, a Delaware Corporation ("Holdings"; as hereinafter further defined), **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"; as hereinafter further defined), the Lenders (as hereinafter defined) from time to time party hereto and Letter of Credit Issuers (as hereinafter defined) from time to time party hereto, and **MORGAN STANLEY SENIOR FUNDING, INC.**, as the Administrative Agent, Collateral Agent and Swingline Lender.

RECITALS:

WHEREAS, capitalized terms used and not defined in the preamble and these recitals shall have the respective meanings set forth for such terms in Section 1.1 hereof;

WHEREAS, the Borrower, Holdings, the financial institutions signatory thereto as lenders (the "Existing Lenders"), Morgan Stanley Senior Funding, Inc., as the administrative agent, collateral agent and swingline lender, and Morgan Stanley Bank, N.A. and Deutsche Bank AG New York Branch, each as a letter of credit issuer, are party to a First Lien Credit Agreement, dated as of October 21, 2014 (as amended by Incremental Agreement No. 1, dated as of May 12, 2015, Incremental Agreement No. 2, dated as of June 22, 2016, and Incremental Agreement No. 3, dated as of June 14, 2017, and as otherwise amended prior to the date hereof, the "Existing Credit Agreement"; as hereinafter further defined);

WHEREAS, in connection with the foregoing, the Borrower has requested that, immediately upon the satisfaction in full of the applicable conditions precedent set forth in Section 6 below, the Lenders and Letter of Credit Issuers extend credit to the Borrower in the form of (i) $725,000,000 in aggregate principal amount of Initial Term Loans to be borrowed on the Closing Date (the "Initial Term Loan Facility") and (ii) a revolving credit facility in an initial aggregate principal amount of $100,000,000 of Revolving Credit Commitments (the "Revolving Credit Facility");

WHEREAS, contemporaneously with the borrowing under the Initial Term Loan Facility, the Borrower will borrow $150,000,000 in aggregate principal amount of second lien term loans (the "Second Lien Initial Term Loans") pursuant to the Second Lien Credit Agreement (as defined below);

WHEREAS, the proceeds of the Initial Term Loans and borrowings under the Revolving Credit Facility, together with the proceeds of the Second Lien Initial Term Loans and a portion of the Borrower's and its Subsidiaries' cash on hand, will be used to pay the 2018 Dividend, the Existing Debt Refinancing and the Transaction Expenses;

WHEREAS, the Lenders have indicated their willingness to extend such credit and the Letter of Credit Issuers have indicated their willingness to issue Letters of Credit, in each case on the terms and subject to the conditions set forth below;

WHEREAS, in connection with the foregoing and as an inducement for the Lenders and the Letter of Credit Issuers to extend the credit contemplated hereunder, the Borrower has agreed to secure all of its Obligations by granting to the Collateral Agent, for the benefit of the Secured Parties, a first priority lien (such priority subject to Liens permitted hereunder) on substantially all of its assets (except as otherwise set forth in the Credit Documents), including a pledge of all of the Capital Stock of each of its Subsidiaries (other than any Excluded Capital Stock); and

WHEREAS, in connection with the foregoing and as an inducement for the Lenders and the Letter of Credit Issuers to extend the credit contemplated hereunder, each Guarantor has agreed to guarantee all of its Obligations and to secure its guarantees by granting to the Collateral Agent, for the benefit of the Secured Parties, a first priority lien (such priority subject to Liens permitted hereunder) on substantially all of its assets (except as otherwise set forth in the Credit Documents), including a pledge of all of the Capital Stock of each of their respective Subsidiaries (other than any Excluded Capital Stock).

AGREEMENT:

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto 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:

"2018 Dividend" shall mean the declaration and payment of a Restricted Payment in the form of a dividend to Holdings, Holdings' declaration and payment of a dividend or other distribution to its Parent Entity and its Parent Entity's declaration and payment of a dividend or other distribution to the holders of its Capital Stock (including related payments to the holders of equity options and similar rights) in each case in an aggregate amount not to exceed $156,000,000.

"ABR" shall mean, for any day, a fluctuating rate per annum equal to the highest of (a) the Prime Rate in effect for such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%, and (c) the Eurodollar Rate for a one month Interest Period determined on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.00%; provided that, if the ABR shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. If the Administrative Agent shall have determined (which determination should be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations in accordance with the terms of the definition thereof, the ABR shall be determined without regard to clause (b) of the preceding sentence until the circumstances giving rise to such inability no longer exist. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Effective Rate or the Eurodollar Rate shall be effective on the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Eurodollar Rate, as the case may be.

"ABR Loan" shall mean each Loan bearing interest at the rate provided in Section 2.8(a) and, in any event, shall include all Swingline Loans.

"Acceptable Reinvestment Commitment" shall mean a binding commitment of the Borrower or any Restricted Subsidiary entered into at any time prior to the end of the Reinvestment Period to reinvest the proceeds of an Asset Sale Prepayment Event or Recovery Prepayment Event.

"Accounting Change" shall mean any change in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants, equivalent authorities for IFRS, or, if applicable, the SEC.

"Acquired EBITDA" shall mean, with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Pro Forma Entity (determined as if references to the Borrower and the Restricted Subsidiaries in the definition of the term "Consolidated EBITDA" were references to such Pro Forma Entity and its subsidiaries that will become 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 Person" shall have the meaning provided in Section 10.1(k)(i)(D).

"Acquisition" shall mean any acquisition by the Borrower or any Restricted Subsidiary, whether by purchase, merger, amalgamation, consolidation, contribution or otherwise, of (a) at least a majority of the assets or property and/or liabilities (or any other substantial part for which financial statements or other financial information is available), or a business line, product line, unit or division of, any other Person, (b) Capital Stock of any other Person such that such other Person becomes a Restricted Subsidiary and (c) additional Capital Stock of any Restricted Subsidiary not then held by the Borrower or any Restricted Subsidiary.

"Acquisition Consideration" shall mean, in connection with any Acquisition, the aggregate amount (as valued at the Fair Market Value of such Acquisition at the time such Acquisition is made) of, without duplication: (a) the purchase consideration paid or payable for such Acquisition, whether payable at or prior to the consummation of such Acquisition or deferred for payment at any future time, whether or not any such future payment is subject to the occurrence of any contingency, and including any and all payments representing the purchase price and any assumptions of Indebtedness and/or Guarantee Obligations, "earn-outs" and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any Person or business and (b) the aggregate amount of Indebtedness assumed in connection with such Acquisition; provided in each case, that any such future payment that is subject to a contingency shall be considered Acquisition Consideration only to the extent of the reserve, if any, required under GAAP (as determined at the time of the consummation of such Acquisition) to be established in respect thereof by Holdings, the Borrower or its Restricted Subsidiaries.

"Additional ECF Reduction Amounts" shall mean the sum, without duplication, of:

(i) without duplication of amounts deducted pursuant to clause (v) below in prior fiscal years, the amount of Capital Expenditures or acquisitions of Intellectual Property made in cash or accrued during such period, except to the extent that such Capital Expenditures or acquisitions of Intellectual Property were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(ii) cash payments by the Borrower and the Restricted Subsidiaries during such period in respect of long-term liabilities of the Borrower and the Restricted Subsidiaries other than Indebtedness, except to the extent that such payments were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(iii) without duplication of amounts deducted pursuant to clause (v) below in prior fiscal years, the amount of Investments made in cash (other than Investments made pursuant to Sections 10.5(b), (f), (g), (h), (i), (j), (l), (n) and (s)) during such period, except to the extent that such Investments were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(iv) without duplication of amounts deducted pursuant to clause (b)(vii) of the definition of the term "Excess Cash Flow", the amount of Restricted Payments (other than Restricted Investments) paid in cash during such period, except to the extent that such Restricted Payments were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business; and

(v) without duplication of amounts deducted from Excess Cash Flow in other periods, (A) the aggregate consideration required to be paid in cash by the Borrower or any of its Restricted Subsidiaries pursuant to binding contracts (the "Contract Consideration") entered into prior to or during such period and (B) any planned cash expenditures by the Borrower or any of the Restricted Subsidiaries (the "Planned Expenditures") in the case of each of clauses (A) and (B), relating to Acquisitions (or other similar Investments), Capital Expenditures (including Capitalized Software Expenditures) or acquisitions of Intellectual Property to be consummated or made during the period of four consecutive fiscal quarters of the Borrower following the end of such period (except to the extent financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business); provided that, to the extent that the aggregate amount of cash actually utilized to finance such Acquisitions (or other similar Investments), Capital Expenditures (including Capitalized Software Expenditures) or acquisitions of Intellectual Property during such following period of four consecutive fiscal quarters is less than the Contract Consideration and Planned Expenditures, the amount of such shortfall shall be added to the calculation of the mandatory prepayment required for such following period of four consecutive fiscal quarters under Section 5.2(a)(ii), at the end of such period of four consecutive fiscal quarters.

"Additional Lender" shall have the meaning provided in Section 2.14(d).

"Additional/Replacement Revolving Credit Commitment" shall have the meaning provided in Section 2.14(a).

"Additional/Replacement Revolving Credit Facility" shall mean each Class of Additional/Replacement Revolving Credit Commitments made pursuant to Section 2.14(a).

"Additional/Replacement Revolving Credit Lender" shall mean, at any time, any Lender that has an Additional/Replacement Revolving Credit Commitment.

"Additional/Replacement Revolving Credit Loans" shall mean any loan made to the Borrower under a Class of Additional/Replacement Revolving Credit Commitments.

"Adjusted Total Additional/Replacement Revolving Credit Commitment" shall mean, at any time, with respect to any Class of Additional/Replacement Revolving Credit Commitments, the Total Additional/Replacement Revolving Credit Commitment for such Class less the aggregate Additional/Replacement Revolving Credit Commitments of all Defaulting Lenders in such Class.

"Adjusted Total Extended Revolving Credit Commitment" shall mean, at any time, with respect to any Class of Extended Revolving Credit Commitments, the Total Extended Revolving Credit Commitment for such Class less the aggregate Extended Revolving Credit Commitments of all Defaulting Lenders in such Class.

"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 Morgan Stanley Senior Funding, Inc. or any successor to Morgan Stanley Senior Funding, Inc. appointed in accordance with the provisions of Section 12.11, together with any Persons that are appointed as sub-agents in accordance with Section 12.4, in each case, as the administrative agent for the Lenders under this Agreement and the other Credit Documents.

"Administrative Agent's Office" shall mean the office and, as appropriate, the account of the Administrative Agent set forth on Schedule 13.2 or such other office or account as the Administrative Agent may hereafter designate in writing as such to the other parties hereto.

"Affiliate" shall mean, with respect to any specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. The term "Control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by agreement or otherwise. The terms "Controlling" and "Controlled" have meanings correlative thereto. For purposes of this Agreement and the other Credit Documents, Jefferies LLC and its Affiliates shall be deemed to be Affiliates of Jefferies Finance LLC and its Affiliates.

"Affiliated Lender" shall mean a Non-Debt Fund Affiliate or a Debt Fund Affiliate.

"Affiliated Lender Assignment and Acceptance" shall have the meaning provided in Section 13.6(g)(i)(C).

"Agents" shall mean each of the Administrative Agent and the Collateral Agent.

"Agreement" shall mean this First Lien Credit Agreement.

"AHYDO Catch Up Payment" shall mean any payment with respect to any obligations of the Borrower or any Restricted Subsidiary, in each case to avoid the application of Section 163(e)(5) of the Code thereto.

"Alternative Currency" shall mean, subject to Section 1.8, any freely transferable currency reasonably acceptable to the Revolving Credit Lenders, the Administrative Agent and, in respect of Letters of Credit, each applicable Letter of Credit Issuer.

"Applicable Laws" shall mean, as to any Person, any international, foreign, provincial, territorial, federal, state, municipal, and local law (including common law and Environmental Laws), statute, regulation, by-law, ordinance, treaty, rule, order, code, regulation, decree, guideline, judgment, consent decree, writ, injunction, settlement agreement, governmental requirement and administrative or judicial precedents enacted, promulgated or imposed or entered into or agreed by any Governmental Authority, in each case applicable to or binding on such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"Applicable Margin" shall mean:

(a) with respect to the Initial Term Loans, (x) 3.75% for Eurodollar Loans per annum and (y) 2.75% for ABR Loans per annum;

(b) with respect to the Revolving Credit Loans and Swingline Loans, the following percentages per annum, based upon the Consolidated First Lien Debt to Consolidated EBITDA Ratio as set forth in the most recent certificate delivered to the Administrative Agent pursuant to Section 9.1(d):

Pricing Level	Consolidated First Lien Debt to Consolidated EBITDA Ratio	Applicable Margin for Revolving Credit Loans that are Eurodollar Loans	Applicable Margin for Revolving Credit Loans that are ABR Loans and Swingline Loans
1	Greater than 4.00:1.00	3.75%	2.75%
2	Less than or equal to 4.00:1.00 but greater than 3.75:1.00	3.50%	2.50%
3	Less than or equal to 3.75:1.00	3.25%	2.25%

Notwithstanding anything to the contrary in this definition, during the period from the Closing Date until the Initial Financial Statement Delivery Date, the Applicable Margin for Revolving Credit Loans and the Swingline Loans shall be determined by reference to the applicable "Pricing Level 1" set forth in the tables above. Any increase or decrease in the Applicable Margin for Revolving Credit Loans and Swingline Loans resulting from a change in the Consolidated First Lien Debt to Consolidated EBITDA Ratio shall become effective as of the first Business Day immediately following the date the certificate delivered pursuant to Section 9.1(d) is delivered to the Administrative Agent; provided that, at the option of the Required Lenders (with written notice to the Administrative Agent), the highest pricing level (as set forth in the tables above) shall apply as of the fifth Business Day after the date on which the certificate required to be delivered pursuant to Section 9.1(d) was required to have been delivered but has not been delivered pursuant to Section 9.1 and shall continue to so apply to and including the date on which such certificate is so delivered (and thereafter the pricing level otherwise determined in accordance with this definition shall apply).

In the event that the Administrative Agent and the Borrower determine that any Section 9.1 Financials previously delivered were incorrect or inaccurate (regardless of whether this Agreement or the Commitments are in effect when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for Revolving Credit Loans and any Swingline Loans for any period (an "Applicable Period") than the Applicable Margin applied for such Applicable Period, then (a) the Borrower shall as soon as practicable deliver to the Administrative Agent the correct Section 9.1 Financials for such Applicable Period, (b) the Applicable Margin for Revolving Credit Loans and/or any Swingline Loans, as applicable, shall be determined as if the pricing level for such higher Applicable Margin for Revolving Credit Loans and/or Swingline Loans, as applicable, was applicable for such Applicable Period, and (c) the Borrower shall within 10 Business Days of demand thereof by the Administrative Agent pay to the Administrative Agent the accrued additional interest owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with this Agreement. This paragraph shall not limit the rights of the Administrative Agent and Lenders with respect to Section 2.8(c) and Section 11.

"Applicable Period" shall have the meaning provided in the definition of the term "Applicable Margin".

"Approved Foreign Bank" shall have the meaning provided in the definition of the term "Cash Equivalents".

"Approved Fund" shall have the meaning provided in Section 13.6(b).

"Asset Sale Prepayment Event" shall mean any Disposition (or series of related Dispositions) of any business unit, asset or property of the Borrower or any Restricted Subsidiary (including any Disposition of any Capital Stock of any Subsidiary of the Borrower owned by the Borrower or any Restricted Subsidiary); provided that the term "Asset Sale Prepayment Event" shall include only Dispositions (or a series of related Dispositions) made pursuant to clauses (c), (d)(ii), (g), (j), (q), (r) and (t) of Section 10.4.

"Assignment and Acceptance" shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 13.6) substantially in the form of Exhibit H or such other form as shall be reasonably acceptable to the Borrower and the Administrative Agent.

"Authorized Officer" shall mean the Chairman of the Board, the President, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer, any Manager, any Vice President, the Assistant Treasurer, with respect to certain limited liability companies or partnerships that do not have officers, any manager, managing member, managing director, general partner or authorized signatory thereof, any other senior officer of Holdings, the Borrower or any other Credit Party designated as such in writing to the Administrative Agent by Holdings, the Borrower or any other Credit Party, as applicable, and, with respect to any document (other than the solvency certificate) delivered on the Closing Date, the Secretary or the Assistant Secretary of any Credit Party, and, solely for purposes of notices given pursuant to Sections 2, 3, 4 or 5, any other officers of the applicable Credit Party so designated by any of the foregoing Persons in a notice to the Administrative Agent or any other officer of the applicable Credit Party designated in or pursuant to an agreement between the applicable Credit Party and the Administrative Agent. Any document delivered hereunder that is signed by an Authorized Officer shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of Holdings, the Borrower or any other Credit Party and such Authorized Officer shall be conclusively presumed to have acted on behalf of such Person.

"Auto-Extension Letter of Credit" shall have the meaning provided in Section 3.2(e).

"Available Amount" shall mean, at any time (the "Available Amount Reference Time"), subject to the last sentence of this definition, an amount (which shall not be less than zero) equal at such time to (a) the sum of, without duplication:

(i) the amount (which amount shall not be less than zero) equal to 100.0% of Cumulative Consolidated EBITDA less the product of 1.50 times the Borrower and its Restricted Subsidiaries' consolidated Fixed Charges for such corresponding period;

(ii) to the extent not already included in the calculation of Cumulative Consolidated EBITDA, the aggregate amount of all Returns (to the extent made in cash or Cash Equivalents) received by the Borrower or any Restricted Subsidiary from any Investment to the extent such Investment was made by using the Available Amount during the period from and including the Business Day immediately following the Closing Date through and including the Available Amount Reference Time (other than the portion of any such dividends and other distributions that is used by the Borrower or any Restricted Subsidiary to pay taxes related to such amounts);

(iii) to the extent not already included in the calculation of Cumulative Consolidated EBITDA, the aggregate amount of all repayments made in cash or Cash Equivalents of principal received by the Borrower or any Restricted Subsidiary from any Investment to the extent such Investment was made by using the Available Amount during the period from and including the Business Day immediately following the Closing Date through and including the Available Amount Reference Time in respect of loans made by the Borrower or any Restricted Subsidiary and that constituted Investments;

(iv) to the extent not already included in the calculation of Cumulative Consolidated EBITDA or in the calculation of Available Equity Amount pursuant to clauses (iv) and (v) of the definition thereof or applied to prepay the Term Loans in accordance with Section 5.2(a)(i), the Second Lien Term Loans in accordance with Section 5.2(a)(i) of the Second Lien Credit Agreement (or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to prepay, repurchase, redeem, defease, acquire, or make any other similar payment on any Permitted Additional Debt or on any Credit Agreement Refinancing Indebtedness, the aggregate amount of all Net Cash Proceeds received by the Borrower or any Restricted Subsidiary in connection with the Disposition of its ownership interest in any Investment to any Person other than to the Borrower or a Restricted Subsidiary and to the extent such Investment was made by using the Available Amount during the period from and including the Business Day immediately following the Closing Date through and including the Available Amount Reference Time; and

(v) the amount of any Investment of the Borrower or any of its Restricted Subsidiaries in any Unrestricted Subsidiary that has been re-designated as a Restricted Subsidiary pursuant to Section 9.15 or that has been merged, amalgamated or consolidated with or into the Borrower or any of its Restricted Subsidiaries pursuant to Section 10.3 or the amount of assets of an Unrestricted Subsidiary Disposed of to the Borrower or a Restricted Subsidiary, in each case following the Closing Date and at or prior to the Available Amount Reference Time, in each case, such amount not to exceed the lesser of (x) the Fair Market Value of the Investments of the Borrower and its Restricted Subsidiaries in such Unrestricted Subsidiary immediately prior to giving pro forma effect to such re-designation or merger, amalgamation or consolidation or the Fair Market Value of the assets so Disposed of and (y) the amount originally invested from the Available Amount by the Borrower and its Restricted Subsidiaries in such Unrestricted Subsidiary (provided that, in the case of original investments made in cash, the Fair Market Value shall be such cash value);

minus (b) the sum, without duplication and without taking into account the proposed portion of the Available Amount calculated above to be used at the applicable Available Amount Reference Time, of:

(i) the aggregate amount of any Investments made by the Borrower or any Restricted Subsidiary using the Available Amount pursuant to Section 10.5 after the Closing Date and prior to the Available Amount Reference Time;

(ii) the aggregate amount of any Restricted Payments made by the Borrower using the Available Amount pursuant to Section 10.6(f) after the Closing Date and prior to the Available Amount Reference Time; and

(iii) the aggregate amount expended on prepayments, repurchases, redemptions, acquisitions, defeasances and other similar payments made by the Borrower or any Restricted Subsidiary using the Available Amount pursuant to Section 10.7(a) after the Closing Date and prior to the Available Amount Reference Time.

"Available Amount Reference Time" shall have the meaning provided in the definition of the term "Available Amount."

"Available Equity Amount" shall mean, at any time (the "Available Equity Amount Reference Time"), an amount (which shall not be less than zero) equal at such time to (a) the sum of, without duplication:

(i) the aggregate amount of cash and the Fair Market Value of marketable securities or other property, in each case, contributed to the capital of the Borrower or the proceeds received by the Borrower from the issuance of any Capital Stock (or Incurrences of Indebtedness that have been converted into or exchanged for Qualified Capital Stock), in each case during the period from and including the Business Day immediately following the Closing Date through and including the Available Equity Amount Reference Time, but excluding:

(A) all proceeds from the issuance of Disqualified Capital Stock;

(B) any Excluded Contribution; and

(C) any Cure Amount;

(ii) the Fair Market Value or, if the Fair Market Value of such Term Loans cannot be ascertained, the Fair Market Value shall be the purchase price of such Term Loans (which shall not in any event be calculated in excess of par) of Term Loans contributed directly or indirectly by a Permitted Holder or a Non-Debt Fund Affiliate to the Borrower during the period after the Closing Date through and including the Available Equity Amount Reference Time; plus

(iii) the greater of (x) $80,000,000 and (y) 50.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to any such Available Equity Amount Reference Time (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date; plus

(iv) to the extent not already included in the calculation of Cumulative Consolidated EBITDA, the aggregate amount (which amount shall not be less than zero) of any Retained Asset Sale Proceeds retained by the Borrower and its Restricted Subsidiaries during the period after the Closing Date through and including the Available Equity Amount Reference Time; plus

(v) to the extent not already included in the calculation of Cumulative Consolidated EBITDA, the aggregate amount (which amount shall not be less than zero) of any Retained Refused Proceeds retained by the Borrower and its Restricted Subsidiaries during the period from and including the Business Day immediately following the Closing Date through and including the Available Equity Amount Reference Time; plus

(vi) the aggregate amount of all Returns (to the extent made in cash or Cash Equivalents) received by the Borrower or any Restricted Subsidiary on Investments made using the Available Equity Amount during the period from and including the Business Day immediately following the Closing Date through and including the Available Equity Amount Reference Time;

minus (b) the sum, without duplication, and, without taking into account the proposed portion of the Available Equity Amount calculated above to be used at the applicable Available Equity Amount Reference Time, of:

(i) the aggregate amount of any Investments made by the Borrower or any Restricted Subsidiary using the Available Equity Amount pursuant to Section 10.5 after the Closing Date and prior to the Available Equity Amount Reference Time;

(ii) the aggregate amount of any Restricted Payments made by the Borrower using the Available Equity Amount pursuant to Section 10.6(f) after the Closing Date and prior to the Available Equity Amount Reference Time; and

(iii) the aggregate amount of prepayments, repurchases, redemptions, defeasances, acquisitions and other similar payments, made by the Borrower or any Restricted Subsidiary using the Available Equity Amount pursuant to Section 10.7(a) after the Closing Date and prior to the Available Equity Amount Reference Time.

"Available Equity Amount Reference Time" shall have the meaning provided in the definition of the term "Available Equity Amount."

"Available Revolving Credit Commitment" shall mean an amount equal to the excess, if any, of (a) the amount of the Total Revolving Credit Commitment over (b) the sum of (i) the aggregate principal amount of all Revolving Credit Loans and Swingline Loans then outstanding and (ii) the aggregate Letter of Credit Obligations at such time.

"Available RP Capacity Amount" shall mean the amount of Restricted Payments that may be made at the time of determination pursuant to Sections 10.6(b), (f), (l), (s), and (v) minus the sum of the amount of the Available RP Capacity Amount utilized by the Borrower or any Restricted Subsidiary to (A) make Restricted Payments in reliance on Sections 10.6(b), (f), (l), (s) and (v) and (B) incur Indebtedness pursuant to Section 10.1(w) utilizing the Available RP Capacity Amount.

"Average Store Consolidated EBITDA" shall mean, with respect to any Test Period, the numeric average of the aggregate amount of Consolidated Store EBITDA of Grocery Stores in the Designated Sample calculated beginning in the 18th fiscal month and continuing through and including the 29th fiscal month, in each case, after the month in which such Grocery Stores were opened (e.g., the sum of each such Grocery Store's Consolidated Store EBITDA for such Test Period, divided by the number of applicable Grocery Stores in the Designated Sample).

"Bail-In Action" shall mean the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" shall mean 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 for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bankruptcy Code" shall mean the provisions of Title 11 of the United States Code, 11 USC §§ 101 et seq., as amended, or any similar federal or state law for the relief of debtors.

"Basel III" shall mean, collectively, those certain agreements on capital requirements, leverage ratios and liquidity standards contained in "Basel III: A Global Regulatory Framework for More

Resilient Banks and Banking Systems", "Basel III: International Framework for Liquidity Risk Measurement, Standards and Monitoring", and "Guidance for National Authorities Operating the Countercyclical Capital Buffer", each as published by the Basel Committee on Banking Supervision in December 2010 (as revised from time to time), and as implemented by a Lender's primary U.S. federal banking regulatory authority or primary non-U.S. financial regulatory authority, as applicable.

"Beneficial Owner" shall mean, in the case of a Lender (including the Swingline Lender and each Letter of Credit Issuer), the beneficial owner of any amounts payable under any Credit Document for U.S. federal withholding tax purposes.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Plan" shall mean any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Benefited Lender" shall have the meaning provided in Section 13.8(a).

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Board of Directors" shall mean, with respect to any Person, (i) in the case of any corporation, the board of directors of such Person, (ii) in the case of any limited liability company, the board of managers of such Person, (iii) in the case of any partnership, the Board of Directors of the general partner of such Person and (iv) in any other case, the functional equivalent of the foregoing.

"Borrower" shall have the meaning provided in the preamble to this Agreement and shall include any Successor Borrower, to the extent applicable.

"Borrower Materials" shall have the meaning provided in Section 13.2.

"Borrowing" shall mean and include (a) the Incurrence of Swingline Loans from the Swingline Lender on a given date (or swingline loans under any Extended Revolving Credit Commitments of Additional/Replacement Revolving Credit Commitments from any swingline lender thereunder on a given date), (b) the Incurrence of one Class and Type of Initial Term Loan on the Closing Date (or resulting from conversions on a given date after the Closing Date) having, in the case of Eurodollar Loans, the same Interest Period (provided that ABR Loans Incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of Eurodollar Loans), (c) the Incurrence of one Class and Type of Incremental Term Loan on an Incremental Facility Closing Date (or resulting from conversions on a given date after the applicable Incremental Facility Closing Date) having, in the case of Eurodollar Loans, the same Interest Period (provided that ABR Loans Incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of Eurodollar Loans), (d) the Incurrence of one Class and Type of Revolving Credit Loan on a given date (or resulting from conversions on a given date) having, in the case of Eurodollar Loans, the same Interest Period (provided that ABR Loans Incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of Eurodollar Loans), (e) the Incurrence of one Class and Type of Additional/Replacement Revolving Credit Loan on a given date (or resulting from conversions on a given date) having, in the case of Eurodollar Loans, the same Interest Period

(provided that ABR Loans Incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of Eurodollar Loans) and (f) the Incurrence of one Type of Extended Revolving Credit Loan of a specified Class on a given date (or resulting from conversions on a given date) having, in the case of Eurodollar Loans, the same Interest Period (provided that ABR Loans Incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of Eurodollar Loans).

"Business Day" shall mean (a) any day excluding Saturday, Sunday and any day that shall be in The City of New York a legal holiday or a day on which banking institutions are authorized by law or other governmental actions to close and (b) if the applicable Business Day relates to any Eurodollar Loans, any day on which dealings in deposits in U.S. Dollars are carried on in the London interbank eurodollar market.

"Capital Expenditures" shall mean, for any period, the aggregate of, without duplication, (a) all expenditures (whether paid in cash or accrued as liabilities) by the Borrower 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 Borrower and the Restricted Subsidiaries, (b) all Capitalized Software Expenditures and Capitalized Research and Development Costs during such period and (c) all fixed asset additions financed through Financing Lease Obligations Incurred by the Borrower and the Restricted Subsidiaries and recorded on the balance sheet in accordance with GAAP during such period; provided that the term "Capital Expenditures" shall not include:

(i) expenditures made in connection with the replacement, substitution, restoration or repair of assets to the extent financed from insurance proceeds or compensation awards paid on account of a Recovery Event (except to the extent that such proceeds otherwise increase Consolidated Net Income for purposes of calculating Excess Cash Flow for such period),

(ii) the purchase price of equipment that is purchased simultaneously with the trade-in of existing equipment to the extent that the gross amount of such purchase price is reduced by the credit granted by the seller of such equipment for the equipment being traded in at such time,

(iii) the purchase of property, plant or equipment to the extent financed with the proceeds of Dispositions outside the ordinary course of business (except to the extent that such proceeds otherwise increase Consolidated Net Income for purposes of calculating Excess Cash Flow for such period),

(iv) expenditures that constitute any part of Consolidated Lease Expense,

(v) expenditures that are accounted for as capital expenditures by the Borrower or any Restricted Subsidiary and that actually are paid for, or reimbursed, by a Person other than the Borrower or any Restricted Subsidiary and for which neither the Borrower nor any Restricted Subsidiary has provided or is required to provide or incur, directly or indirectly, any consideration or obligation to such Person or any other Person (whether before, during or after such period, it being understood, however, that only the amount of expenditures actually provided or incurred by the Borrower or any Restricted Subsidiary in such period and not the amount required to be provided or incurred in any future period shall constitute "Capital Expenditures" in the applicable period),

(vi) the book value of any asset owned by the Borrower or any Restricted Subsidiary prior to or during such period to the extent that such book value is included as a capital

expenditure during such period as a result of such Person reusing or beginning to reuse such asset during such period without a corresponding expenditure actually having been made in such period; provided that (x) any expenditure necessary in order to permit such asset to be reused shall be included as a Capital Expenditure during the period in which such expenditure actually is made and (y) such book value shall have been included in Capital Expenditures when such asset was originally acquired,

(vii) any expenditures made as payments of the consideration for an Acquisition (or other Investments) and expenditures made in connection with the Transactions and any amounts recorded pursuant to purchase accounting required under GAAP pertaining to Acquisitions (or other Investments) or the Transactions,

(viii) any capitalized interest expense and internal costs reflected as additions to property, plant or equipment in the consolidated balance sheet of the Borrower and the Restricted Subsidiaries or capitalized as Capitalized Software Expenditures and Capitalized Research and Development Costs for such period, or

(ix) any non-cash compensation or other non-cash costs reflected as additions to property, plant and equipment, Capitalized Software Expenditures and Capitalized Research and Development Costs in the consolidated balance sheet of the Borrower and the Restricted Subsidiaries.

"Capital Stock" shall mean any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation and including membership interests and partnership interests) and, except to the extent constituting Indebtedness, any and all warrants, rights or options to purchase, acquire or exchange any of the foregoing.

"Capitalized Research and Development Costs" shall mean, for any period, all research and development costs that are, or are required to be, in accordance with GAAP, reflected as capitalized costs on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries.

"Capitalized Software Expenditures" shall mean, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities) by the Borrower and the Restricted Subsidiaries during such period in respect of purchased software or internally developed software and software enhancements that, in conformity with GAAP, are or are required to be reflected as capitalized costs on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries.

"Captive Insurance Company" shall mean each Subsidiary of the Borrower formed from time to time that engages primarily in the business of insuring risks of the Borrower and its Subsidiaries.

"Cash Collateral" shall have the meaning provided in Section 3.8(c).

"Cash Collateralize" shall have the meaning provided in Section 3.8(c).

"cash equivalents" shall have the meaning ascribed to such term under GAAP.

"Cash Equivalents" shall mean:

(a) Dollars;

(b) Australian Dollars, Canadian Dollars, Euros, Pounds Sterling or any national currency of any participating member state of the EMU;

(c) other currencies held by the Borrower or the Restricted Subsidiaries from time to time in the ordinary course of business;

(d) securities issued or unconditionally guaranteed or insured by the United States government or any agency or instrumentality thereof, in each case having maturities of not more than 24 months from the date of acquisition thereof;

(e) securities issued by any state, commonwealth or territory of the United States of America or any political subdivision or taxing authority of any such state, commonwealth or territory or any public instrumentality thereof or any political subdivision or taxing authority of any such state or commonwealth or territory or any public instrumentality thereof having maturities of not more than 24 months from the date of acquisition thereof and, at the time of acquisition, having an Investment Grade Rating;

(f) commercial paper or variable or fixed rate notes issued by or guaranteed by any Lender or any bank holding company owning any Lender;

(g) commercial paper or variable or fixed rate notes maturing no more than 24 months from the date of acquisition thereof and, at the time of acquisition, having an Investment Grade Rating;

(h) time deposits with, or domestic and eurocurrency certificates of deposit, demand deposits or bankers' acceptances maturing no more than two years after the date of acquisition thereof and overnight bank deposits, in each case, issued by, any Lender or any other bank having combined capital and surplus of not less than $100,000,000 (or the Dollar equivalent as of the date of determination);

(i) repurchase obligations for underlying securities of the type described in clauses (d), (e) and (h) above entered into with any bank meeting the qualifications specified in clause (h) above or securities dealers of recognized national standing;

(j) marketable short-term money market and similar securities having a rating of at least A-2 or P-2 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another Rating Agency);

(k) readily marketable direct obligations issued by any non-U.S. government or any political subdivision or public instrumentality thereof, in each case having an Investment Grade Rating with maturities of 24 months or less from the date of acquisition;

(l) Investments with average maturities of no more than 24 months from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody's (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another Rating Agency);

(m) with respect to any Foreign Subsidiary: (i) 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 24 months after the date

of acquisition thereof, (ii) 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 who otherwise meets the qualifications specified in clause (f) above (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 (iii) the equivalent of demand deposit accounts which are maintained with an Approved Foreign Bank;

(n) Indebtedness or Preferred Stock issued by Persons with a rating of "A" or higher from S&P or "A-2" or higher from Moody's (or, if at any time neither S&P or Moody's shall be rating such obligations, an equivalent rating from another Rating Agency) with maturities of 24 months or less from the date of acquisition;

(o) in the case of investments by any Foreign Subsidiary or investments made in a country outside the United States of America, Cash Equivalents shall also include (i) investments of the type and maturity described in clauses (a) through (n) above of foreign obligors, which investments or obligors (or the parents of such obligors) have ratings, described in such clauses or equivalent ratings from comparable foreign Rating Agencies and (ii) other short term investments utilized by Foreign Subsidiaries in accordance with normal investment practices for cash management in investments analogous to the foregoing investments described in clauses (a) through (n) of this paragraph;

(p) investment funds investing 90.0% of their assets in securities of the types described in clauses (a) through (o) above;

(n) to the extent not otherwise included, cash amounts receivable by the Borrower or any Restricted Subsidiary from independent operators related to daily Grocery Store receipts and amounts receivable and other payment intangibles due to the Borrower or any Restricted Subsidiary from any Credit Card Issuer.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (a), (b) and (c) above; provided that such amounts are converted into any currency or securities listed in clauses (a) through (d) as promptly as practicable and in any event within ten (10) Business Days following the receipt of such amounts.

"Cash Management Agreement" shall mean any agreement entered into from time to time by Holdings, the Borrower or any of the Restricted Subsidiaries in connection with cash management services for collections, other Cash Management Services or for operating, payroll and trust accounts of such Person, including automatic clearing house services, controlled disbursement services, electronic funds transfer services, information reporting services, lockbox services, stop payment services and wire transfer services.

"Cash Management Bank" shall mean any Person that is a Lender, Lead Arranger, Joint Bookrunner, Agent or any Affiliate of a Lender, Lead Arranger, Joint Bookrunner or Agent at the time it provides any Cash Management Services or any Person that shall have become a Lender, an Agent or an Affiliate of a Lender or an Agent at any time after it has provided any Cash Management Services.

"Cash Management Obligations" shall mean obligations owed by Holdings, the Borrower or any Restricted Subsidiary to any Cash Management Bank in connection with, or in respect of, any Cash Management Services.

"Cash Management Services" shall mean (a) commercial credit cards, merchant card services, purchase or debit cards, including non-card e-payables services, (b) treasury management services (including controlled disbursement, overdraft automatic clearing house fund transfer services, return items and interstate depository network services) and (c) any other demand deposit or operating account relationships or other cash management services, including under any Cash Management Agreements.

"CFC" shall mean a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"Change in Law" shall mean the occurrence, after the Closing Date, of any of the following: (a) the adoption of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration or interpretation thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) Basel III and all requests, rules, guidelines or directives thereunder or issued in connection therewith, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" shall mean and be deemed to have occurred if:

(a) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all of the assets of the Borrower and its Subsidiaries, taken as a whole, to any Person other than the Permitted Holders or any Guarantor has occurred;

(b) Holdings becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) the acquisition by (A) any Person (other than any one or more Permitted Holders) or (B) Persons (other than any one or more Permitted Holders) that are together a group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) (but excluding any employee benefit plan of such Person or group or any entity acting in its capacity as trustee, agent or other fiduciary or administrator for such plan), including any group acting for the purpose of acquiring, holding or Disposing of Capital Stock of Holdings (or, for the avoidance of doubt, any New Holdings or Successor Holdings or IPO Entity) (within the meaning of Rule 13d-5(b)(1) under the Exchange Act) (or any successor provision) in a single transaction or in a related series of transactions, by way of merger, consolidation, amalgamation or other business combination or purchase of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision) of more than 50.0% of the total voting power of the Voting Stock of Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or IPO Entity), unless the Permitted Holders otherwise have the right (pursuant to contract, proxy or otherwise), directly or indirectly, to designate, nominate or appoint directors (or similar position) having a majority of the aggregate votes on the Board of Directors of Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or IPO Entity);

(c) unless a Holdings Termination Event has occurred, at any time prior to an IPO of the Borrower (or, for the avoidance of doubt, a Successor Borrower), the failure of Holdings (or, for the avoidance of doubt, any New Holdings or Successor Holdings), directly or indirectly through wholly owned subsidiaries, to own beneficially and of record, all of the Capital Stock of the Borrower; and/or

(d) the occurrence of a "change of control" or any comparable event under, and as defined in the Second Lien Credit Agreement (or any documentation governing any Permitted Refinancing Indebtedness in respect of any Refinancing thereof) or the documentation governing any other First Lien Obligations (other than any Cash Management Agreement or Hedging Agreement).

Notwithstanding the preceding or any provision of Rule 13d-3 of the Exchange Act (or any successor provision), (i) a Person or "group" shall not be deemed to beneficially own securities subject to an equity or asset purchase agreement, merger agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the transactions contemplated by such agreement, (ii) if any "group" includes one or more Permitted Holders, the issued and outstanding Voting Stock of Holdings (or, for the avoidance of doubt, any New Holdings or Successor Holdings or IPO Entity) beneficially owned, directly or indirectly, by any Permitted Holders that are part of such "group" shall not be treated as being beneficially owned by any other member of such "group" for purposes of determining whether a Change of Control has occurred and (iii) a Person or "group" will not be deemed to beneficially own the Voting Stock of another Person as a result of its ownership of Voting Stock or other securities of such other Person's Parent Entity (or related contractual rights) unless it owns 50.0% or more of the total voting power of the Voting Stock of such Parent Entity. For purposes of this definition and any related definition to the extent used for purposes of this definition, at any time when 50.0% or more of the total voting power of the Voting Stock of Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or IPO Entity) is directly or indirectly owned by a Parent Entity, all references to Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or IPO Entity) shall be deemed to refer to its ultimate Parent Entity (but excluding any Permitted Holder (other than any Permitted Parent)) that directly or indirectly owns such Voting Stock.

"Claims" shall have meaning provided in the definition of Environmental Claims.

"Class", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Credit Loans, Initial Term Loans, Incremental Term Loans (of the same Class), Extended Term Loans (of the same Extension Series), Extended Revolving Credit Loans (of the same Extension Series and any related swingline loans thereunder), Additional/Replacement Revolving Credit Loans (of the same Class and any related swingline loans thereunder) or Swingline Loans, and, when used in reference to any Commitment, refers to whether such Commitment is a Revolving Credit Commitment, an Initial Term Loan Commitment, an Incremental Term Loan Commitment (of the same Class), an Extended Revolving Credit Commitment (of the same Extension Series and any related swingline commitment thereunder), an Additional/Replacement Revolving Credit Commitment (of the same Class and any related swingline commitment thereunder) or a Swingline Commitment, and when used in reference to any Lender, refers to whether such Lender has a Loan or Commitment of such Class.

"Closing Date" shall mean the date of the initial Credit Event under this Agreement, which date is October 22, 2018.

"Closing Date Indebtedness" shall mean Indebtedness outstanding on the Closing Date and, to the extent in excess of $15,000,000, described on Schedule 10.1.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time. Section references to the Code are to the Code, as in effect on the Closing Date, and any subsequent provisions of the Code, amendatory thereof, supplemental thereto or substituted therefor.

"Collateral" shall have the meaning provided for such term or a similar term in each of the Security Documents; provided that, with respect to any Mortgages, "Collateral" shall mean "Mortgaged Property" or a similar term as defined therein.

"Collateral Agent" shall mean Morgan Stanley Senior Funding, Inc. or any successor thereto appointed in accordance with the provisions of Section 12.11, together with any Person that is appointed as a sub-agent in accordance with Section 12.4, as the collateral agent for the Secured Parties.

"Commitment" shall mean, (a) with respect to each Lender (to the extent applicable), such Lender's Initial Term Loan Commitment, Incremental Term Loan Commitment, Revolving Credit Commitment, Extended Revolving Credit Commitment, Additional/Replacement Revolving Credit Commitment or any combination thereof (as the context requires) and (b) with respect to the Swingline Lender, or swingline lender under any Extended Revolving Credit Commitments or Additional/Replacement Revolving Credit Commitments, its Swingline Commitment or swingline commitment, as applicable.

"Commitment Fee" shall have the meaning provided in Section 4.1(a).

"Commitment Fee Rate" shall mean a rate equal to the following percentages per annum, based upon the Consolidated First Lien Debt to Consolidated EBITDA Ratio as set forth in the most recent certificate delivered to the Administrative Agent pursuant to Section 9.1(d):

Pricing Level	Consolidated First Lien Debt to Consolidated EBITDA Ratio	Commitment Fee Rate
1	Greater than 4.00:1.00	0.50%
2	Less than or equal to 4.00:1.00 but greater than 3.75:1.00	0.375%
3	Less than or equal to 3.75:1.00	0.25%

Notwithstanding anything to the contrary in this definition, during the period from the Closing Date until the Initial Financial Statement Delivery Date, the Commitment Fee Rate shall be determined by "Pricing Level 1" set forth in the table above. Any increase or decrease in the Commitment Fee Rate resulting from a change in the Consolidated First Lien Debt to Consolidated EBITDA Ratio shall become effective as of the first Business Day immediately following the date the certificate delivered pursuant to Section 9.1(d) is delivered to the Administrative Agent; provided that, at the option of the Required Lenders (with written notice to the Administrative Agent), the highest pricing level (as set forth in the table above) shall apply as of the fifth Business Day after the date on which Section 9.1 Financials were required to have been delivered but have not been delivered pursuant to Section 9.1 and shall continue to so apply to and including the date on which such Section 9.1 Financials are so delivered (and thereafter the pricing level otherwise determined in accordance with this definition shall apply).

In the event that the Administrative Agent and the Borrower determine that any Section 9.1 Financials previously delivered were incorrect or inaccurate (regardless of whether this Agreement or the Commitments are in effect when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to the application of a higher Commitment Fee Rate for any Applicable Period than the Commitment Fee Rate applied for such Applicable Period, then (a) the Borrower shall as soon as practicable deliver to the Administrative Agent the correct Section 9.1 Financials for such Applicable Period, (b) the Commitment Fee Rate shall be determined as if the pricing level for such higher Commitment Fee Rate were applicable for such Applicable Period, and (c) the Borrower shall within 10 Business Days of demand thereof by the Administrative Agent pay to the Administrative Agent the accrued additional interest owing as a result of such increased Commitment Fee Rate for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with this Agreement. This paragraph shall not limit the rights of the Administrative Agent and Lenders with respect to Section 2.8(c) and Section 11.

"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 13.2.

"Company" shall mean Grocery Outlet Inc., a California corporation.

"Confidential Information" shall have the meaning provided in Section 13.16.

"Confidential Information Memorandum" shall mean the Confidential Information Memorandum of the Borrower dated October 2018, delivered to the prospective lenders in connection with this Agreement.

"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, Capital Expenditures, including Capitalized Software Expenditures, intangible assets established through recapitalization or purchase accounting, and the accretion or amortization of OID resulting from the Incurrence of Indebtedness at less than par, of such Person for such period on a consolidated basis and as 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, plus:

(a) without duplication and to the extent already deducted or, in the case of clauses (vi) and (viii) below, to the extent not included (and not added back or excluded) in arriving at such Consolidated Net Income, the sum of the following amounts for such period:

(i) provision for taxes based on income or profits or capital, and sales taxes, including, without limitation, federal, foreign, state, local, franchise, unitary, property, excise, value added and similar taxes and foreign withholding taxes of such Person and any distributions or payments pursuant to Sections 10.6(g)(i) or 10.6(g)(iii), in each case, paid or accrued during such period (including taxes in respect of expatriated or repatriated funds and any penalties and interest related to such taxes or arising from any tax examinations),

(ii) Consolidated Interest Expense and, to the extent not reflected in such Consolidated Interest Expense, bank and letter of credit fees, debt rating monitoring fees and net losses on Hedging Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, amortization of deferred financing fees, OID or costs, costs of surety bonds in connection with financing activities, together with items excluded from the definition of "Consolidated Interest Expense" pursuant to clauses (A) through (N) thereof,

(iii) Consolidated Depreciation and Amortization Expense of such Person for such period,

(iv) the amount of any restructuring charge, accrual or reserve or non-recurring (on a per-transaction basis) integration costs and related costs and charges, including proposed or actual hiring and on-boarding of any senior level executives and any one-time (on a per-transaction basis) costs or charges incurred in connection with

Acquisitions and other Investments or Tax Restructurings, including costs, expenses and charges incurred in conforming Grocery Stores acquired in connection with Permitted Acquisitions and similar Investments to the branding and aesthetic standards of the Borrower and its Subsidiaries (including in respect of signage, labor, training, leaseholder improvement, remodeling, fixtures, firmware and equipment) and costs, charges and expenses, including put arrangements and headcount reductions or other similar actions including severance charges in respect of employee termination or relocation costs, excess pension charges, severance and lease termination expenses and other expenses and/or costs, including excess pension charges, related to the closure, discontinuance, consolidation and/or integration of locations, information technology infrastructure, legal entities (including any legal entity restructuring), Grocery Stores and/or facilities,

(v) any other non-cash charges, including (A) all non-cash compensation expenses and costs, (B) the non-cash impact of recapitalization or purchase accounting, (C) the non-cash impact of accounting changes or restatements, (D) any non-cash portion of Consolidated Lease Expense and (E) other non-cash charges; provided that, to the extent that 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 subtracted from Consolidated EBITDA in such future period to such extent; and provided, further, that amortization of a prepaid cash item that was paid in a prior period shall be excluded),

(vi) the aggregate amount of Consolidated Net Income for such period attributable to non-controlling interests of third parties in any non-Wholly-Owned Subsidiary, excluding cash distributions in respect thereof to the extent already included in Consolidated Net Income,

(vii) the amount of management, monitoring, consulting and advisory fees, termination payments, indemnities and related expenses paid or accrued in such period to (or on behalf of) the Permitted Holders (including any termination fees payable in connection with the early termination of management and monitoring agreements and any expenses paid in connection with the shareholders agreements applicable to any Parent Entity) (including amortization thereof) and any directors', officers', employees', consultants' and board of directors' fees or reimbursements (including pursuant to any management agreement) in any such case to the extent otherwise permitted under Section 10.11 or to (or on behalf of) Affiliates of the Borrower on or prior to the Closing Date (and following the Closing Date, with respect to any indemnification or other amounts owed in respect of arrangements in effect prior to the Closing Date),

(viii) pro forma adjustments, including pro forma "run rate" cost savings, operating expense reductions, and other synergies related to mergers, business combinations, Acquisitions and other Investments, Dispositions, any Permitted Change of Control and other similar transactions, or related to restructuring initiatives, cost savings initiatives and other initiatives projected by the Borrower in good faith to result from actions that have been taken, actions with respect to which substantial steps have been taken or actions that are expected to be taken (in each case, in the good faith determination of the Borrower), in any such case, within eight fiscal quarters after the date of consummation of such merger, business combination, Acquisition or other Investment, Disposition, any Permitted Change of Control or other similar transaction or the initiation of such restructuring initiative, cost savings initiative or other initiative; provided that, for the purpose of this clause (viii), (I) any such adjustments shall be added

to Consolidated EBITDA for each Test Period until fully realized and shall be calculated on a pro forma basis as though such adjustments had been realized on the first day of the relevant Test Period and shall be calculated net of the amount of actual benefits realized from such actions, (II) any such adjustments shall be reasonably identifiable and (III) no such adjustments shall be added pursuant to this clause (viii) to the extent duplicative of any items related to adjustments included in the definition of "Consolidated Net Income", clause (iv) above or pursuant to the effects of Section 1.11 (it being understood that for purposes of the foregoing and Section 1.11 "run rate" shall mean the full recurring benefit that is associated with any such action),

(ix) Receivables Fees and the amount of loss on Dispositions of receivables and related assets to the Receivables Subsidiary in connection with a Qualified Receivables Facility,

(x) (A) any deductions, charges, costs or expenses (including compensation charges and expenses) incurred or paid by the Borrower or any Restricted Subsidiary pursuant to any management equity plan, share option plan, a "phantom" stock plan or any other management or employee benefit plan or agreement, pension plan, any severance agreement, non-compete agreement or any equity subscription or shareholder agreement or any distributor equity plan or agreement or in connection with grants of stock appreciation or similar rights or other rights to directors, officers, managers and/or employees of any Parent Entity, any Equityholding Vehicle, the Borrower or any of its Restricted Subsidiaries and the employer portion of payroll taxes associated therewith, to the extent funded with cash contributed to the capital of the Borrower or the Net Cash Proceeds of an issuance of Capital Stock of the Borrower (other than Disqualified Capital Stock) solely to the extent that such Net Cash Proceeds are excluded from the calculation of the Available Equity Amount, and (B) any charges, costs, expenses, accruals or reserves in connection with the rollover, acceleration or payout of Capital Stock held by directors, officers, managers and/or employees of any Parent Entity, any Equityholding Vehicle, the Borrower or any of its Restricted Subsidiaries,

(xi) cash received in respect of acquired contingent commission revenue in such period, to the extent such revenue does not constitute Consolidated Net Income in such period; provided that if such revenue later constitutes Consolidated Net Income in a subsequent period, it will reduce Consolidated EBITDA in such period to the extent such revenue so constitutes Consolidated Net Income;

(xii) cash receipts (or any netting arrangements resulting in reduced cash expenditures) not otherwise included in Consolidated EBITDA in any period to the extent non-cash gains relating to such receipts were deducted in the calculation of Consolidated EBITDA pursuant to paragraph (b) below for any previous period and not added back,

(xiii) any net pension or other post-employment benefit costs representing amortization of unrecognized prior service costs, actuarial losses, including amortization of such amounts arising in prior periods, amortization of the unrecognized net obligation (and loss or cost) existing at the date of initial application of Financial Accounting Standards Board's Accounting Standards Codification No. 715, any non-cash deemed finance charges in respect of any pension liabilities, the curtailment or modification of pension and post-retirement employee benefit plans (including settlement of pension liabilities), and any other items of a similar nature,

(xiv) in respect of any Hedging Obligations that are terminated (or early extinguished) prior to the stated settlement date, any loss (or gain as applicable) reflected in Consolidated Net Income in or following the quarter in which such termination or early extinguishment occurs,

(xv) all adjustments of the type that are described on pages 40 and 41 of the Public Lender Presentation, to the extent such adjustments, without duplication, continue to be applicable to such period,

(xvi) costs, expenses, charges, accruals, reserves (including restructuring costs related to acquisitions prior to, on or after the Closing Date) or expenses attributable to the undertaking and/or the implementation of cost savings initiatives, operating expense reductions and other restructuring and integration and transition costs, costs associated with inventory category and distribution optimization programs, pre-opening, opening and other business optimization expenses (including software development costs), future lease commitments, consolidation, discontinuance and closing and consolidation costs and expenses for locations, facilities and/or Grocery Stores, contract termination payments (including future lease payments), signing, retention and completion bonuses, costs related to entry and expansion into new markets (including consulting fees) or the exit from existing markets (including with respect to the termination of customer, vendor, supplier, lease or other contracts), marketing costs related to rebranding efforts, marketing costs incurred in connection with new Grocery Store openings and in connection with the entry and expansion into new markets and to modifications to pension and post-retirement employee benefit plans, system design, establishment and implementation costs and project start-up costs,

(xvii) adjustments consistent with Regulation S-X of the Securities Act,

(xviii) earn-out obligations and other post-closing obligations to sellers (including transaction tax benefit payments or to the extent accounted for as bonuses or otherwise) incurred in connection with any Acquisition or other Investment permitted under this Agreement (including any Acquisition or other Investment consummated prior to the Closing Date) or adjustments thereof, which is paid or accrued during the applicable period,

(xix) one-time start-up costs and expenses for Grocery Stores, any costs or expenses incurred by the Borrower or any Restricted Subsidiaries associated with any Grocery Store openings and any Capital Expenditures made in connection with any such opening to the extent expensed,

(xx) costs related to the implementation of operational and reporting systems and technology initiatives and one-time Public Company Costs,

(xxi) the amount of any charge or deduction associated with any Restricted Subsidiary that is attributable to any non-controlling interest or minority interest of any third party,

(xxii) charges, expenses or losses incurred in connection with any Tax Restructuring,

(xxiii) charges 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 and charges relating to compliance with the provisions of the Securities Act and the Exchange Act, 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, employees', consultants', directors' or managers' compensation, fees and expense reimbursement, charges 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,

(xxiv) charges relating to the sale of products in new locations, including, without limitation, start-up costs, initial testing and registration costs in new markets, the cost of feasibility studies, travel costs for employees engaged in activities relating to any or all of the foregoing and the allocation of general and administrative support in connection with any or all of the foregoing,

(xxv) add-backs and adjustments of the type set forth in any quality of earnings analysis prepared by independent registered public accountants of recognized national standing or any other accounting firm reasonably acceptable to the Administrative Agent and delivered to the Administrative Agent in connection with any Permitted Acquisition or other Investment; and

(xxvi) charges or losses on any loans and advances to independent operators of Grocery Stores;

less

(b) without duplication and to the extent included in arriving at such Consolidated Net Income of such Person for such period, decreased by, without duplication, any non-cash gains, but excluding any non-cash gains that represent the reversal of any accrual of, or cash reserve for, anticipated cash items that reduced Consolidated EBITDA in any prior period,

plus

(c) the New Stores Adjustment,

in each case, as determined on a consolidated basis for the Borrower and the Restricted Subsidiaries in accordance with GAAP; provided that,

(I) there shall be included in determining Consolidated EBITDA for any period, without duplication, the Acquired EBITDA of any Person, property, business or asset acquired by the Borrower or any Restricted Subsidiary during such period (other than any Unrestricted Subsidiary) to the extent not subsequently sold, transferred or otherwise Disposed of during such period (but not including the Acquired EBITDA of any related Person, property, business or assets to the extent not so acquired) (each such Person, property, business or asset acquired, including pursuant to the Transactions or pursuant to a transaction consummated prior to the Closing Date, 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"), in each case based on the Acquired EBITDA of such Pro Forma Entity for such period (including the portion thereof occurring prior to such acquisition or conversion) determined on a historical pro forma basis; and

(II) there shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property, business or asset sold, transferred or otherwise Disposed of, closed or classified as discontinued operations by the Borrower or any Restricted Subsidiary to the extent not subsequently reacquired, reclassified or continued, in each case, during such period (each such Person (other than an Unrestricted Subsidiary), property, business or asset so sold, transferred or otherwise Disposed of, closed or classified, 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"), in each case based on the 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, disposition, closure, classification or conversion) determined on a historical pro forma basis.

Notwithstanding anything to the contrary contained herein and subject to adjustment as provided in clauses (I) and (II) of the immediately preceding proviso with respect to acquisitions and Dispositions occurring prior to, on and following the Closing Date and, without any duplication of any adjustments already included in the amounts below, other adjustments contemplated by Section 1.11, clause (a)(viii), (a)(xv) and (a)(xvi) above or clause (c) above, Consolidated EBITDA shall be deemed to be $42,943,206, $43,131,813, $37,040,332 and $38,263,864, respectively, for the fiscal quarters ended September 30, 2017, December 31, 2017, March 31, 2018 and June 30, 2018.

"Consolidated EBITDA to Consolidated Interest Expense Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated EBITDA for the most recent Test Period ended on or prior to such date of determination to (b) Consolidated Interest Expense for such period; provided that, for purposes of calculating the Consolidated EBITDA to Consolidated Interest Expense Ratio for any period ending prior to the first anniversary of the Closing Date, Consolidated Interest Expense shall be an amount equal to actual Consolidated Interest Expense from the Closing Date through the date of determination multiplied by a fraction the numerator of which is 365 and the denominator of which is the number of days from the Closing Date through the date of determination.

"Consolidated First Lien Debt" shall mean, without duplication, as of any date of determination, (a) the aggregate principal amount of all Consolidated Total Debt (determined without regard to clause (b) of the definition thereof) outstanding under this Agreement as of such date (but excluding the effects of any discounting of Indebtedness resulting from the application of recapitalization or purchase accounting in connection with the Transactions, any Permitted Change of Control, Acquisition or other Investment) and all other Consolidated Total Debt (determined without regard to clause (b) of the definition thereof) secured by Liens on the Collateral that do not rank junior in priority to the Liens on the Collateral securing the Obligations minus (b) the aggregate amount of cash and cash equivalents on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries on such date, excluding cash and cash equivalents which are or should be listed as "restricted" on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries as of such date. It is understood that to the extent the Borrower or any Restricted Subsidiary Incurs any Indebtedness and receives the proceeds of such Indebtedness, for purposes of determining any Incurrence test under this Agreement and whether the Borrower is in pro forma compliance with any such test, the proceeds of such Incurrence shall not be considered cash or cash equivalents for purposes of any "netting" pursuant to clause (b) of this definition.

"Consolidated First Lien Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated First Lien Debt as of the last day of the Test Period most recently ended on or prior to such date of determination to (b) Consolidated EBITDA for such Test Period.

"Consolidated Interest Expense" shall mean, with respect to any Person for any period, without duplication, the sum of:

(a) the consolidated cash interest expense of such Person for such period, determined on a consolidated basis in accordance with GAAP, with respect to all outstanding Indebtedness of such Person to the extent included in the calculation of Consolidated Total Debt (but, including in any event, (i) all commissions, discounts and other cash fees and charges owed with respect to letters of credit and bankers' acceptance financing, (ii) the cash interest component of Financing Lease Obligations, (iii) net cash payments, if any, made (less net cash payments, if any, received), pursuant to obligations under Hedging Agreements for any such Indebtedness) and (iv) Restricted Payments on account of Disqualified Capital Stock made pursuant to Section 10.6(r), but in any event excluding, for the avoidance of doubt,

(A) the accretion or amortization of original issue discount resulting from the Incurrence of Indebtedness at less than par;

(B) amortization or write off of deferred financing costs, debt issuance costs, commissions, fees and expenses;

(C) any accretion or accrual of, or accrued interest on discounted liabilities not constituting Indebtedness during such period and any prepayment, redemption, repurchase, defeasance, acquisition or similar premium, make-whole, breakage, penalty or inducement or other loss in connection with the early Refinancing or modification of Indebtedness paid or payable during such period;

(D) any interest in respect of items excluded from Indebtedness in the proviso to the definition thereof and any interest in respect of Indebtedness not otherwise included in the definition of "Consolidated Total Debt" (other than as described in clauses (i) through (iv) in the parenthetical to clause (a) above);

(E) penalties or interest relating to taxes and any other amount of non-cash interest resulting from the effects of the acquisition method of accounting or pushdown accounting;

(F) non-cash interest expense attributable to the movement of the mark-to-market valuation of obligations under Hedging Agreements or other derivative instruments pursuant to Financial Accounting Standards Board's Accounting Standards Codification No. 815 (Derivatives and Hedging);

(G) any one-time cash costs associated with breakage in respect of Hedging Agreements for interest rates and any payments with respect to make-whole and redemption premiums or other breakage costs in respect of any Indebtedness;

(H) all additional interest or liquidated damages then owing pursuant to any registration rights agreement and any comparable "additional interest" or liquidated damages with respect to other securities designed to compensate the holders thereof for a failure to publicly register such securities;

(I) any expense resulting from the discounting of any Indebtedness in connection with the application of recapitalization accounting or purchase accounting;

(J) any expensing of bridge, arrangement, structuring, commitment or other financing fees or closing payments (excluding, for the avoidance of doubt, the Commitment Fees);

(K) any lease, rental or other expense in connection with Non-Financing Lease Obligations,

(L) Receivables Fees, commissions, discounts, yield and other fees and charges (including any interest expense) related to any Qualified Receivables Facility,

(M) any capitalized interest, whether paid in cash or otherwise; and

(N) any other non-cash interest expense, including capitalized interest, whether paid or accrued;

less

(b) cash interest income of the Borrower and the Restricted Subsidiaries for such period.

For purposes of this definition, interest on a Financing 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 Financing Lease Obligation in accordance with GAAP.

"Consolidated Lease Expense" shall mean, for any period, all rental expenses of any Person during such period in respect of Non-Financing Lease Obligations for real or personal property (including in connection with Sale Leasebacks), but excluding real estate taxes, insurance costs and common area maintenance charges and net of sublease income; provided that Consolidated Lease Expense shall not include (a) obligations under vehicle leases entered into in the ordinary course of business, (b) all such rental expenses associated with assets acquired pursuant to the Transactions and pursuant to an Acquisition (or other Investment) to the extent that such rental expenses relate to Non-Financing Lease Obligations (i) in effect at the time of (and immediately prior to) such acquisition and (ii) related to periods prior to such acquisition, (c) Financing Lease Obligations, all as determined on a consolidated basis in accordance with GAAP and (d) the effects from applying purchase accounting.

"Consolidated Net Income" shall mean, with respect to any Person for any period, the aggregate of the Net Income, attributable to such Person for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; provided, however, that, without duplication, and on an after-tax basis to the extent appropriate,

(a) any extraordinary, exceptional, unusual or nonrecurring gains, losses or expenses; costs associated with preparations for, and implementation of, compliance with the requirements of the Sarbanes-Oxley Act of 2002 and other Public Company Costs; earn-out payments or other consideration paid or payable in connection with an Acquisition to the extent recorded as cash compensation expense; severance costs (which may include, for the avoidance of doubt, the forgiveness of amounts that arose from, or reserves in connection with, advances paid to financial planners that had not yet been repaid at the time of severance); relocation costs; integration costs; pre-opening, opening, consolidation, discontinuation, integration and closing

costs and expenses for locations, facilities, Grocery Stores, information technology infrastructure and/or for legal entities (including any legal entity restructuring); recruiting fees, signing, retention and completion bonuses (and the employer portion of payroll taxes associated therewith), transition costs, restructuring costs, accruals, reserves (including restructuring and integration costs related to acquisitions after the Closing Date and adjustments to existing reserves and any restructuring charge relating to any Tax Restructuring), whether or not classified as restructuring expense on the consolidated financial statements; business optimization charges, including related to new product introductions; systems implementation charges; charges relating to entry into a new market; consulting charges; product and intellectual property development; charges; software development charges; charges associated with new systems design; project startup charges; charges in connection with new operations; corporate development charges; internal costs in respect of strategic initiatives; duplicative rent expense and in respect of the implementation of any enhanced accounting function (including in connection with becoming a standalone entity or public company); charges in connection with curtailments or modifications to pension and post-retirement employee benefit plans (including any settlement of multi-employer plan or pension liabilities); and charges related to litigation settlements, fines, judgments, orders or losses and related costs and expenses, in each case shall be excluded,

(b) the Net Income for such period shall not include the cumulative effect of a change in accounting principles, including if reflected through a restatement or retroactive application, during such period,

(c) any net gains or losses realized on (i) Disposed of, discontinued or abandoned operations (which shall not, unless the Borrower otherwise elects, include assets then held for sale), or (ii) the sale or other Disposition of any Capital Stock of any Person, shall be excluded,

(d) any net gains or losses realized attributable to asset Dispositions, other than those in the ordinary course of business, as determined in good faith by the Borrower, and Dispositions of books of business, client lists or related goodwill in connection with the departure of related employees or producers, shall be excluded,

(e) the Net Income for such period of any Person that is not the Borrower or a Restricted Subsidiary of the Borrower, or that is accounted for by the equity method of accounting, shall be excluded; provided that the Consolidated Net Income of the Borrower and its Restricted Subsidiaries shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash or Cash Equivalents (or, if not paid in cash or Cash Equivalents, but later converted into cash or Cash Equivalents, upon such conversion) to the referent Person or a Restricted Subsidiary thereof in respect of such period,

(f) solely for the purpose of determining the amount available under clause (i) of the definition of "Available Amount", the Net Income for such period of any Restricted Subsidiary (other than any Credit Party) shall be excluded to the extent the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of its Net Income is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, is otherwise restricted by the operation of the terms of its charter or any judgment, decree, order, statute, rule, or governmental regulation applicable to that Restricted Subsidiary or its equityholders, (other than: (i) restrictions that have been waived or otherwise released, (ii) restrictions pursuant to this Agreement or the Second Lien Credit Agreement and (iii) restrictions arising pursuant to an agreement or instrument if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Secured Parties than the encumbrances and restrictions

contained in the Credit Documents or the Second Lien Credit Documents (as determined by the Borrower in good faith)) unless such restriction with respect to the payment of dividends or similar distributions has been legally waived; provided that Consolidated Net Income of the Borrower will be increased by the amount of dividends or other distributions or other payments actually paid in cash or Cash Equivalents (or, if not paid in cash or Cash Equivalents, but later converted into cash or Cash Equivalents, upon such conversion) to the Borrower or a Restricted Subsidiary thereof in respect of such period, to the extent not already included therein,

(g) any income (loss) (and all related fees and expenses or charges related thereto) from the purchase, acquisition, early extinguishment, conversion or cancellation of Indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid) shall be excluded,

(h) any impairment charge, asset write-off or write-down, including impairment charges or asset write-offs or write-downs related to intangible assets (including goodwill), long-lived assets, Investments in debt and equity securities, the amortization of intangibles, and the effects of adjustments to accruals and reserves during a prior period relating to any change in the methodology of calculating reserves for returns, rebates, warranties, inventories and other chargebacks (including government program rebates), shall be excluded,

(i) any (i) non-cash compensation expense as a result of grants of equity appreciation or similar rights, profits interests, equity options, phantom equity, restricted equity or other rights or equity incentive programs and any non-cash charges associated with the rollover, acceleration or payout of Capital Stock or options, phantom equity, profits interests or other rights with respect thereto by, or to, future, current or former officers, directors, employees, managers or consultants of Holdings, the Borrower or any of the Restricted Subsidiaries, or any Parent Entity or Equityholding Vehicle, (ii) income (loss) attributable to deferred compensation plans or trusts and (iii) any expense (including taxes) in respect of payments made to option holders or holders of profits interests, phantom equity, restricted equity or restricted equity units of the Borrower or any Parent Entity or Equityholding Vehicle in connection with, or as a result of, any distribution being made to equityholders of the Borrower or any Parent Entity or Equityholding Vehicle, which payments are being made to compensate such option holders or holders of profits interests, phantom equity, restricted equity or restricted equity units as though they were equityholders at the time of, and entitled to share in, such distribution (to the extent such distribution to equityholders is excluded from Consolidated Net Income), shall be excluded,

(j) any fees and expenses (including any transaction or retention bonus, similar payments, commissions or discounts) incurred during such period, or any amortization thereof for such period, in connection with any Acquisition, Investment, asset Disposition, Change of Control or any Permitted Change of Control, Incurrence, Refinancing, prepayment, redemption, repurchase, acquisition, defeasance, extinguishment, retirement or repayment of Indebtedness, issuance of Capital Stock (including any IPO), or amendment, supplement or other modification of any debt instrument (in each case, including any such transaction consummated prior to the Closing Date and any such transaction undertaken, but not completed and/or not successful) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction shall be excluded,

(k) accruals and reserves that are established or adjusted as a result of the Transactions or after the closing of any Acquisition, any Permitted Change of Control or Investment in accordance with GAAP or changes as a result of the adoption or modification of accounting policies during such period, whether effected through a cumulative effect adjustment, restatement or a retroactive application in accordance with GAAP, shall be excluded,

(l) the effects from applying purchase accounting, including applying recapitalization or purchase accounting to inventory, property and equipment, software, goodwill and other intangible assets, in-process research and development, post-employment benefits, leases, Deferred Revenue and debt-like items required or permitted by GAAP (including the effects of such adjustments pushed down to the Borrower and the Restricted Subsidiaries), as a result of the Transactions or any other consummated Acquisition, or the amortization or write-off of any amounts thereof, shall be excluded,

(m) any foreign exchange gains or losses (whether or not realized) resulting from the impact of foreign currency changes on the valuation of assets and liabilities on the consolidated balance sheet of the Borrower shall be excluded,

(n) any non-cash interest expense and non-cash interest income, in each case to the extent there is no associated cash disbursement or receipt, as the case may be, before the Latest Maturity Date, shall be excluded,

(o) the amount of any cash tax benefits related to the tax amortization of intangible assets in such period shall be included,

(p) Transaction Expenses and Permitted Change of Control Costs including ((i) payment of any severance and the amount of any other success, change of control or similar bonuses or payments payable to any current or former employee, director, officer or consultant of the Borrower or any of its Restricted Subsidiaries as a result of the consummation of the Transactions without the requirement of any action on the part of the Borrower or any of its Restricted Subsidiaries, and (ii) costs in connection with payments related to the rollover, acceleration or payout of Capital Stock held by management and members of the board of the Borrower and its Restricted Subsidiaries or Parent Entities, including the payment of any employer taxes related to the items in this clause (p), and similar costs, expenses or charges incurred in connection with the Transactions or a Permitted Change of Control) shall be excluded,

(q) income or expense related to changes in the fair value of contingent liabilities recorded in connection with the Transactions or any Acquisition or other Investment shall be excluded,

(r) proceeds received from business interruption insurance (to the extent not reflected as revenue or income in Net Income and to the extent that the related loss was deducted in the determination of Net Income), shall be included,

(s) charges, losses, lost profits, expenses or write-offs to the extent indemnified, reimbursed or insured by a third party, including expenses covered by indemnification or reimbursement provisions in connection with the Transactions, an Acquisition or any other Investment, in each case, to the extent that indemnification, reimbursement or insurance coverage has not been denied, the Borrower in good faith believes that such amounts are recoverable from such indemnitors, reimbursers or insurers, and so long as such amounts are actually paid or reimbursed to the Borrower or any of its Restricted Subsidiaries in cash or Cash Equivalents within one year after the related amount is first added to Consolidated Net Income pursuant to this clause (s) (and if not so reimbursed within one year, such amount shall be deducted from Consolidated Net Income during the next measurement period), shall be excluded; provided that such amounts shall only be included in Consolidated Net Income under clause (i) of the definition of “Available Amount” after such amounts are actually reimbursed in cash,

(t) any non-cash expenses, accruals, reserves or income related to adjustments to historical tax exposures shall be excluded; provided that, if any such non-cash items represent an accrual or reserve for cash payments in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated Net Income in such future period, but only to the extent of such non-cash expense, accrual or reserve excluded pursuant to this clause (t),

(u) any non-cash gain or loss attributable to the mark-to-market movement in the valuation of Hedging Obligations (to the extent the cash impact resulting from such gain or loss has not been realized) or other derivative instruments pursuant to Financial Accounting Standards Board's Accounting Standards Codification No. 815-Derivatives and Hedging, shall be excluded,

(v) any gain or loss relating to Hedging Obligations associated with transactions realized in the current period that has been reflected in Net Income in prior periods and excluded from, or included in, as applicable, Consolidated Net Income pursuant to the preceding clause (u) shall be included,

(w) any expense to the extent a corresponding amount is received in cash by the Borrower or any Restricted Subsidiaries from a Person other than the Borrower or any Restricted Subsidiaries shall be excluded; provided such payment has not been included in determining Consolidated Net Income (it being understood that if the amounts received in cash under any such agreement in any period exceed the amount of expense in respect of such period, such excess amounts received may be carried forward and applied against expense in future periods);

(x) all discounts, commissions, fees and other charges (including interest expense) associated with any Receivables Facility shall be excluded, and

(y) the amount of any expense required to be recorded as compensation expense related to contingent transaction consideration and the employer portion of any payroll taxes associated therewith shall be excluded.

"Consolidated Secured Debt" shall mean, without duplication, as of any date of determination, (a) the aggregate principal amount of all Consolidated Total Debt (determined without regard to clause (b) of the definition thereof) outstanding under this Agreement and under the Second Lien Credit Agreement as of such date (but excluding the effects of any discounting of Indebtedness resulting from the application of recapitalization or purchase accounting in connection with any Permitted Change of Control, Acquisition or other Investment) and all other Consolidated Total Debt (determined without regard to clause (b) of the definition thereof) secured by Liens on the Collateral minus (b) the aggregate amount of cash and cash equivalents on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries on such date, excluding cash and cash equivalents which are or should be listed as "restricted" on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries as of such date. It is understood that to the extent the Borrower or any Restricted Subsidiary Incurs any Indebtedness and receives the proceeds of such Indebtedness, for purposes of determining any Incurrence test under this Agreement and whether the Borrower is in pro forma compliance with any such test, the proceeds of such Incurrence shall not be considered cash or cash equivalents for purposes of any "netting" pursuant to clause (b) of this definition.

"Consolidated Secured Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Secured Debt as of the last day of the Test Period most recently ended on or prior to such date of determination to (b) Consolidated EBITDA for such Test Period.

"Consolidated Store EBITDA" shall mean a Grocery Store's Consolidated EBITDA excluding any costs or income that would be recorded as Distribution, General and administrative, and Marketing and advertising costs in the Company's consolidated statements of income as calculated in the detailed store database maintained by the Company.

"Consolidated Total Assets" shall mean, as of any date of determination, the total amount of all assets of the Borrower and the Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP as of such date.

"Consolidated Total Debt" shall mean, as of any date of determination, (a) the aggregate principal amount of indebtedness of the Borrower and the Restricted Subsidiaries outstanding on such date, determined on a consolidated basis in accordance with GAAP (but excluding the effects of any discounting of indebtedness resulting from the application of purchase accounting in connection with any Permitted Change of Control, Acquisition or other Investments), consisting of third party indebtedness for borrowed money, Unpaid Drawings, Financing Lease Obligations and third-party debt obligations evidenced by promissory notes or similar instruments, minus (b) the aggregate amount of cash and cash equivalents on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries on such date, excluding cash and cash equivalents which are listed as "restricted" on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries as of such date. It is understood that to the extent the Borrower or any Restricted Subsidiary Incurs any Indebtedness and receives the proceeds of such Indebtedness, for purposes of determining any Incurrence test under this Agreement and whether the Borrower is in pro forma compliance with any such test, the proceeds of such Incurrence shall not be considered cash or cash equivalents for purposes of any "netting" pursuant to clause (b) of this definition. It is also understood that no Receivable Facility shall be considered Indebtedness of the type included in the definition of "Consolidated Total Debt".

"Consolidated Total Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the Test Period most recently ended on or prior to such date of determination to (b) Consolidated EBITDA for such Test Period.

"Consolidated Working Capital" shall mean, at any date, the excess of (a) the sum of all amounts (excluding all cash and Cash Equivalents) that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of the Borrower and the Restricted Subsidiaries at such date less (b) the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of the Borrower and the Restricted Subsidiaries on such date, including (for purposes of both clauses (a) and (b)) current and long-term Deferred Revenue but excluding (for purposes of both clauses (a) and (b) above, as applicable), without duplication, (i) the current portion of any Funded Debt, (ii) all Indebtedness (including Letter of Credit Obligations) under the Revolving Credit Facility, any Additional/Replacement Revolving Credit Facility, any Extended Revolving Credit Facility or any other revolving credit facility that is effective in reliance on Section 10.1(u), to the extent otherwise included therein, (iii) the current portion of interest, (iv) the current portion of current and deferred income taxes, (v) non-cash compensation costs and expenses, (vi) any other liabilities that are not Indebtedness and will not be settled in cash or Cash Equivalents during the next succeeding twelve month period after such date, (vii) the effects from applying recapitalization or purchase accounting, (viii) any earn out obligations until 30 days after such obligation becomes contractually due and payable and any earn-out obligation that

becomes contractually due and payable to the extent (A) such Person is indemnified for the payment thereof by a solvent Person reasonably acceptable to the Administrative Agent or (B) amounts to be applied to the payment thereof are in escrow through customary arrangements and (ix) any asset or liability in respect of net obligations of such Person in respect of Swaps entered into in the ordinary course of business; provided that Consolidated Working Capital shall be calculated without giving effect to (x) the depreciation of the Dollar relative to other foreign currencies or (y) changes to Consolidated Working Capital resulting from non-cash charges and credits to consolidated current assets and consolidated current liabilities (including, without limitation, derivatives and deferred income tax); provided, further, that for purposes of calculating Excess Cash Flow, increases or decreases in working capital shall exclude the impact of adjusting items in the definition of "Consolidated Net Income".

"Contract Consideration" shall have the meaning provided in the definition of the term "Additional ECF Reduction Amounts."

"Contractual Obligation" shall mean, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound other than the Obligations.

"Controlled Investment Affiliate" shall mean, as to any Person, any other Person, other than any Investor, which directly or indirectly controls, is controlled by, or is under common control with such Person and is organized by such Person (or any Person controlling such Person) primarily for making direct or indirect equity or debt investments in the Borrower and/or other Persons.

"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."

"Corrective Extension Agreement" shall have the meaning provided in Section 2.15(f).

"Credit Agreement Refinancing Indebtedness" shall mean (a) Permitted Equal Priority Refinancing Debt, (b) Permitted Junior Priority Refinancing Debt or (c) Permitted Unsecured Refinancing Debt; provided that, in each case, such Indebtedness is Incurred to Refinance, in whole or in part, existing Term Loans or existing Revolving Credit Loans (or unused Revolving Credit Commitments), any then-existing Additional/Replacement Revolving Credit Loans (or unused Additional/Replacement Revolving Credit Commitments), any then-existing Extended Revolving Credit Loans (or unused Extended Revolving Credit Commitments), or any Loans under any then-existing Incremental Facility (or, if applicable, unused Commitments thereunder), or any then-existing Credit Agreement Refinancing Indebtedness ("Refinanced Debt"); provided, further, that (i) except for any of the following that are only applicable to periods after the Latest Maturity Date, the covenants, events of default and guarantees of such Indebtedness (excluding, for the avoidance of doubt, interest rates (including through fixed interest rates), interest margins, rate floors, fees, funding discounts, original issue discounts, maturity, currency types and denominations and prepayment or redemption premiums and terms) (when taken as a whole) are determined by the Borrower to be either (A) consistent with market terms and conditions and conditions at the time of Incurrence or effectiveness (as determined by the Borrower in good faith) or (B) not materially more restrictive on the Borrower and the Restricted Subsidiaries than those applicable to the Refinanced Debt, when taken as a whole (provided that if the documentation governing such Credit Agreement Refinancing Indebtedness contains a Previously Absent Covenant, the Administrative Agent shall be given prompt written notice thereof and this Agreement shall be amended to include such Previously Absent Covenant for the benefit of each Credit Facility (provided, however, that if (x) both the

Refinanced Debt and the related Credit Agreement Refinancing Indebtedness that includes a Previously Absent Covenant consists of a revolving credit facility (whether or not the documentation therefor includes any other facilities) and (y) the applicable Previously Absent Covenant is a "springing" financial maintenance covenant for the benefit of such revolving credit facility or a covenant only applicable to, or for the benefit of, a revolving credit facility, the Previously Absent Covenant shall only be required to be included in this Agreement for the benefit of each revolving credit facility hereunder (and not for the benefit of any term loan facility hereunder) and such Credit Agreement Refinancing Indebtedness shall not be deemed "more restrictive" solely as a result of such Previously Absent Covenant benefiting only such revolving credit facilities); provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), (ii) any such Indebtedness in the form of bonds, notes, loans or debentures or which Refinances, in whole or in part, existing Term Loans, shall have a maturity that is no earlier than the earlier of the maturity of the Refinanced Debt and the Latest Maturity Date and a Weighted Average Life to Maturity equal to or greater than the Refinanced Debt; provided that the foregoing requirements of this clause (ii) shall not apply (x) to the extent such Indebtedness either is subject to Customary Escrow Provisions or constitutes a customary bridge facility, so long as the long-term Indebtedness into which any such customary bridge facility is to be converted or exchanged satisfies the requirements of this clause (ii) and such conversion or exchange is subject only to conditions customary for similar conversions or exchanges and/or (y) to Credit Agreement Refinancing Indebtedness in an amount up to the Incremental/Refinancing Maturity Limitation Excluded Amount, (iii) any such Indebtedness which Refinances any existing Revolving Credit Loans (or unused Revolving Credit Commitments), any then-existing Additional/Replacement Revolving Credit Loans (or unused Additional/Replacement Revolving Credit Commitments) or any then-existing Extended Revolving Credit Loans (or unused Extended Revolving Credit Commitments) shall have a maturity that is no earlier than the maturity of such Refinanced Debt and shall not require any mandatory commitment reductions prior to the maturity of such Refinanced Debt; provided that the foregoing requirements of this clause (iii) shall not apply to the extent such Indebtedness either is subject to Customary Escrow Provisions or constitutes a customary bridge facility, so long as the long-term Indebtedness into which any such customary bridge facility is to be converted or exchanged satisfies the requirements of this clause (iii) and such conversion or exchange is subject only to conditions customary for similar conversions or exchanges, (iv) except to the extent otherwise permitted under this Agreement (subject to a dollar-for-dollar usage of any other basket set forth in Section 10.1, if applicable), such Indebtedness shall not have a greater principal amount (or shall not have a greater accreted value, if applicable) than the principal amount (or accreted value, if applicable) of the Refinanced Debt plus unpaid accrued interest, fees and premiums (including tender premiums) (if any) thereon, defeasance costs, underwriting discounts and fees and expenses (including OID, closing payments, upfront fees or similar fees) associated with the Refinancing plus an amount equal to any existing commitments unutilized and letters of credit undrawn, (v) such Refinanced Debt shall be repaid, repurchased, redeemed, defeased, acquired or satisfied and discharged on a dollar-for-dollar basis, and all accrued interest, fees and premiums (including tender premiums) (if any) in connection therewith shall be paid substantially concurrently with the date such Credit Agreement Refinancing Indebtedness is Incurred or made effective, (vi) except to the extent otherwise permitted hereunder, the aggregate unused revolving commitments under such Credit Agreement Refinancing Indebtedness shall not exceed the unused Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments or Extended Revolving Credit Commitments, as applicable, being replaced plus undrawn letters of credit, (vii) in the case of any such Indebtedness in the form of bonds, notes, loans or debentures or which Refinances, in whole or in part, existing Term Loans,

the terms thereof shall not require any mandatory prepayment, redemption, repurchase, acquisition or defeasance (other than Indebtedness that is subject to Customary Escrow Provisions) and otherwise other than (x) in the case of bonds, notes or debentures, customary change of control, asset sale event or casualty, eminent domain or condemnation event offers, AHYDO Catch Up Payments and customary acceleration any time after an event of default and (y) in the case of any term loans, mandatory prepayments that are on terms (when taken as a whole) not materially more favorable to the lenders or holders providing such Indebtedness than those applicable to the Refinanced Debt (when taken as a whole) prior to the maturity date of the Refinanced Debt, (viii) any Credit Agreement Refinancing Indebtedness may not be guaranteed by any Persons that do not guarantee the Obligations and (ix) any Credit Agreement Refinancing Indebtedness may not be secured by any assets that do not secure the Obligations.

"Credit Card Issuer" means any Person (other than the Borrower or a Restricted Subsidiary) who issues or whose members issue credit cards, including MasterCard or VISA bank credit or debit cards or other bank credit or debit cards issued through MasterCard International, Inc., Visa, U.S.A., Inc. or Visa International and American Express, Discover, Diners Club, Carte Blanche and other non-bank credit or debit cards, including credit or debit cards issued by or through American Express Travel Related Services Company, Inc., and Novus Services, Inc.

"Credit Documents" shall mean this Agreement, the Security Documents, the Guarantee, the Fee Letter, the First Lien/Second Lien Intercreditor Agreement, each Letter of Credit, any promissory notes issued by the Borrower hereunder, any Incremental Agreement, any Extension Agreement and any Customary Intercreditor Agreement entered into after the Closing Date to which the Collateral Agent and/or the Administrative Agent is a party.

"Credit Event" shall mean and include the making (but not the conversion or continuation) of a Loan and the issuance, increase in the amount, or extension of a Letter of Credit.

"Credit Facility" shall mean any of the Initial Term Loan Facility, any Incremental Term Loan Facility, the Revolving Credit Facility, any Additional/Replacement Revolving Credit Facility, any Extended Term Loan Facility or any Extended Revolving Credit Facility, as applicable.

"Credit Party" shall mean, collectively and/or, as applicable, individually, Holdings, the Borrower and each Subsidiary Guarantor.

"Cumulative Consolidated EBITDA" shall mean, as at any date of determination, Consolidated EBITDA for the period (taken as one accounting period) commencing on October 1, 2018 and ending on the last day of the most recent fiscal quarter for which Internal Financial Statements are available.

"Cure Amount" shall have the meaning provided in Section 11.11(a).

"Cure Deadline" shall have the meaning provided in Section 11.11(a).

"Cure Right" shall have the meaning provided in Section 11.11(a).

"Customary Escrow Provisions" shall mean customary prepayment or redemption terms relating to Escrowed Proceeds under escrow arrangements.

"Customary Intercreditor Agreement" shall mean (a) to the extent executed in connection with the Incurrence of secured Indebtedness Incurred by a Credit Party, the Liens on the Collateral securing which are intended to rank equal in priority to the Liens on the Collateral securing the Obligations (but

without regard to the control of remedies), at the option of the Borrower and the Collateral Agent acting together in good faith, either (i) any intercreditor agreement substantially in the form of the Equal Priority Intercreditor Agreement or (ii) a customary intercreditor agreement in form and substance reasonably acceptable to the Collateral Agent and the Borrower, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank equal in priority to the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) and (b) to the extent executed in connection with the Incurrence of secured Indebtedness Incurred by a Credit Party, the Liens on the Collateral securing which are intended to rank junior in priority to the Liens on the Collateral securing the Obligations, at the option of the Borrower and the Collateral Agent acting together in good faith, either (i) an intercreditor agreement substantially in the form of the First Lien/Second Lien Intercreditor Agreement or (ii) a customary intercreditor agreement in form and substance reasonably acceptable to the Collateral Agent and the Borrower, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank junior in priority to the Liens on the Collateral securing the Obligations.

"Debt Fund Affiliate" shall mean any Affiliate of the Borrower (other than Holdings, the Borrower or any Restricted Subsidiary of the Borrower) and any other Affiliate of the Sponsor that is a bona fide debt fund or an investment vehicle that is engaged in, or advises funds or other investment vehicles that are engaged in, the making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course.

"Debt Incurrence Prepayment Event" shall mean any Incurrence by the Borrower or any of the Restricted Subsidiaries of any Indebtedness, but excluding any Indebtedness permitted to be Incurred under Section 10.1 (other than Incremental Term Loans Incurred in reliance on clause (i)(x) of the proviso to Section 2.14(b), Permitted Additional Debt Incurred in reliance on Section 10.1(u)(i)(x) and, to the extent relating to Term Loans, Credit Agreement Refinancing Indebtedness).

"Debtor Relief Laws" shall mean the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

"Default" shall mean any event, act or condition that with notice or lapse of time, or both, would constitute an Event of Default.

"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."

"Deferred Revenue" shall mean, at any date, the amount set forth opposite the caption "deferred revenue" (or any like caption or included in any other caption, including current and non-current designations) on a consolidated balance sheet at such date; provided that such balance should be determined excluding the effects of acquisition method accounting.

"Designated Non-Cash Consideration" shall mean the Fair Market Value of consideration that is not deemed to be cash or Cash Equivalents and that is received by the Borrower or its Restricted Subsidiaries in connection with a Disposition pursuant to Section 10.4(c) that is designated as Designated Non-Cash Consideration pursuant to a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent, setting forth the basis of such valuation (less the amount of the amount of cash or Cash Equivalents received in connection with a subsequent Disposition, redemption or repurchase of, or collection or payment on, such Designated Non-Cash Consideration).

"Designated Sample" shall mean the number of Grocery Stores (other than online stores) opened from and including the 25th fiscal quarter to occur prior to the last fiscal quarter in any such Test Period to and including the 10th fiscal quarter to occur prior to the last fiscal quarter in any such Test Period (e.g., for the Test Period ended June 30, 2018, the Designated Sample shall include all Grocery Stores (other than online stores) opened during and including the first fiscal quarter of 2012 through and including the fourth fiscal quarter of 2015).

"Disposed EBITDA" shall mean, with respect to any Sold Entity or Business or 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 Borrower and the Restricted Subsidiaries in the definition of the term "Consolidated EBITDA" (and in the component financial definitions used therein) were references to such Sold Entity or Business and its Subsidiaries or to such Converted Unrestricted Subsidiary and its Subsidiaries), all as determined on a consolidated basis for such Sold Entity or Business.

"Disposition" shall have the meaning provided in Section 10.4. The terms "Disposal", "Dispose" and "Disposed of" shall have correlative meanings.

"Disposition Percentage" shall mean, with respect to any Asset Sale Prepayment Event or Recovery Prepayment Event required to be applied pursuant to Section 5.2(a)(i), the applicable percentage of Net Cash Proceeds required to be offered on any date of determination to prepay Term Loans.

"Disqualified Capital Stock" shall mean, with respect to any Person, any Capital Stock of such Person that, by its terms (or by the terms of any security or other Capital Stock into which it is convertible or for which it is putable or exchangeable) or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than solely for Qualified Capital Stock), pursuant to a sinking fund obligation or otherwise, other than solely as a result of a change of control, asset sale event or casualty, eminent domain or condemnation event so long as any rights of the holders thereof upon the occurrence of a change of control, asset sale event or casualty, eminent domain or condemnation event shall be subject to the prior repayment in full of the Loans and all other Obligations (other than Hedging Obligations under any Secured Hedging Agreement, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations and other contingent obligations not then due and payable), (b) is redeemable or exchangeable at the option of the holder thereof (other than solely for Qualified Capital Stock), other than as a result of a change of control, asset sale event or casualty, eminent domain or condemnation event so long as any rights of the holders thereof upon the occurrence of a change of control, asset sale event or casualty, eminent domain or condemnation event shall be subject to the prior repayment in full of the Loans and all other Obligations (other than Hedging Obligations under any Secured Hedging Agreement, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations and other contingent obligations not then due and payable), in whole or in part, or (c) provides for the scheduled payment of dividends in cash, in each case prior to the date that is ninety-one (91) days after the Latest Maturity Date; provided that, if such Capital Stock is issued pursuant to any plan for the benefit of officers, directors, employees or consultants of Holdings (or any Parent Entity thereof), the Borrower or any of its Subsidiaries or by any such plan to such officers, directors, employees or consultants, such Capital Stock shall not constitute Disqualified Capital Stock solely because it may be required to be repurchased by Holdings (or any Parent Entity thereof), the Borrower or any of its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such officer's, director's, employee's or consultant's termination, death or disability.

"Disqualified Lenders" shall mean (a) such Persons that have been specified in writing to the Administrative Agent and/or the Lead Arrangers on or prior to the Closing Date as being "Disqualified Lenders", (b) those Persons who are competitors of the Borrower and its Subsidiaries that are separately identified in writing by the Borrower or the Sponsor from time to time to the Administrative Agent (which shall not become effective until the next Business Day after the date such identification is provided) and (c) in the case of each of clauses (a) and (b), any of their Affiliates (which, for the avoidance of doubt, shall not include any bona fide debt investment funds that are Affiliates of the Persons referenced in clause (b) above) that are either (i) identified in writing to the Administrative Agent by the Borrower or the Sponsor from time to time or (ii) readily identifiable on the basis of such Affiliate's name as an Affiliate of such entity; *provided* that any Person that is a Lender and subsequently becomes a Disqualified Lender (but was not a Disqualified Lender on the Closing Date or at the time it became a Lender) shall not retroactively be deemed to be a Disqualified Lender hereunder. The identity of Disqualified Lenders may be communicated by the Administrative Agent to a Lender upon request, but will not be otherwise posted or distributed to any Person by the Administrative Agent.

"Distressed Person" shall have the meaning provided in the definition of "Lender-Related Distress Event."

"Divided LLC" shall mean any LLC which has been formed upon the consummation of an LLC Division.

"Dollars", "U.S. Dollars" and "$" shall mean dollars in lawful currency of the United States of America.

"Domestic Restricted Subsidiary" shall mean each Restricted Subsidiary of the Borrower that is a Domestic Subsidiary.

"Domestic Subsidiary" shall mean each Subsidiary of the Borrower that is organized under the Applicable Laws of the United States, any state thereof, or the District of Columbia.

"Drawing" shall have the meaning provided in Section 3.4(b).

"EEA Financial Institution" shall mean (a) any credit institution or investment firm established in any EEA Member Country that is subject to the supervision of an EEA Resolution Authority, (b) any Person established in an EEA Member Country that is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country that 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" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" shall mean 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.

"Effective Yield" shall mean, as to any Indebtedness, the effective yield paid by the Borrower on such Indebtedness as determined by the Borrower and the Administrative Agent in a manner consistent with generally accepted financial practices, taking into account the applicable interest rate margins, any interest rate "floors" (the effect of which floors shall be determined in a manner set forth in the proviso below and assuming that, if interest on such Indebtedness is calculated on the basis of a floating rate, that

the "Eurodollar Rate" or similar component of such formula is included in the calculation of Effective Yield) or similar devices and all fees, including upfront or similar fees or OID (amortized over the shorter of (x) the remaining Weighted Average Life to Maturity of such Indebtedness and (y) the four years following the date of Incurrence thereof, and, if applicable, assuming any Additional/Replacement Revolving Credit Commitments were fully drawn) payable generally by the Borrower to Lenders or other institutions providing such Indebtedness, but excluding any commitment fees, arrangement fees, structuring fees, underwriting fees, closing payments or other similar fees payable in connection therewith that are not generally shared with all relevant Lenders (in their capacities as lenders) and, if applicable, ticking fees accruing prior to the funding of such Indebtedness and customary consent or amendment fees for an amendment paid generally to consenting Lenders (and regardless of whether any such fees are paid to, or shared in whole or in part with, any Lender); provided that, with respect to any Indebtedness that includes a "floor", (a) to the extent that the Reference Rate on the date that the Effective Yield is being calculated is less than such floor, the amount of such difference shall be deemed added to the interest rate margin for such Indebtedness for the purpose of calculating the Effective Yield and (b) to the extent that the Reference Rate on the date that the Effective Yield is being calculated is greater than such floor, then the floor shall be disregarded in calculating the Effective Yield.

"Eligible Assignee" shall mean (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund and (d) any other Person (subject, in each case, to such consents, if any, as may be required under Section 13.6(b)), other than, in each case, (i) a natural person, (ii) a Defaulting Lender or (iii) a Disqualified Lender.

"Employee Investors" shall mean current, former or future the officers, directors, managers and employees (and Controlled Investment Affiliates and Immediate Family Members of the foregoing) of Holdings, the Borrower, the Restricted Subsidiaries or any Parent Entity who are or who become direct or indirect investors in Holdings, any of its Parent Entities, any Equityholding Vehicle, or in the Borrower, including any such officers, directors, managers or employees owning through an Equityholding Vehicle.

"EMU" shall mean the economic and monetary union as contemplated in the Treaty on European Union.

"Environment" shall mean ambient air, indoor air, surface water, groundwater, drinking water, land surface, sediments, and subsurface strata and natural resources such as wetlands, flora and fauna.

"Environmental Claims" shall mean any and all administrative, regulatory or judicial actions, suits, orders, demands, demand letters, claims, liens, notices of noncompliance or violation, investigations (other than internal reports prepared by the Borrower or any of its Subsidiaries (a) in the ordinary course of such Person's business or (b) as required in connection with a financing transaction or an acquisition or disposition of real estate) or proceedings relating in any way to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereinafter, "Claims"), including (i) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from the Release or threatened Release of Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the Environment.

"Environmental Law" shall mean any applicable federal, state, provincial, territorial, foreign, municipal or local statute, law, rule, regulation, ordinance, code, permit, binding agreement issued, promulgated or entered into by or with any Governmental Authority or 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, in each case

relating to pollution or the protection of the Environment including, those relating to generation, use, handling, storage, treatment, Release or threat of Release of Hazardous Materials or, to the extent relating to exposure to Hazardous Materials, human health or safety.

"Equal Priority Intercreditor Agreement" shall mean the Equal Priority Intercreditor Agreement substantially in the form of Exhibit G-1 among (x) the Collateral Agent and (y) one or more representatives of the holders of one or more classes of Permitted Additional Debt and/or Permitted Equal Priority Refinancing Debt, with any immaterial changes and material changes thereto in light of the prevailing market conditions, which material changes shall be posted to the Lenders not less than five Business Days before execution thereof and, if the Required Lenders shall not have objected to such changes within five Business Days after posting, then the Required Lenders shall be deemed to have agreed that the Administrative Agent's and/or Collateral Agent's entry into such intercreditor agreement (with such changes) is reasonable and to have consented to such intercreditor agreement (with such changes) and to the Administrative Agent's and/or Collateral Agent's execution thereof.

"Equityholding Vehicle" shall mean any Parent Entity and any equityholder thereof through which current, former or future officers, directors, employees, managers or consultants of Holdings or the Borrower or any of their Subsidiaries or Parent Entity hold Capital Stock of such Parent Entity.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time. Section references to ERISA are to ERISA as in effect on the Closing Date and any subsequent provisions of ERISA amendatory thereof, supplemental thereto or substituted therefor.

"ERISA Affiliate" shall mean each person (as defined in Section 3(9) of ERISA) that together with Holdings, the Borrower or a Restricted Subsidiary thereof is treated as a "single employer" within the meaning of Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414(b), (c), (m) and (o) of the Code.

"Escrowed Proceeds" shall mean the proceeds from the offering of any debt securities or other Indebtedness paid into an escrow account with an independent escrow agent on the date of the applicable offering or Incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow account upon satisfaction of certain conditions or the occurrence of certain events. The term "Escrowed Proceeds" shall include any interest earned on the amounts held in escrow.

"EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Eurodollar Borrowing" shall mean each Borrowing of a Eurodollar Loan.

"Eurodollar Loan" shall mean any Loan bearing interest at a rate determined by reference to the Eurodollar Rate.

"Eurodollar Rate" shall mean, with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum equal to the greater of (a) 0.00% and (b) the product of (i) the LIBOR in effect for such Interest Period and (ii) Statutory Reserves

Where,

"LIBOR" shall mean, (i) the rate per annum determined by the Administrative Agent to be the offered rate which appears on the applicable Bloomberg page which

displays the London interbank offered rate administered by ICE Benchmark Administration Limited for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time), two Business Days prior to the commencement of such Interest Period, or (ii) in the event the rate referenced in the preceding clause (i) does not appear on such page or service or if such page or service shall cease to be available, the rate determined by the Administrative Agent to be the offered rate on such other page or other service which displays LIBOR for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period; provided that if LIBOR is quoted under either of the preceding clauses (i) or (ii), but there is no such quotation for the Interest Period elected, LIBOR shall be equal to the Interpolated Rate; and

"Statutory Reserves" shall mean a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board and any other banking authority, domestic or foreign, to which the Administrative Agent or any Lender (including any branch, Affiliate, or other fronting office making or holding a Loan) is subject for Eurocurrency Liabilities (as defined in Regulation D of the Board). Eurodollar Loans shall be deemed to constitute Eurocurrency Liabilities (as defined in Regulation D of the Board) and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D. Statutory Reserves shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

and (b) with respect to any ABR Loan, an interest rate per annum equal to the LIBOR in effect for an Interest Period of one month

Where,

"LIBOR" shall mean (i) the rate per annum determined by the Administrative Agent to be the offered rate which appears on the applicable Bloomberg page which displays the London interbank offered rate administered by ICE Benchmark Administration Limited for deposits in Dollars with a one-month term, determined as of approximately 11:00 a.m. (London, England time), on the day of determination of such rate, or (ii) in the event the rate referenced in the preceding clause (i) does not appear on such page or service or if such page or service shall cease to be available, the rate determined by the Administrative Agent to be the offered rate on such other page or other service which displays LIBOR for deposits in Dollars with a one-month term, determined as of approximately 11:00 a.m. (London, England time) on the date of determination of such rate; provided that if LIBOR is quoted under either of the preceding clauses (i) or (ii), but there is no such quotation for a one-month Interest Period, LIBOR shall be equal to the Interpolated Rate.

"Event of Default" shall have the meaning provided in Section 11.

"Excess Cash Flow" shall mean, for any period, an amount equal to the excess of

(a) the sum, without duplication, of:

(i) Consolidated Net Income for such period;

(ii) an amount equal to the amount of all non-cash charges to the extent deducted in arriving at such Consolidated Net Income (provided that, in each case, if any non-cash charge represents an accrual or reserve for cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Excess Cash Flow in such future period);

(iii) decreases in Consolidated Working Capital and decreases in long-term accounts receivable in each case as of the end of such period from the Consolidated Working Capital and long-term accounts receivable as of the beginning of such period (except, in the case of each of the foregoing, any such increases or decreases that are as a result of the reclassification of items from short-term to long-term or vice versa) (other than any such decreases or increases, as applicable, arising from Acquisitions or Dispositions outside the ordinary course of assets, business units or property by the Borrower or any of the Restricted Subsidiaries completed during such period or the application of recapitalization or purchase accounting);

(iv) an amount equal to the aggregate net non-cash loss on the Disposition of assets, business units or property by the Borrower and the Restricted Subsidiaries during such period (other than Dispositions in the ordinary course of business) to the extent deducted in arriving at such Consolidated Net Income;

(v) cash payments received in respect of Hedging Agreements during such period to the extent not included in arriving at such Consolidated Net Income;

(vi) income tax expense to the extent deducted in arriving at such Consolidated Net Income (net of any adjustments pursuant to clause (o) of Consolidated Net Income for cash tax benefits related to the tax amortization of intangible assets in such period); and

(vii) to the extent deducted, or not included in arriving at such Consolidated Net Income, (A) increases in non-current deferred income tax liabilities, (B) decreases in non-current deferred income tax assets, (C) accruals for future lease payments in respect of closed stores plus accretion thereof, (D) increases in non-current GAAP rent equalization and deferred rent liabilities, (E) increases in deferred landlord allowances and (F) accretion of asset retirement obligations recorded in accordance with GAAP;

minus

(b) the sum, without duplication, of:

(i) an amount equal to the amount of all non-cash credits included in arriving at such Consolidated Net Income (but excluding any non-cash credit to the extent representing the reversal of an accrual or reserve described in clause (a)(ii) above) and cash charges included in clauses (a) through (w) of the definition of the term “Consolidated Net Income”;

(ii) the aggregate amount of all principal payments of Indebtedness of the Borrower and the Restricted Subsidiaries (including (A) the principal component of payments in respect of Financing Lease Obligations, (B) all scheduled principal repayments of the Term Loans, Second Lien Term Loans (or any Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof), Permitted Additional Debt and Credit Agreement Refinancing Indebtedness, in each case to the extent such payments are permitted hereunder and actually made and (C) the amount of any mandatory prepayment of Term Loans actually made pursuant to Section 5.2(a)(i) and any mandatory prepayment of Second Lien Term Loans actually made pursuant to Section 5.2(a)(i) of the Second Lien Credit Agreement (or any Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) and any mandatory redemption, repurchase, prepayment, defeasance, acquisition or similar payment of Permitted Additional Debt or Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in each such case from the proceeds of any Disposition and that resulted in an increase to Consolidated Net Income (and have not otherwise been excluded under clause (c) of the definition thereof) and not in excess of the amount of such increase but excluding (1) all other prepayments, repurchases, defeasances, acquisitions, redemptions and/or similar payments of Term Loans, Second Lien Term Loans (or any Permitted Refinancing Indebtedness in respect thereof), Permitted Additional Debt or Credit Agreement Refinancing Indebtedness and (2) all prepayments of revolving credit loans and swingline loans permitted hereunder made during such period (other than in respect of any revolving credit facility (other than in respect of (x) the Revolving Credit Facility, any Extended Revolving Credit Facility or Additional/Replacement Revolving Credit Facility and (y) other revolving loans that are effective in reliance on Section 10.1(a) or Section 10.1(u)) to the extent there is an equivalent permanent reduction in commitments thereunder)), except to the extent financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(iii) an amount equal to the aggregate net non-cash gain on the Disposition of property by the Borrower and the Restricted Subsidiaries during such period (other than the Disposition of property in the ordinary course of business) to the extent included in arriving at such Consolidated Net Income;

(iv) increases in Consolidated Working Capital and increases in long-term accounts receivable in each case as of the end of such period from the Consolidated Working Capital and long-term accounts receivable as of the beginning of such period (except, in the case of each of the foregoing, any such increases or decreases that are as a result of the reclassification of items from short-term to long-term or vice versa) (other than any such increases or decreases, as applicable, arising from Acquisitions or Dispositions outside the ordinary course by the Borrower and the Restricted Subsidiaries during such period or the application of recapitalization or purchase accounting);

(v) the aggregate amount of expenditures actually made by the Borrower and the Restricted Subsidiaries in cash during such period (including expenditures for the payment of financing fees) to the extent that such expenditures are not expensed during such period, except to the extent that such expenditures were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(vi) the aggregate amount of any premium, make-whole or penalty payments actually paid in cash by the Borrower and the Restricted Subsidiaries during such period that are required to be made in connection with any prepayment, redemption, defeasance, acquisition or repurchase and/or similar payment of Indebtedness, except to the extent that such payments were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(vii) without duplication of any amounts deducted pursuant to clause (iv) of the definition of the term "Additional ECF Reduction Amounts", the aggregate amount of all payments paid in cash by the Borrower and the Restricted Subsidiaries during such period in connection with, or necessary to consummate, the Transactions;

(viii) income taxes, including penalties and interest, paid in cash in such period;

(ix) to the extent included, or not deducted in arriving at such Consolidated Net Income, (A) decreases in non-current deferred income tax liabilities, (B) increases in non-current deferred income tax assets, (C) lease payments made in respect of closed Grocery Stores, (D) decreases in non-current GAAP rent equalization and deferred rent liabilities, (E) decreases in deferred landlord allowances and (F) amounts paid with respect to asset retirement obligations; and

(x) cash expenditures made in respect of Hedging Agreements during such period to the extent not deducted in arriving at such Consolidated Net Income.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Exchange Rate" shall mean on any day with respect to any currency (other than Dollars), the rate at which such currency may be exchanged into any other currency (including Dollars), as set forth at approximately 11:00 a.m. (London time) on such day on the Bloomberg page or screen for such currency. In the event that such rate does not appear on any Bloomberg page or screen, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed by the Administrative Agent and the Borrower, or, in the absence of such agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange quoted to the Administrative Agent by three major banks in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 11:00 a.m., local time, on such date for the purchase of the relevant currency for delivery two Business Days later.

"Excluded Capital Stock" shall mean:

(a) any Capital Stock with respect to which, in the reasonable judgment of the Borrower and the Collateral Agent as agreed in writing, the cost or other consequences (including any material adverse tax consequences) of pledging such Capital Stock shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom,

(b) solely in the case of any pledge of Capital Stock of any Foreign Subsidiary or FSHCO to secure the Obligations, any Capital Stock that is Voting Stock of such Foreign Subsidiary or FSHCO in excess of 65.0% of the outstanding Capital Stock that is Voting Stock of such Foreign Subsidiary or FSHCO,

(c) any Capital Stock to the extent, and for so long as, the pledge thereof would be prohibited by any Applicable Law (including financial assistance, fraudulent conveyance, preference, thin capitalization, capital preservation or similar laws or regulations and any legally effective requirement to obtain the consent of any Governmental Authority to such pledge unless such consent has been obtained),

(d) any "margin stock" (as defined in Regulation U),

(e) the Capital Stock of any Person, other than any Wholly-Owned Restricted Subsidiary to the extent, and for so long as, the pledge of such Capital Stock would be prohibited by the terms of any Contractual Obligation, Organizational Document, joint venture agreement or shareholders' agreement applicable to such Person or legally effective Contractual Obligations or create an enforceable right of termination in favor of any other party thereto (other than Holdings, the Borrower or any wholly owned Restricted Subsidiary of the Borrower),

(f) the Capital Stock of any Subsidiary of a Foreign Subsidiary or any Subsidiary of a FSHCO,

(g) the Capital Stock of any Unrestricted Subsidiary or of any Receivables Subsidiary,

(h) any Capital Stock of any Subsidiary to the extent that the pledge of such Capital Stock would result in material adverse Tax consequences to Holdings, the Borrower or any Subsidiary as reasonably determined by the Borrower in consultation with but without the consent of the Collateral Agent; and

(i) the Capital Stock of any Immaterial Subsidiary (except to the extent perfected by a UCC or equivalent statutory financing statement).

"Excluded Contribution" shall mean the Net Cash Proceeds, the Fair Market Value of marketable securities or the Qualified Proceeds, in each case received by the Borrower from capital contributions to the common Capital Stock of the Borrower or sales or issuances of common Capital Stock of the Borrower permitted hereunder, in each case, after the Closing Date (other than any amount to the extent used in the Cure Amount) and designated by the Borrower to the Administrative Agent as an Excluded Contribution within 10 Business Days of the date such capital contributions are made or the date the applicable Capital Stock is issued or sold.

"Excluded Property" shall have the meaning provided in the Security Agreement.

"Excluded Subsidiary" shall mean:

(a) any 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 9.10 (for so long as such Subsidiary remains a non-wholly owned Subsidiary),

(b) any Subsidiary that is prohibited by (x) Applicable Law (including financial assistance, fraudulent conveyance, preference, thin capitalization, capital preservation or similar

laws or regulations) or (y) Contractual Obligation from guaranteeing the Obligations (and for so long as such restrictions or any replacement or renewal thereof is in effect); provided that in the case of clause (y), such Contractual Obligation existed on the Closing Date or, with respect to any Subsidiary acquired by the Borrower or a Restricted Subsidiary after the Closing Date (and so long as such Contractual Obligation was not incurred in contemplation of such acquisition) and only for so long as such restriction is continuing, on the date such Subsidiary is so acquired,

(c) any Domestic Subsidiary that is (i) a FSHCO or (ii) a direct or indirect Subsidiary of a CFC,

(d) any Immaterial Subsidiary (provided that the Borrower shall not be permitted to exclude Immaterial Subsidiaries from guaranteeing the Obligations to the extent that (i) the aggregate amount of gross revenue for all Immaterial Subsidiaries (other than Unrestricted Subsidiaries) excluded by this clause (d) exceeds 10.0% of the consolidated gross revenues of the Borrower and its Domestic Restricted Subsidiaries that are not otherwise Excluded Subsidiaries by virtue of any of the other clauses of this definition, except for this clause (d), for the Test Period most recently ended on or prior to the date of determination or (ii) the aggregate amount of total assets for all Immaterial Subsidiaries (other than Unrestricted Subsidiaries) excluded by this clause (d) exceeds 10.0% of the aggregate amount of Consolidated Total Assets of the Borrower and its Domestic Restricted Subsidiaries that are not otherwise Excluded Subsidiaries by virtue of any other clauses of this definition, except for this clause (d), as at the end of the Test Period most recently ended on or prior to the date of determination),

(e) any other Subsidiary with respect to which, in the reasonable judgment of the Administrative Agent and the Borrower (confirmed in writing by notice to the Borrower and the Collateral Agent), the cost or other consequences (including any material adverse Tax consequences) of providing a guarantee shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom,

(f) each Foreign Subsidiary and each Unrestricted Subsidiary,

(g) each other Restricted Subsidiary acquired pursuant to an Acquisition or other Investment and financed with secured Indebtedness Incurred pursuant to Section 10.1(j) and the Liens securing which are permitted by Section 10.2(f) (and, for the avoidance of doubt, not Incurred in contemplation of such Acquisition or other Investment), and each Restricted Subsidiary acquired in such Acquisition or other Investment 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 Restricted Subsidiary is a party prohibits such Subsidiary from guaranteeing the Obligations,

(h) any Subsidiary to the extent that the guarantee of the Obligations would result in material adverse tax consequences to the Borrower or any Subsidiary as reasonably determined by the Borrower in consultation with (but without the consent of) the Administrative Agent, and confirmed in writing by notice to the Borrower and the Collateral Agent,

(i) any Subsidiary that would require any consent, approval, license or authorization from any Governmental Authority to provide a guarantee unless such consent, approval, license or authorization has been received, or is received after commercially reasonable efforts by such Subsidiary to obtain the same, which efforts may be requested by the Administrative Agent,

(j) any not-for-profit Subsidiaries, Captive Insurance Companies, Receivables Subsidiary or other Special Purpose Subsidiaries designated in writing by the Borrower from time to time to the Administrative Agent and the Collateral Agent, and

(k) any Subsidiary that does not have the legal capacity to provide a guarantee of the Obligations (provided that the lack of such legal capacity does not arise from any action or omission of the Borrower or any other Credit Party).

"Excluded Swap Obligation" shall mean, with respect to any Guarantor, (a) any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Guarantor pursuant to the Guarantee of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any guarantee pursuant to the Guarantee 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) (i) by virtue of such Guarantor's failure to constitute an "eligible contract participant", as defined in the Commodity Exchange Act and the regulations thereunder (determined after giving pro forma effect to any applicable keep well, support, or other agreement for the benefit of such Guarantor and any and all applicable guarantees of such Guarantor's Swap Obligations by other Credit Parties), at the time the guarantee of (or grant of such security interest by, as applicable) such Guarantor becomes or would become effective with respect to such Swap Obligation or (ii) in the case of a Swap Obligation that is subject to a clearing requirement pursuant to section 2(h) of the Commodity Exchange Act, because such Guarantor is a "financial entity", as defined in section 2(h)(7)(C) of the Commodity Exchange Act, at the time the guarantee of (or grant of such security interest by, as applicable) such Guarantor becomes or would become effective with respect to such Swap Obligation or (b) any other Swap Obligation designated as an "Excluded Swap Obligation" of such Guarantor as specified in any agreement between the relevant Credit Parties and Hedge Bank applicable to such Swap Obligations. 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 the Swap for which such guarantee or security interest is or becomes excluded in accordance with the first sentence of this definition.

"Excluded Taxes" shall have the meaning provided in Section 5.4(a).

"Existing Class" shall mean Existing Term Loan Classes and each Class of Existing Revolving Credit Commitments.

"Existing Credit Agreements" shall mean (a) that certain First Lien Credit Agreement, dated as of October 21, 2014, by and among, among others, the Borrower, Holdings, the several banks and other financial institutions or entities from time to time party thereto as lenders and Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, as amended pursuant to Incremental Agreement No. 1, dated as of May 12, 2015, Incremental Agreement No. 2, dated as of June 22, 2016, and Incremental Agreement No. 3, dated as of June 14, 2017, and as further amended, amended and restated and/or supplemented prior to the Closing Date and (b) that certain Second Lien Credit Agreement, dated as of October 21, 2014, by and among, among others, the Borrower, Holdings, the several banks and other financial institutions or entities from time to time party thereto as lenders and Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, as amended, amended and restated and/or supplemented prior to the Closing Date.

"Existing Debt Refinancing" shall mean (a) the repayment in full of all principal, accrued and unpaid interest, fees, premium, if any, and other amounts outstanding under the Existing Credit Agreements, other than (i) contingent obligations not then due and payable and that by their terms survive the termination of the Existing Credit Agreements and (ii) the Existing Letters of Credit, and (b) the termination of all commitments to extend credit thereunder and (c) the termination and/or release of any security interests and guarantees in connection therewith.

"Existing Lenders" shall have the meaning provided in the recitals to this Agreement.

"Existing Letters of Credit" shall mean all the letters of credit listed on Schedule 1.1(b).

"Existing Revolving Credit Class" shall have the meaning provided in Section 2.15(b).

"Existing Revolving Credit Commitments" shall have the meaning provided in Section 2.15(b).

"Existing Revolving Credit Loans" shall have the meaning provided in Section 2.15(b).

"Existing Term Loan Class" shall have the meaning provided in Section 2.15(a).

"Expected Cure Amount" shall have the meaning provided in Section 11.11(b).

"Extended Loans/Commitments" shall mean Extended Term Loans, Extended Revolving Credit Loans and/or Extended Revolving Credit Commitments.

"Extended Repayment Date" shall have the meaning provided in Section 2.5(c).

"Extended Revolving Credit Commitments" shall have the meaning provided in Section 2.15(b).

"Extended Revolving Credit Facility" shall mean each Class of Extended Revolving Credit Commitments established pursuant to Section 2.15(b).

"Extended Revolving Credit Loans" shall have the meaning provided in Section 2.15(b).

"Extended Term Loan Facility" shall mean each Class of Extended Term Loans made pursuant to Section 2.15.

"Extended Term Loan Repayment Amount" shall have the meaning provided in Section 2.5(c).

"Extended Term Loans" shall have the meaning provided in Section 2.15(a).

"Extending Lender" shall have the meaning provided in Section 2.15(c).

"Extension Agreement" shall have the meaning provided in Section 2.15(d).

"Extension Date" shall have the meaning provided in Section 2.15(e).

"Extension Election" shall have the meaning provided in Section 2.15(c).

"Extension Request" shall mean Term Loan Extension Requests and Revolving Credit Extension Requests.

"Extension Series" shall mean all Extended Term Loans or Extended Revolving Credit Commitments (as applicable) that are established pursuant to the same Extension Agreement (or any subsequent Extension Agreement to the extent such Extension Agreement expressly provides that the Extended Term Loans or Extended Revolving Credit Commitments, as applicable, provided for therein are intended to be a part of any previously established Extension Series) and that provide for the same interest margins, extension fees, if any, and amortization schedule.

"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 reasonably determined by the Borrower.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the Closing Date (and 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 and any fiscal or regulatory legislation, rules or practices pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"FCPA" shall have the meaning provided in Section 8.19(a).

"Federal Funds Effective Rate" shall mean, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the 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.

"Fee Letter" shall mean the Agent Fee Letter, dated as of October 22, 2018, among Morgan Stanley Senior Funding, Inc., the Borrower and Holdings.

"Fees" shall mean all amounts payable pursuant to or referred in Section 4.1.

"Financial Performance Covenant" shall mean the covenant of the Borrower set forth in Section 10.10.

"Financial Performance Covenant Event of Default" shall have the meaning provided in Section 11.3.

"Financing Lease Obligation" shall mean, as applied to any Person, an obligation that is required to be accounted for as a financing or capital lease (and, for the avoidance of doubt, not a straight-line or operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a financing or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

"First Lien Obligations" shall mean the Obligations, any Permitted Additional Debt Obligations (other than any Permitted Additional Debt Obligations that are unsecured or are secured by a Lien ranking junior to the Liens securing the Obligations (but without regard to the control of remedies)) and any Permitted Equal Priority Refinancing Debt and Indebtedness in respect of Term Loan Exchange Notes, collectively.

"First Lien/Second Lien Intercreditor Agreement" shall mean the First Lien/Second Lien Intercreditor Agreement in substantially the form of Exhibit G-2 dated as of the Closing Date, among

Morgan Stanley Senior Funding, Inc., as Senior Priority Representative for the First Lien Credit Agreement Secured Parties (each as defined therein), Morgan Stanley Senior Funding, Inc., as Second Priority Representative for the Second Lien Credit Agreement Secured Parties (each as defined therein), the Credit Parties, and each additional representative party thereto from time to time.

"First Refused Proceeds" shall have the meaning provided in Section 5.2(c)(ii).

"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 Capital Stock made during such period.

"Flood Hazard Property" shall have the meaning provided in Section 9.14(c)(i).

"Flood Insurance Laws" shall mean, collectively, (a) National Flood Insurance Reform Act of 1994 (which comprehensively revised the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973) as now or hereafter in effect or any successor statute thereto, (b) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto and (c) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto.

"Foreign Plan" shall mean any pension plan maintained or contributed to by Holdings, the Borrower or any Restricted Subsidiary with respect to their respective employees employed outside the United States.

"Foreign Restricted Subsidiary" shall mean any Restricted Subsidiary that is not a Domestic Subsidiary.

"Foreign Subsidiary" shall mean each Subsidiary of the Borrower that is not a Domestic Subsidiary.

"Fronting Fee" shall have the meaning provided in Section 4.1(b).

"FSHCO" shall mean any direct or indirect Domestic Subsidiary that has no material assets other than (a) Capital Stock (including any debt instrument treated as equity for U.S. federal income tax purposes) or (b) Capital Stock and Indebtedness of one or more direct or indirect Foreign Subsidiaries that are CFCs.

"Funded Debt" shall mean all indebtedness of the Borrower and the Restricted Subsidiaries for borrowed money that matures more than one year from the date of its creation or matures within one year from such date that is renewable or extendable, at the option of the Borrower or any such Restricted Subsidiary, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including Indebtedness in respect of the Loans.

"GAAP" shall mean generally accepted accounting principles in the United States of America, as in effect from time to time, subject to Section 1.3(a). Notwithstanding the foregoing, at any time after adoption of IFRS by the Borrower for its financial statements and reports for all financial reporting purposes, the Borrower may elect to apply IFRS for all purposes of this Agreement and the other Credit Documents, in lieu of United States GAAP, and, upon any such election, references herein or in any other Credit Document to GAAP shall be construed to mean IFRS as in effect from time to time; provided that (a) any such election once made shall be irrevocable (and shall only be made once), (b) all financial statements and reports required to be provided after such election pursuant to this Agreement shall be prepared on the basis of IFRS and (c) from and after such election, all ratios, computations and other determinations (i) based on GAAP contained in this Agreement shall be computed in conformity with IFRS and (ii) in this Agreement that require the application of GAAP for periods that include fiscal quarters ended prior to the Borrower's election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP; provided, further, that in the event of any such election by the Borrower, any financial ratio calculations or thresholds (including the Financial Performance Covenant) in this Agreement may be recalibrated to reflect the election to implement IFRS so long as (1) such recalibration is limited to changes in the calculation of such thresholds or covenant levels due to the effect of differences between GAAP and IFRS, (2) the recalibrated ratios and calculations shall be mutually agreed between the Administrative Agent and the Borrower, unless the Required Lenders have given notice of their objection to such recalibration within five Business Days of receiving notice thereof, and (3) any such recalibration shall be done in a manner such that after giving effect to such recalibration, the recalibrated thresholds and covenant levels shall be consistent with the intention of the respective thresholds and covenant levels calculated under GAAP prior to such election. The Borrower shall give notice of any election to the Administrative Agent with 10 Business Days of such election. 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.

"Governmental Authority" shall mean the government of the United States, any foreign country or any multinational authority, or any state, province, territory, municipality or other political subdivision thereof, and any entity, body or authority exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, including the PBGC and other quasi-governmental entities established to perform such functions.

"Grocery Stores" shall mean stores, locations and outlets, including physical and online stores, of the Borrower and its Restricted Subsidiaries.

"Guarantee" shall mean the First Lien Guarantee, dated as of the Closing Date, made by each Guarantor in favor of the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit A.

"Guarantee Obligations" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such Indebtedness or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) 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 (d) 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 in effect on the Closing Date or entered into in connection with any

acquisition or disposition of assets permitted under this Agreement (other than 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 (a) Holdings, (b) each wholly owned Domestic Subsidiary of the Borrower that is Restricted Subsidiary (other than an Excluded Subsidiary) on the Closing Date, (c) the Borrower (other than with respect to its own Obligations) and (d) each Subsidiary of the Borrower that becomes a party to the Guarantee after the Closing Date pursuant to Section 9.10.

"Hazardous Materials" shall mean (a) any petroleum or petroleum products, radioactive materials, friable asbestos, urea formaldehyde foam insulation, transformers or other equipment that contains dielectric fluid containing regulated levels of polychlorinated biphenyls, asbestos, asbestos-containing materials, mold and radon gas; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous waste", "waste", "hazardous materials", "extremely hazardous waste", "restricted hazardous waste", "subject waste", "toxic substances", "toxic pollutants", "contaminants", or "pollutants", or words of similar import, under any Applicable Law pertaining to pollution or the protection of the Environment; and (c) any other chemical, material or substance, which is prohibited, limited or regulated by any Applicable Law pertaining to pollution or the protection of the Environment.

"Hedge Bank" shall mean any Person that is a counterparty to a Hedging Agreement with a Credit Party or one of its Restricted Subsidiaries, in its capacity as such, and that either (i) is a Lender, an Agent, a Lead Arranger, a Joint Bookrunner or an Affiliate of a Lender, an Agent, a Lead Arranger or a Joint Bookrunner at the time it enters into such Hedging Agreement or (ii) becomes a Lender, an Agent or an Affiliate of a Lender or an Agent after it has entered into such Hedging Agreement; provided that no such Person (except an Agent) shall be considered a Hedge Bank until such time as it shall have delivered written notice to the Collateral Agent that such a transaction has been entered into and that such Person constitutes a Hedge Bank entitled to the benefits of the Security Documents. For purposes of the preceding sentence, a Person may deliver one notice confirming that it constitutes a "Hedge Bank" with respect to all Hedging Agreements entered into pursuant to a specified Master Agreement. For the avoidance of doubt, each Agent shall constitute a Hedge Bank to the extent it has entered into a Hedging Agreement.

"Hedging Agreement" shall mean (a) 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 (b) 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.

"Hedging Obligations" shall mean, with respect to any Person, the obligations of such Person under Hedging Agreements.

"Historical Financial Statements" shall mean (a) audited consolidated balance sheets of the Borrower and its consolidated subsidiaries as at the end of, and the related audited consolidated statements of income and cash flows of the Borrower and its consolidated subsidiaries for, the fiscal years ended December 31, 2016 and December 31, 2017 and (b) an unaudited consolidated balance sheet of the Borrower and its consolidated subsidiaries as of June 30, 2018, and the related unaudited consolidated statements of income and cash flows of the Borrower and its consolidated subsidiaries for the six-month period ended June 30, 2010.

"Holdings" shall mean (i) Holdings (as defined in the preamble to this Agreement) or (ii) at the election of the Borrower, any other Person or Persons (the "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) (the "Previous Holdings") but not the Borrower; provided that (a) such New Holdings directly or indirectly owns 100.0% of the Capital Stock of the Borrower, (b) the New Holdings shall expressly assume all the obligations of the 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) the New Holdings shall have delivered to the Administrative Agent a certificate of an Authorized Officer stating that such substitution and any supplements to the Credit Documents preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the Security Documents, (d) if reasonably requested by the Administrative Agent, an opinion of counsel in form and substance reasonably satisfactory to the Administrative Agent shall be delivered by the Borrower to the Administrative Agent to the effect that, without limitation, such substitution does not breach or result in a default under this Agreement or any other Credit Document, (e) all Capital Stock of the Borrower and substantially all of the other assets of the Previous Holdings are contributed or otherwise transferred to such New Holdings and pledged to secure the Obligations and (f) 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 or material Tax liability; provided, further, that if each of the foregoing is satisfied, the Previous Holdings shall be automatically released from all its obligations under the Credit Documents and any reference to "Holdings" in the Credit Documents shall be meant to refer to the "New Holdings."

"Holdings Termination Event" shall have the meaning provided in Section 1.11(h).

"Immaterial Subsidiary" shall mean, at any date of determination, any Restricted Subsidiary of the Borrower (a) whose total assets (when combined with the assets of such Restricted Subsidiary's Subsidiaries, after eliminating intercompany obligations) at the last day of the Test Period most recently ended on or prior to such determination date were an amount equal to or less than 5.0% of the Consolidated Total Assets of the Borrower and its Restricted Subsidiaries at such date and (b) whose gross revenues (when combined with the revenues of such Restricted Subsidiary's Subsidiaries, after eliminating intercompany obligations) for such Test Period were an amount equal to or less than 5.0% of the consolidated gross revenues of the Borrower and its Restricted Subsidiaries for such Test Period, in each case determined in accordance with GAAP.

"Immediate Family Members" shall mean with respect to any individual, such individual's estate, heirs, legatees, distributees, child, stepchild, grandchild or more remote descendant, parent, stepparent, grandparent, spouse, former spouse, qualified domestic partner, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (including adoptive relationships), any person sharing an individual's household (other than an unrelated tenant or employee) and any trust, partnership or other bona fide estate-planning vehicle the only beneficiaries of which are any of the foregoing individuals or any private foundation or fund that is controlled by any of the foregoing individuals or any donor-advised fund of which any such individual is the donor.

"Incremental Agreement" shall have the meaning provided in Section 2.14(e).

"Incremental Base Amount" shall mean, as of any date of determination, (a) (x) the greater of $160,000,000 and (y) 100.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date (less the aggregate principal amount of Second Lien Incremental Facilities then outstanding and Incurred in reliance on (after giving effect to any applicable reclassification thereof) the Second Lien Incremental Base Amount) plus (b) (i) the aggregate principal amount of (A) Term Loans voluntarily prepaid prior to such date pursuant to Section 5.1, (B) Second Lien Term Loans voluntarily prepaid prior to such date pursuant to Section 5.1 of the Second Lien Credit Agreement (or, in accordance with the corresponding provisions of the documentation governing any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) and (C) secured Permitted Additional Debt and secured Credit Agreement Refinancing Indebtedness voluntarily prepaid, repurchased, defeased, acquired or redeemed, (ii) the aggregate amount of Indebtedness retired pursuant to the repurchase of Term Loans, Second Lien Terms Loans, secured Permitted Additional Debt and secured Credit Agreement Refinancing Indebtedness to the extent permitted under Section 5.2(a)(i) of this Agreement and to the extent permitted under Section 5.2(a)(i) of the Second Lien Credit Agreement (or, in accordance with the corresponding provisions of the documentation governing any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) and (iii) the aggregate principal amount of all permanent reductions of Revolving Credit Commitments, Extended Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments pursuant to Section 4.2 effected prior to such date (for the avoidance of doubt, excluding any such commitment reductions required by the proviso to Section 2.14(b) or in connection with the Incurrence of any Credit Agreement Refinancing Indebtedness Incurred to Refinance any Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments and/or Extended Revolving Credit Commitments), in each case of this clause (b), except to the extent financed by the Incurrence of long-term Indebtedness (including, for the avoidance of doubt, any such Indebtedness Incurred under a revolving credit facility Incurred as Permitted Additional Debt or otherwise Incurred under Section 2.14) by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business.

"Incremental Commitments" shall have the meaning provided in Section 2.14(a).

"Incremental Facilities" shall have the meaning provided in Section 2.14(a).

"Incremental Facility Closing Date" shall have the meaning provided in Section 2.14(e).

"Incremental Limit" shall have the meaning provided in Section 2.14(b).

"Incremental Ratio Debt Amount" shall have the meaning provided in Section 2.14(b) and Section 10.1(u).

"Incremental Revolving Credit Commitment Increase" shall have the meaning provided in Section 2.14(a).

"Incremental Revolving Credit Commitment Increase Lender" shall have the meaning provided in Section 2.14(f)(ii).

"Incremental Term Loan Commitment" shall mean the Commitment of any Lender to make Incremental Term Loans of a particular Class pursuant to Section 2.14(a).

"Incremental Term Loan Facility" shall mean each Class of Incremental Term Loans made pursuant to Section 2.14.

"Incremental Term Loan Maturity Date" shall mean, with respect to any Class of Incremental Term Loans made pursuant to Section 2.14, the final maturity date thereof.

"Incremental Term Loans" shall have the meaning provided in Section 2.14(a).

"Incremental/Refinancing Maturity Limitation Excluded Amount" shall mean an amount equal to the greater of (x) $120,000,000 and (y) 75.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date minus the sum of (x) the aggregate amount of Incremental Term Loans Incurred without regard to clause (B) of Section 2.14(c)(i), (y) the aggregate amount of Credit Agreement Refinancing Indebtedness Incurred without regard to the requirements under clause (ii) of the definition of "Credit Agreement Refinancing Indebtedness" pursuant to sub-clause (y) of the proviso to such clause (ii) and (z) the aggregate amount of Permitted Additional Debt Incurred without regard to the requirements under clause (a) of the definition of "Permitted Additional Debt".

"Incur" shall mean create, issue, assume, guarantee, incur or otherwise become directly or indirectly liable for any Indebtedness; provided, however, that any Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be incurred by such Person at the time it becomes a Restricted Subsidiary. The term "Incurrence" when used as a noun shall have a correlative meaning. Solely for purposes of determining compliance with Section 10.1:

(a) amortization of debt discount or the accretion of principal with respect to a non-interest bearing or other discount security;

(b) the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument or the payment of regularly scheduled dividends on Capital Stock in the form of additional Capital Stock of the same class and with the same terms; and

(c) the obligation to pay a premium in respect of Indebtedness arising in connection with the issuance of a notice of prepayment, redemption, repurchase, defeasance, acquisition or similar payment or making of a mandatory offer to prepay, redeem, repurchase, defease, acquire or similarly pay such Indebtedness;

will not be deemed to be the Incurrence of Indebtedness.

"Indebtedness" shall mean, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all indebtedness of such Person for borrowed money and all indebtedness of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount (after giving pro forma effect to any prior drawings or reductions which have been reimbursed) of all letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds, performance bonds and similar instruments issued or created by or for the account of such Person;

(c) net Hedging Obligations of such Person;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) current trade or other ordinary course payables or liabilities or accrued expenses (but not any refinancings, extensions, renewals, or replacements thereof) Incurred in the ordinary course of business and maturing within 365 days after the Incurrence thereof except if such trade or other ordinary course payables or liabilities or accrued expenses bear interest, (ii) any earn-out or similar obligation, unless such obligation has not been paid within 30 days after becoming due and payable and becomes a liability on the balance sheet of such Person in accordance with GAAP and (iii) obligations resulting from take-or-pay contracts entered into in the ordinary course of business);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements and mortgage, industrial revenue bond, industrial development bond and similar financings), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all Financing Lease Obligations;

(g) all obligations of such Person in respect of Disqualified Capital Stock; and

(h) all Guarantee Obligations of such Person in respect of any of the foregoing;

provided that Indebtedness shall not include (i) prepaid or Deferred Revenue arising in the ordinary course of business, (ii) 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, (iii) amounts owed to dissenting equityholders in connection with, or as a result of, their exercise of appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto (including any accrued interest), with respect to the Transactions, Permitted Change of Control or any other Acquisition permitted under the Credit Documents, (iv) liabilities associated with customer prepayments and deposits and other accrued obligations (including transfer pricing), in each case incurred in the ordinary course of business, (v) Non-Financing Lease Obligations or other obligations under or in respect of straight-line leases, operating leases or Sale Leasebacks (except resulting in Financing Lease Obligations), (vi) customary obligations under employment agreements and deferred compensation arrangements, (vii) contingent post-closing purchase price adjustments, non-compete or consulting obligations or earn-outs to which the seller in an Acquisition or Investment may become entitled and (viii) Indebtedness of any Parent Entity appearing on the balance sheet of the Borrower or any of its Restricted Subsidiary solely by reason of “pushdown” accounting under GAAP.

For all purposes hereof, the Indebtedness of any Person shall (A) include the Indebtedness of any partnership or Joint Venture (other than a Joint Venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, except to the extent such Person’s liability for such Indebtedness is otherwise limited and only to the extent such Indebtedness would be included in the calculation of Consolidated Total Debt of such Person and (B) in the case of Holdings, the Borrower and their Subsidiaries, 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 or consistent with past practice. The amount of any net Hedging Obligations on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of Indebtedness of any Person for purposes of clause (e) above shall, unless such Indebtedness has been assumed by such Person, be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the Fair Market Value of the property encumbered thereby as determined by such Person in good faith.

"Indemnified Parties" shall have the meaning provided in Section 13.5(a)(iii).

"Initial Financial Statement Delivery Date" shall mean the date on which Section 9.1 Financials are delivered to the Administrative Agent under Section 9.1 for the first full fiscal quarterly or annual period of the Borrower completed after the Closing Date.

"Initial Revolving Borrowing Amount" shall mean the amount of one or more Borrowings of Revolving Credit Loans on the Closing Date.

"Initial Term Loan" shall have the meaning provided in Section 2.1(a).

"Initial Term Loan Commitment" shall mean (a) in the case of each Lender that is a Lender on the Closing Date, the amount set forth opposite such Lender's name on Schedule 1.1(a) as such Lender's "Initial Term Loan Commitment" and (b) in the case of any Lender that becomes a Lender after the Closing Date, the amount specified as such Lender's "Initial Term Loan Commitment" in the Assignment and Acceptance pursuant to which such Lender assumed a portion of the Total Initial Term Loan Commitment, in each case as the same may be changed from time to time pursuant to the terms hereof. The aggregate amount of the Initial Term Loan Commitments as of the Closing Date is $725,000,000.

"Initial Term Loan Facility" shall have the meaning provided in the recitals to this Agreement.

"Initial Term Loan Lender" shall mean a Lender with an Initial Term Loan Commitment or an outstanding Initial Term Loan.

"Initial Term Loan Maturity Date" shall mean the seventh anniversary of the Closing Date, or if such anniversary of the Closing Date is not a Business Day, the Business Day immediately following such anniversary.

"Initial Term Loan Repayment Amount" shall have the meaning provided in Section 2.5(b).

"Initial Term Loan Repayment Date" shall have the meaning provided in Section 2.5(b).

"Intellectual Property" shall have the meaning provided for such term or a similar term in the Security Agreement.

"Intercompany Note" shall mean the Intercompany Subordinated Note, dated as of the Closing Date, substantially in the form of Exhibit L hereto, executed by Holdings, the Borrower and each other Restricted Subsidiary of the Borrower party thereto.

"Interest Period" shall mean, with respect to any Eurodollar Loan, the interest period applicable thereto, as determined pursuant to Section 2.9.

"Internal Financial Statements" shall mean the most recent annual or quarterly financial statements of the Borrower that are internally available at the Borrower.

"Interpolated Rate" shall mean, in relation to LIBOR, the rate which results from interpolating on a linear basis between:

(a) the applicable LIBOR (as used in the definition of the term "Eurodollar Rate") for the longest period (for which LIBOR is available) which is less than the Interest Period of that Loan; and

(b) the applicable LIBOR (as used in the definition of the term "Eurodollar Rate") for the shortest period (for which LIBOR is available) which exceeds the Interest Period of that Loan,

each as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period of that Loan.

"Investment" shall mean, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Capital Stock or Indebtedness or other securities of another Person, (b) a loan, advance or capital contribution to, Guarantee Obligation with respect to any obligation of, or purchase or other acquisition of any other Indebtedness or equity participation or interest in, another Person, including any partnership or Joint Venture interest in such other Person, excluding, in the case of the Borrower and its 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 or (c) the purchase or other acquisition (in one transaction or a series of transactions) of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person. The amount, as of any date of determination, of (i) any Investment in the form of a loan or an advance shall be the principal amount thereof outstanding on such date, minus any payments in cash or Cash Equivalents actually received by such investor representing interest in respect of such Investment, but without any adjustment for write-downs or write-offs (including as a result of forgiveness of any portion thereof) with respect to such loan or advance after the date thereof, (ii) any Investment in the form of a guarantee shall be equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof, as determined in good faith by an Authorized Officer of the Borrower, (iii) any Investment in the form of a transfer of Capital Stock or other non-cash property or services by the investor to the investee, including any such transfer in the form of a capital contribution, shall be the Fair Market Value of such Capital Stock or other property or services as of the time of the transfer, minus any payments actually received by such investor representing a Return in respect of such Investment, but without any other adjustment for increases or decreases in value of, or write-ups, write-downs or write-offs with respect to, such Investment after the date of such Investment, and (iv) any Investment (other than any Investment referred to in clause (i), (ii) or (iii) above) by the specified Person in the form of a purchase or other acquisition for value of any Capital Stock, evidences of Indebtedness or other securities of any other Person shall be the original cost of such Investment, except that the amount of any Investment in the form of an Acquisition shall be the Acquisition Consideration, minus (i) the amount of any portion of such Investment that has been repaid to the investor as a Return in respect of such Investment (without duplication of amounts increasing the Available Amount or the Available Equity Amount), but without any other adjustment for increases or decreases in value of, or write-ups, write-downs or write-offs with respect to, such Investment after the date of such Investment. For purposes of Section 10.5, if an Investment involves the acquisition of more than one Person, the amount of such Investment shall be allocated among the acquired Persons in accordance with GAAP; provided that pending the final determination of the amounts to be so allocated in accordance with GAAP, such allocation shall be as reasonably determined by an Authorized Officer of the Borrower. For the avoidance of doubt, if the Borrower or any Restricted Subsidiary issues, sells or otherwise Disposes of any Capital Stock of a Person that is a Restricted Subsidiary such that, after giving effect thereto, such Person is no longer a Restricted Subsidiary, any Investment by the Borrower or any Restricted Subsidiary in such Person remaining after giving effect thereto shall not be deemed to be a new Investment at such time.

"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, (a) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents), (b) securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Borrower and its Subsidiaries, (c) investments in any fund that invests at least 95.0% of its assets in investments of the type described in clauses (a) and (b) above, which fund may also hold immaterial amounts of cash pending investment or distribution and (d) corresponding instruments in countries other than the United States customarily utilized for high-quality investments.

"Investors" shall mean, collectively, the Sponsor and the Employee Investors.

"IPO" shall mean (a) the initial underwritten public offering (other than a public offering pursuant to a registration statement on Form S-8) of common Capital Stock in Holdings, the Borrower or a Parent Entity of Holdings (whether alone or in connection with a secondary public offering) or (b) the acquisition, purchase, merger or combination of Holdings, the Borrower or a Parent Entity of Holdings, by, or with, a publicly traded special acquisition company that (i) is an entity organized or existing under the laws of the United States, any State thereof or the District of Columbia, (ii) prior to the IPO, shall have engaged in no business or activities in any material respect other than activities related to becoming and acting as a publicly traded special acquisition company and entry into the IPO and (iii) immediately prior to the IPO, shall have no material assets other than cash and Cash Equivalents; provided that any merger or combination pursuant to this sentence involving Holdings shall comply with the requirements of Section 10.9(b).

"IPO Entity" shall mean, at any time at and after an IPO, Holdings, the Borrower or a Parent Entity of Holdings, as the case may be, the Capital Stock in which were issued or otherwise sold pursuant to the IPO or, in the case of an IPO described in clause (b) of the definition thereof, the publicly traded entity immediately following such IPO, so long as such entity is Holdings or a Parent Entity of Holdings.

"IPO Listco" shall mean a wholly owned subsidiary of Holdings or of any Parent Entity thereof formed in contemplation of an IPO to become the IPO Entity. Holdings shall, promptly following its formation, notify the Administrative Agent of the formation of any IPO Listco that is a Subsidiary of Holdings.

"IPO Reorganization Transactions" shall mean, collectively, the transactions taken in connection with and reasonably related to consummating an IPO, including the (a) formation and ownership of IPO Shell Companies, (b) entry into, and performance of, (i) a reorganization agreement among any of Holdings, its Subsidiaries, Parent Entities and/or IPO Shell Companies implementing IPO Reorganization Transactions and other reorganization transactions in connection with an IPO so long as after giving effect to such agreement and the transactions contemplated thereby, the value of the Collateral, taken as a whole, and the value of the Guarantees, taken as a whole, would not be materially impaired and (ii) customary underwriting agreements in connection with an IPO and any future follow-on underwritten public offerings of common Capital Stock in the IPO Entity, including the provision by such IPO Entity and any Affiliate thereof of customary representations, warranties, covenants and indemnification to the underwriters thereunder, (c) the merger of any IPO Subsidiary with one or more direct or indirect holders of Capital Stock in Holdings or the Borrower with any IPO Subsidiary surviving and holding, directly or indirectly, Capital Stock in Holdings or the Borrower and no other material assets or the dividend or other distribution by Holdings or the Borrower of Capital Stock of IPO Shell Companies or any other transfer of ownership, directly or indirectly, to the holders of Capital Stock of Holdings or the Borrower, (d) the

amendment and/or restatement of organization documents of Holdings or the Borrower and any IPO Subsidiaries, (e) the issuance of Capital Stock of IPO Shell Companies to the direct or indirect holders of Capital Stock of Holdings or the Borrower in connection with any IPO Reorganization Transactions, (f) the making of Restricted Payments to (or Investments in) an IPO Shell Company or Holdings or the Borrower or any Subsidiaries to permit Holdings or the Borrower to make distributions or other transfers, directly or indirectly, to IPO Listco, in each case solely for the purpose of paying, and solely in the amounts necessary for IPO Listco to pay, IPO-related expenses and the making of such distributions by Holdings or the Borrower, (g) the repurchase by IPO Listco, directly or indirectly, of its Capital Stock from Holdings or the Borrower or any of its Subsidiaries, (h) the entry into an exchange agreement, pursuant to which the direct or indirect holders of Capital Stock in Holdings or the Borrower and certain non-economic/voting Capital Stock in IPO Listco will be permitted to exchange such interests for certain economic/voting Capital Stock in IPO Listco, (i) any issuance, dividend or distribution, directly or indirectly, of the Capital Stock of the IPO Shell Companies or other Disposition of ownership thereof to the IPO Shell Companies and/or the direct or indirect holders of Capital Stock of Holdings or the Borrower and (j) all other transactions reasonably incidental to, or necessary for the consummation of, the foregoing so long as after giving effect to such agreement and the transactions contemplated thereby, the value of the Collateral, taken as a whole, and the value of the Guarantees, taken as a whole, would not be materially impaired.

"IPO Shell Company" shall mean each of IPO Listco and IPO Subsidiary.

"IPO Subsidiary" shall mean a wholly owned subsidiary of IPO Listco formed in contemplation of, and to facilitate, IPO Reorganization Transactions and an IPO. Holdings shall, promptly following its formation, notify the Administrative Agent of the formation of an IPO Subsidiary that is a Subsidiary of Holdings.

"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 a Letter of Credit Issuer and the Borrower (or any Restricted Subsidiary) or in favor of the Letter of Credit Issuer and relating to such Letter of Credit.

"Joint Bookrunners" shall mean Morgan Stanley Senior Funding, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), Deutsche Bank Securities Inc. and Jefferies Finance LLC, each in its capacity as joint bookrunner.

"Joint Venture" shall mean a joint venture, partnership or similar arrangement, whether in corporate, partnership or other legal form.

"Junior Debt" shall mean any Subordinated Indebtedness of any Credit Party.

"Junior Debt Documentation" shall mean any document or instrument issued or executed with respect to any Junior Debt.

"Junior Debt Payment" shall have the meaning provided in Section 10.7(a).

"Latest Maturity Date" shall mean, with respect to the Incurrence of any Indebtedness or the issuance of any Capital Stock, the latest Maturity Date applicable to any Credit Facility that is outstanding hereunder as determined on the date such Indebtedness is Incurred or such Capital Stock is issued.

"LCT Election" shall have the meaning provided in Section 1.10.

"LCT Test Date" shall have the meaning provided in Section 1.10.

"Lead Arrangers" shall mean Morgan Stanley Senior Funding, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), Deutsche Bank Securities Inc. and Jefferies Finance LLC, each in its capacity as lead arranger.

"Lender" shall mean (a) the Persons listed on Schedule 1.1(a), (b) any other Person that shall become a party hereto as a "lender" pursuant to Section 13.6 and (c) each Person that becomes a party hereto as a "lender" pursuant to the terms of Section 2.14, in each case other than a Person who ceases to hold any outstanding Loans, Letter of Credit Exposure, Swingline Exposure or any Commitment.

"Lender Default" shall mean (a) the refusal (in writing) or failure of any Revolving Credit Lender (which term, for purposes of this definition, shall also include any Lender under an Additional/Replacement Revolving Credit Facility) to make available its portion of any Incurrence of Revolving Credit Loans or participations in Letters of Credit or Swingline Loans, which refusal or failure is not cured within one Business Day after the date of such refusal or failure, (b) the failure of any Revolving Credit Lender to pay over to the Administrative Agent, any Letter of Credit Issuer, the Swingline Lender or any other Lender any other amount required to be paid by it hereunder within one Business Day of the date when due, (c) the notification by a Revolving Credit Lender to the Borrower, the Collateral Agent or the Administrative Agent that it does not intend or expect to comply with any of its funding obligations or has made a public statement to that effect with respect to its funding obligations under this Agreement, (d) the failure by a Revolving Credit Lender to confirm in a manner reasonably satisfactory to the Administrative Agent that it will comply with its obligations under this Agreement (e) the admission of a Distressed Person in writing that it is insolvent or such Distressed Person becomes subject to a Lender-Related Distress Event or (f) any Lender has become the subject of a Bail-In Action.

"Lender-Related Distress Event" shall mean, with respect to any Revolving Credit Lender (which term, for purposes of this definition, shall also include any Lender under an Additional/Replacement Revolving Credit Facility), that such Revolving Credit Lender or any person that directly or indirectly controls such Revolving Credit Lender (each, a "Distressed Person"), as the case may be, is or becomes subject to 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 is subject to a forced liquidation or winding up, 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 or its assets to be, insolvent or bankrupt or no longer viable, or if any governmental authority having regulatory authority over such Distressed Person has taken control of such Distressed Person or has taken steps to do so; 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 Revolving Credit Lender or any person that directly or indirectly controls such Revolving Credit Lender by a governmental authority or an instrumentality thereof; provided, further, that such ownership interest does not result in or provide such

person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such person (or such governmental authority or instrumentality) to reject, repudiate, disavow or disaffirm any contract or agreements made by such person or its parent entity.

"Letter of Credit" shall have the meaning provided in Section 3.1(a).

"Letter of Credit Borrowing" shall mean an extension of credit resulting from a drawing under any Letter of Credit that has not been reimbursed on the date when made or refinanced as a Borrowing.

"Letter of Credit Exposure" shall mean, with respect to any Lender, at any time, the sum of (a) the amount of any Unpaid Drawings in respect of which such Lender has made (or is required to have made) Revolving Credit Loans pursuant to Section 3.4 at such time and (b) such Lender's Revolving Credit Commitment Percentage of the Letter of Credit Obligations 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) Revolving Credit Loans pursuant to Section 3.4).

"Letter of Credit Fee" shall have the meaning provided in Section 4.1(c).

"Letter of Credit Issuer" shall mean (a) Morgan Stanley Senior Funding, Inc., (b) Bank of America, N.A., (c) Deutsche Bank AG New York Branch, (d) Jefferies Finance LLC and (e) any one or more Persons who shall become a Letter of Credit Issuer pursuant to Section 3.6. Any Letter of Credit Issuer may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates, unaffiliated financial institutions or other designees of such Letter of Credit Issuer, and in each such case the term "Letter of Credit Issuer" shall include any such Affiliate, unaffiliated financial institution or designee with respect to Letters of Credit issued by such Affiliate, unaffiliated financial institution or designee and the term "Letter of Credit" shall include any Letter of Credit issued by such Affiliate, unaffiliated financial institution or designee. 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. Notwithstanding anything herein to the contrary, unless separately agreed with the Borrower, none of Morgan Stanley Senior Funding, Inc., Bank of America, N.A., Deutsche Bank AG New York Branch or Jefferies Finance LLC, nor any of their respective branches, Affiliates, unaffiliated financial institutions or designees shall be required to issue any commercial or trade letters of credit hereunder.

"Letter of Credit Maturity Date" shall mean the date that is three Business Days prior to the Revolving Credit Maturity Date.

"Letter of Credit 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 Letter of Credit 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 ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Letter of Credit Participant" shall have the meaning provided in Section 3.3(a).

"Letter of Credit Participation" shall have the meaning provided in Section 3.3(a).

"Letter of Credit Request" shall mean an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by a Letter of Credit Issuer.

"Letter of Credit Sub-Commitment" shall mean $35,000,000, as the same may be reduced from time to time pursuant to Section 4.2(b).

"Letter of Credit Sub-Commitment Obligation" shall mean, in the case of each Letter of Credit Issuer that is a Letter of Credit Issuer on the Closing Date, the amount set forth opposite such Lender's name on Schedule 1.1(a) as such Letter of Credit Issuer's "Letter of Credit Sub-Commitment Obligation" (as such amount may be amended from time to time with the consent of the Borrower and the applicable Letter of Credit Issuer).

"Lien" shall mean any mortgage, pledge, deed of trust, security interest, hypothecation, lien (statutory or other) or similar encumbrance and any easement, right-of-way, restriction (including zoning restrictions), defect, exception or irregularity in title or similar charge or encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof); provided that in no event shall a Non-Financing Lease Obligation be deemed to be a Lien.

"Limited Condition Transaction" shall mean any (a) prepayment, redemption, repurchase, defeasance, acquisition or similar payment of Indebtedness or Capital Stock transaction that requires irrevocable notice in advance thereof or (b)(i) Permitted Change of Control or (ii) Acquisition (or proposed Acquisition) by the Borrower and/or one or more of its Restricted Subsidiaries permitted by this Agreement or any transaction that, if consummated would constitute an Acquisition or Permitted Change of Control, in each case whose consummation is not conditioned on the availability of, or on obtaining, third party financing.

"LLC" shall mean any limited liability company organized or formed under the laws of the State of Delaware.

"LLC Division" shall mean the statutory division of any LLC into two or more LLCs pursuant to Section 18-217 of the Delaware Limited Liability Company Act.

"Loan" shall mean any Revolving Credit Loan, Additional/Replacement Revolving Credit Loan, Extended Revolving Credit Loan, Swingline Loan (including any swingline loan pursuant to any Extended Revolving Credit Commitments or any Additional/Replacement Revolving Credit Commitments) or Term Loan made by any Lender hereunder.

"Losses" shall have the meaning provided in Section 13.5(a)(iii).

"Mandatory Borrowing" shall have the meaning provided in Section 2.1(d)(ii).

"Market Capitalization" shall mean an amount equal to (a) the total number of issued and outstanding shares of common Capital Stock of the Borrower, Holdings or any Parent Entity on the date of the declaration of a Restricted Payment permitted pursuant to Section 10.6(m) multiplied by (b) the arithmetic mean of the closing prices per share of such common Capital Stock on the principal securities exchange on which such common Capital Stock are traded for the 30 consecutive trading days immediately preceding the date of declaration of such Restricted Payment.

"Market Convention Rate" shall have the meaning provided in Section 2.10(d).

"Master Agreement" shall have the meaning provided in the definition of the term "Hedging Agreement".

"Material Adverse Effect" shall mean a circumstance or condition that would, individually or in the aggregate, materially and adversely affect (a) the business, financial condition or results of operations of the Borrower and its Restricted Subsidiaries, taken as a whole, (b) the ability of the Credit Parties (taken as a whole) to perform their payment obligations under the Credit Documents or (c) the rights and remedies of the Administrative Agent, the Collateral Agent and the Lenders under the Credit Documents.

"Material Junior Debt" shall mean Junior Debt in an aggregate principal amount exceeding $35,000,000.

"Material Real Property" shall mean any parcel or parcels of Real Property owned in fee by any Credit Party, now or hereafter, having a Fair Market Value (on a per property basis) of at least $10,000,000. For the purpose of determining the relevant value under this Agreement with respect to the preceding clause, such value shall be determined as of (x) the Closing Date for Real Property now owned, (y) the date of acquisition for Real Property acquired after the Closing Date or (z) the date on which the entity owning such Real Property becomes a Credit Party after the Closing Date, in each case as determined in good faith by the Borrower.

"Maturity Date" shall mean, as to the applicable Loan or Commitment, the Initial Term Loan Maturity Date, any Incremental Term Loan Maturity Date, the Revolving Credit Maturity Date, any maturity date related to any Class of Additional/Replacement Revolving Credit Commitments or any maturity date related to any Class of Extended Term Loans or any Class of Extended Revolving Credit Commitments, as applicable.

"Maximum Tender Condition" shall have the meaning provided in Section 2.17(d).

"MFN Exceptions" shall have the meaning provided in Section 2.14(c).

"MFN Protection" shall have the meaning provided in Section 2.14(c).

"Minimum Borrowing Amount" shall mean (a) with respect to a Borrowing of Term Loans, $5,000,000 (or such lesser amount as may be agreed by the Administrative Agent or as may be required in order to accommodate Borrowings described under Section 2.14(b)), (b) with respect to a Borrowing of Revolving Credit Loans, $1,000,000 and (c) with respect to a Borrowing of Swingline Loans, $100,000.

"Minimum Tender Condition" shall have the meaning provided in Section 2.17(d).

"Minority Investment" shall mean any Person (other than a Subsidiary) in which the Borrower or any Restricted Subsidiary owns Capital Stock.

"Moody's" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"Mortgage" shall mean a mortgage or a deed of trust, deed to secure debt, trust deed or other security document entered into by the owner of a Mortgaged Property in favor of the Collateral Agent for the benefit of the Secured Parties creating a Lien on such Mortgaged Property, substantially in such form as may be reasonably agreed between the Borrower and the Collateral Agent.

"Mortgaged Property" shall mean (a) the Real Property identified on Schedule 1.1(c) and (b) all Real Property owned in fee with respect to which a Mortgage is required to be granted pursuant to Section 9.14(b).

"Multiemployer Plan" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which Holdings, the Borrower, a Restricted Subsidiary or an ERISA Affiliate contributes, has an obligation to contribute or had an obligation to contribute over the five preceding calendar years.

"Necessary Cure Amount" shall have the meaning provided in Section 11.11(b).

"Net Cash Proceeds" shall mean, with respect to any Prepayment Event, Incurrence of Indebtedness, any issuance of Capital Stock or any capital contribution or any Disposition of any Investment (including any Designated Non-Cash Consideration), (a) the gross cash proceeds (including payments from time to time in respect of installment or earn-out obligations, if applicable, but only as and when received and, with respect to any Recovery Event, any insurance proceeds, eminent domain awards or condemnation awards in respect of such Recovery Event) received by or on behalf of the Borrower or any of the Restricted Subsidiaries in respect of such Prepayment Event, Incurrence of Indebtedness, issuance of Capital Stock, receipt of a capital contribution or Disposition of any Investment, less (b) the sum of:

(i) in the case of any Prepayment Event or such Disposition, the amount, if any, of all Taxes paid or estimated to be payable by any Parent Entity, the Borrower or any of the Restricted Subsidiaries in connection with such Prepayment Event or such Disposition (including withholding taxes imposed on the repatriation or expatriation of any such Net Cash Proceeds),

(ii) in the case of any Prepayment Event or such Disposition, the amount of any reasonable reserve established in accordance with GAAP against any liabilities (other than any amounts deducted pursuant to clause (i) above) (x) associated with the assets that are the subject of such Prepayment Event or such Disposition and (y) retained by the Borrower or any of the Restricted Subsidiaries, including any pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction; 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 Prepayment Event or such Disposition occurring on the date of such reduction,

(iii) in the case of any Prepayment Event or such Disposition, the amount of any principal amount, premium or penalty, if any, interest or other amounts on any Indebtedness secured by a Lien on the assets that are the subject of such Prepayment Event or such Disposition to the extent that the instrument creating or evidencing such Indebtedness requires that such Indebtedness be repaid upon consummation of such Prepayment Event or such Disposition and such Indebtedness is actually so repaid (other than Indebtedness outstanding under the Credit Documents, the Second Lien Credit Documents or otherwise subject to a Customary Intercreditor Agreement and any costs associated with the unwinding of any Hedging Obligations in connection with such transaction),

(iv) in the case of any Asset Sale Prepayment Event, the amount of any proceeds of such Asset Sale Prepayment Event that the Borrower or the applicable Restricted Subsidiary has reinvested (or intends to reinvest), or has entered into an Acceptable Reinvestment Commitment to reinvest, within the Reinvestment Period, in the business of the Borrower or any of the Restricted Subsidiaries (subject to Section 9.13); provided that:

(A) the Borrower or the applicable Restricted Subsidiary shall comply with Sections 9.10, 9.11 and 9.14(b) with respect to such reinvestment if applicable;

(B) any portion of such proceeds that has not been so reinvested or made subject to an Acceptable Reinvestment Commitment within the Reinvestment Period shall (x) be deemed to be Net Cash Proceeds of an Asset Sale Prepayment Event occurring on the later of (1) the last day of the Reinvestment Period and (2) 180 days after the date that the Borrower or such Restricted Subsidiary shall have entered into an Acceptable Reinvestment Commitment and (y) be offered to be applied to the prepayment of Term Loans in accordance with Section 5.2(a)(i), to the prepayment of Second Lien Term Loans in accordance with Section 5.2(a)(i) of the Second Lien Credit Agreement (to the extent permitted by the documentation governing the First Lien Obligations and not otherwise required to be applied to First Lien Obligations) (or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to the prepayment, repurchase, defeasance, acquisition, redemption or similar payment of any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in any such case to the extent permitted under Section 5.2(a)(i); and

(C) any proceeds subject to an Acceptable Reinvestment Commitment that is (I) later canceled or terminated for any reason before such proceeds are applied in accordance therewith or (II) not consummated (i.e., the reinvestment contemplated by such Acceptable Reinvestment Commitment is not made) shall be applied to the prepayment of Term Loans in accordance with Section 5.2(a)(i), to the prepayment of Second Lien Term Loans in accordance with Section 5.2(a)(i) of the Second Lien Credit Agreement (to the extent permitted by the documentation governing the First Lien Obligations and not otherwise required to be applied to First Lien Obligations) (or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to the prepayment, repurchase, defeasance, acquisition, redemption or similar payment of any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in any such case to the extent permitted under Section 5.2(a)(i), unless the Borrower or the applicable Restricted Subsidiary enters into another Acceptable Reinvestment Commitment with respect to such proceeds prior to the end of the Reinvestment Period,

(v) in the case of any Recovery Prepayment Event, the amount of any proceeds of such Recovery Prepayment Event (x) that the Borrower or the applicable Restricted Subsidiary has reinvested (or intends to reinvest), or has entered into an Acceptable Reinvestment Commitment to reinvest, within the Reinvestment Period, in the business of the Borrower or any of the Restricted Subsidiaries (subject to Section 9.13), including for the repair, restoration or replacement of the asset or assets subject to such Recovery Prepayment Event, or (y) for which the Borrower or the applicable Restricted Subsidiary has provided a Restoration Certification prior to the end of the Reinvestment Period; provided that:

(A) the Borrower or the applicable Restricted Subsidiary shall comply with Sections 9.10, 9.11 and 9.14(b) with respect to such reinvestment if applicable;

(B) any portion of such proceeds that has not been so reinvested or made subject to an Acceptable Reinvestment Commitment or Restoration Certification within the Reinvestment Period shall (x) be deemed to be Net Cash Proceeds of a Recovery Prepayment Event occurring on the later of (1) the last day of the Reinvestment Period and (2) 180 days after the date that the Borrower or such Restricted Subsidiary shall have entered into an Acceptable Reinvestment Commitment or shall have provided a Restoration Certification and (y) be applied to the prepayment of Term Loans in accordance with Section 5.2(a)(i), to the prepayment of Second Lien Term Loans in accordance with Section 5.2(a)(i) of the Second Lien Credit Agreement (to the extent permitted by the documentation governing the First Lien Obligations and not otherwise required to be applied to First Lien Obligations or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to the prepayment, repurchase, defeasance, acquisition, redemption or similar payment of any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in any such case to the extent permitted under Section 5.2(a)(i); and

(C) any proceeds subject to an Acceptable Reinvestment Commitment or a Restoration Certification that is (I) later canceled or terminated for any reason before such proceeds are applied in accordance therewith or (II) not consummated (i.e., the reinvestment, repair, restoration or replacement contemplated by such Acceptable Reinvestment Commitment or Restoration Certification, as the case may be, is not made) shall be applied to the prepayment of Term Loans in accordance with Section 5.2(a)(i), to the prepayment of Second Lien Term Loans in accordance with Section 5.2(a)(i) of the Second Lien Credit Agreement (to the extent permitted by the documentation governing the First Lien Obligations and not otherwise required to be applied to First Lien Obligations or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to the prepayment, repurchase, defeasance, acquisition, redemption or similar payment of any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in each case to the extent permitted under Section 5.2(a)(i), unless the Borrower or the applicable Restricted Subsidiary enters into another Acceptable Reinvestment Commitment or provides another Restoration Certification with respect to such proceeds prior to the end of the Reinvestment Period,

(vi) in the case of any Asset Sale Prepayment Event or Recovery Prepayment Event by any non-wholly owned Restricted Subsidiary, the pro rata portion of the net cash proceeds thereof (calculated without regard to this clause (vi)) attributable to minority interests and not available for distribution to or for the account of the Borrower or a wholly owned Restricted Subsidiary as a result thereof,

(vii) in the case of any Prepayment Event, Incurrence of Indebtedness, Disposition, issuance of Capital Stock or receipt of a capital contribution, the reasonable and customary fees, commissions, expenses (including attorney's fees, investment banking fees, survey costs, title insurance premiums and search and recording charges, transfer taxes, deed or mortgage recording taxes and other customary expenses and brokerage, consultant and other customary fees or commissions), issuance costs, discounts and other costs and expenses (and, in the case of the Incurrence of any Indebtedness the proceeds of which are required to be used to prepay any Class

of Loans and/or reduce any Class of Commitments under this Agreement, accrued interest and premium, if any, on such Loans and any other amounts (other than principal) required to be paid in respect of such Loans and/or Commitments in connection with any such prepayment and/or reduction), and payments made in order to obtain a necessary consent required by Applicable Law, in each case only to the extent not already deducted in arriving at the amount referred to in clause (a) above, and

(viii) in the case of any Asset Sale Prepayment Event or Disposition, any amounts funded into escrow established pursuant to the documents evidencing any such Asset Sale Prepayment Event or Disposition to secure any indemnification obligations or adjustments to the purchase price associated with any such Asset Sale Prepayment Event or Disposition until such amounts are released to the Borrower or any of its Restricted Subsidiaries.

"Net Income" shall mean, with respect to any Person, the net income (loss) attributable to such Person, determined on a consolidated basis in accordance with GAAP and before any reduction in respect of dividends on preferred Capital Stock (other than dividends on Disqualified Capital Stock).

"New Holdings" shall have the meaning provided in the definition of the term "Holdings".

"New Sponsor" shall have the meaning provided in the definition of the term "Permitted Holders".

"New Stores" shall mean, with respect to any Test Period, the number of Grocery Stores (other than online stores) opened by the Borrower and its Restricted Subsidiaries within the last 24 months, measured from and including the last month in such Test Period.

"New Stores Adjustment" shall mean for any applicable Test Period, the excess (not to be less than zero) of (i) the aggregate amount derived from the product of (a) the aggregate number of New Stores and (b) Average Store Consolidated EBITDA for such Test Period over (ii) the actual Consolidated Store EBITDA generated by New Stores during such Test Period.

"Non-Consenting Lender" shall have the meaning provided in Section 13.7(b).

"Non-Credit Party" shall mean any Person that is not a Credit Party.

"Non-Credit Party Asset Sale" shall have the meaning provided in Section 5.2(h).

"Non-Credit Party Recovery Event" shall have the meaning provided in Section 5.2(h).

"Non-Debt Fund Affiliate" shall mean any Affiliate of the Borrower (other than Holdings, the Borrower or any Restricted Subsidiary of the Borrower) that is not a Debt Fund Affiliate.

"Non-Defaulting Lender" shall mean and include each Lender other than a Defaulting Lender.

"Non-Excluded Taxes" shall have the meaning provided in Section 5.4(a).

"Non-Extension Notice Date" shall have the meaning provided in Section 3.2(e).

"Non-Financing Lease Obligations" shall mean a lease obligation that is not required to be accounted for as a financing or capital lease on both the balance sheet and the income statement for financial reporting purposes in accordance with GAAP. For avoidance of doubt, a straight-line or operating lease shall be considered a Non-Financing Lease Obligation.

"Non-U.S. Lender" shall have the meaning provided in Section 5.4(d).

"Note" shall mean a Term Note or a Revolving Credit Note, in each case of the Borrower payable to any Lender or its registered assigns, evidencing the aggregate amount of Indebtedness of the Borrower to such Lender resulting from the Loans made by such Lender.

"Notice of Borrowing" shall mean a request of the Borrower in accordance with the terms of Section 2.3 and substantially in the form of Exhibit D or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by an Authorized Officer of the Borrower.

"Notice of Conversion or Continuation" shall have the meaning provided in Section 2.6(a).

"Notice Period" shall have the meaning provided in Section 2.10(d).

"Obligations" shall mean the collective reference to:

(a) the due and punctual payment of (i) the principal of and premium, if any, and interest at the applicable rate provided in this Agreement (including interest accruing during the pendency of any proceeding under any applicable Debtor Relief Laws (or that would accrue but for the operation of applicable Debtor Relief Laws), regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) each payment required to be made by the Borrower under this Agreement in respect of any Letter of Credit, when and as due, including payments in respect of reimbursement of disbursements, interest thereon (including interest accruing during the pendency of any proceeding under any applicable Debtor Relief Laws (or that would accrue but for the operation of applicable Debtor Relief Laws), regardless of whether allowed or allowable in such proceeding) and obligations to provide Cash Collateral, and (iii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any applicable proceeding under any Debtor Relief Laws, regardless of whether allowed or allowable in such proceeding), of the Borrower or any other Credit Party to any of the Secured Parties under this Agreement and the other Credit Documents,

(b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Borrower under or pursuant to this Agreement and the other Credit Documents,

(c) the due and punctual payment and performance of all the covenants, agreements, obligations, and liabilities of each other Credit Party under or pursuant to this Agreement or the other Credit Documents,

(d) the due and punctual payment and performance of all Cash Management Obligations under each Secured Cash Management Agreement of a Credit Party or any Restricted Subsidiary thereof, and

(e) the due and punctual payment and performance of all Hedging Obligations under each Secured Hedging Agreement of a Credit Party or any Restricted Subsidiary thereof (other than with respect to any such Credit Party's Hedging Obligations that constitute Excluded Swap Obligations with respect to such Credit Party).

Notwithstanding the foregoing, (i) unless otherwise agreed to by the Borrower, the obligations of a Credit Party or any Restricted Subsidiary thereof under any Secured Cash Management Agreement and Secured Hedging Agreement shall be secured and guaranteed pursuant to the Security Documents and only to the extent that, and for so long as, the other Obligations are so secured and guaranteed, (ii) any release of Collateral or Guarantors effected in the manner permitted by this Agreement and the other Credit Documents shall not require the consent of the holders of the Cash Management Obligations under Secured Cash Management Agreements or the consent of the holders of the Hedging Obligations under Secured Hedging Agreements and (iii) Obligations shall in no event include any Excluded Swap Obligations.

"OFAC" shall have the meaning provided in Section 8.20.

"OID" shall mean original issue discount.

"Organizational Documents" shall mean (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction), (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement and (c) with respect to any partnership, Joint Venture, trust or other form of business entity, the partnership, Joint Venture or other applicable agreement of formation or organization and, if applicable, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Taxes" shall have the meaning provided in Section 5.4(b).

"Overnight Rate" shall mean, for any day, the greater of (a) the Federal Funds Effective Rate and (b) an overnight rate determined by the Administrative Agent, the applicable 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 Borrower, as applicable. For the avoidance of doubt, any Person that is formed to effect a public offering of common Capital Stock that directly or indirectly owns a majority of the Voting Stock of Holdings will be deemed a Parent Entity of Holdings.

"Participant" shall have the meaning provided in Section 13.6(d)(i).

"Participant Register" shall have the meaning provided in Section 13.6(d)(ii).

"PATRIOT ACT" shall have the meaning provided in Section 8.21.

"PBGC" shall mean the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA, or any successor thereto.

"Pension Plan" shall mean any "employee pension benefit plan" (as defined in Section 3(2) of ERISA, other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412

of the Code or Section 302 of ERISA that is sponsored, maintained or contributed to by Holdings, the Borrower, a Restricted Subsidiary or an ERISA Affiliate or, solely with respect to representations and covenants that relate to liability under Section 4069 of ERISA, that was so maintained and in respect of which the Borrower, any Restricted Subsidiary or ERISA Affiliate would have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

"Perfection Certificate" shall mean a certificate in the form of Exhibit M or any other form approved by the Collateral Agent in its reasonable discretion.

"Permitted Acquisition" shall mean any Acquisition by the Borrower or any of the Restricted Subsidiaries, so long as (a) such Acquisition and all transactions related thereto shall be consummated in all material respects in accordance with all Applicable Laws, (b) if such Acquisition involves the acquisition of Capital Stock of a Person that upon such Acquisition would become a Subsidiary, such Acquisition shall result in the issuer of such Capital Stock becoming a Restricted Subsidiary and, to the extent required by Section 9.10, a Guarantor, (c) to the extent required by Sections 9.10, 9.11 and/or 9.14(b), such Acquisition shall result in the Collateral Agent, for the benefit of the Secured Parties, being granted a security interest in any Capital Stock or any assets so acquired, (d) subject to Section 1.10, after giving pro forma effect to such Acquisition, no Event of Default under either Section 11.1 or Section 11.5 shall have occurred and be continuing and (e) immediately after giving pro forma effect to such Acquisition, the Borrower and its Restricted Subsidiaries shall be in compliance with Section 9.13.

"Permitted Additional Debt" shall mean (i) secured or unsecured bonds, notes or debentures (which bonds, notes or debentures, if secured, may be secured by Liens on the Collateral having a priority ranking equal to the priority of the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) or by Liens on the Collateral having a priority ranking junior to the Liens on the Collateral securing the Obligations) or (ii) secured or unsecured loans (or commitments to provide loans or other extensions of credit) (which loans or commitments, if secured, may be secured by Liens on the Collateral having a priority ranking equal to the priority of the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) or by Liens on the Collateral having a priority ranking junior to the Liens on the Collateral securing the Obligations), in each case Incurred by or provided to the Borrower or another Guarantor; provided that (a) the terms of such Indebtedness or commitments do not provide for a maturity date that is earlier than the Latest Maturity Date, a Weighted Average Life to Maturity that is shorter than the Weighted Average Life to Maturity of the Initial Term Loans or mandatory prepayments, mandatory redemptions, mandatory commitment reductions, mandatory offers to purchase or mandatory sinking fund obligations prior to the Latest Maturity Date, other than customary prepayments, commitment reductions, repurchases, redemptions, defeasances, acquisitions or satisfactions and discharges, or offers to prepay, reduce, redeem, repurchase, defease, acquire or satisfy and discharge, in each case upon, a change of control, asset sale event or casualty, eminent domain or condemnation event, or on account of the accumulation of excess cash flow (in the case of loans or commitments), AHYDO Catch Up Payments and customary acceleration rights upon an event of default; provided that the foregoing requirements of this clause (a) shall not apply to the extent such Indebtedness or commitments either are subject to Customary Escrow Provisions or that constitute a customary bridge facility, so long as the long-term Indebtedness into which any such customary bridge facility is to be converted or exchanged satisfies the requirements of this clause (a) and such conversion or exchange is subject only to conditions customary for similar conversions or exchanges; provided, further, that, notwithstanding the foregoing, Permitted Additional Debt in an amount not exceeding the Incremental/Refinancing Maturity Limitation Excluded Amount may be Incurred without regard to this clause (a), (b) except for any of the following that are applicable only to periods following the Latest Maturity Date, the covenants, events of default, Subsidiary guarantees and other terms for such Indebtedness or commitments (excluding, for the avoidance of doubt, interest rates (including through fixed interest rates), interest rate margins, rate floors, fees, maturity, funding discounts, original issue

discounts, currency types and denominations and redemption or prepayment terms and premiums), when taken as a whole, are determined by the Borrower to either (A) be consistent with market terms and conditions and conditions at the time of Incurrence or effectiveness or (B) not be materially more restrictive on the Borrower and its Restricted Subsidiaries than the terms of this Agreement, when taken as a whole (provided that, if the documentation governing such Indebtedness or commitments contains any Previously Absent Covenant, the Administrative Agent shall have been given prompt written notice thereof and this Agreement shall have been amended to include such Previously Absent Covenant for the benefit of each Credit Facility (provided, however, that, if (x) the documentation governing the Permitted Additional Debt that includes a Previously Absent Covenant consists of a revolving credit facility (whether or not the documentation therefor includes any other facilities) and (y) such Previously Absent Covenant is a "springing" financial maintenance covenant for the benefit of such revolving credit facility or a covenant only applicable to, or for the benefit of, a revolving credit facility, then this Agreement shall be amended to include such Previously Absent Covenant only for the benefit of each revolving credit facility hereunder (and not for the benefit of any term loan facility hereunder) and such Indebtedness or commitments shall not be deemed "more restrictive" solely as a result of such Previously Absent Covenant benefiting only such revolving credit facilities)); provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness or the providing of such commitments, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or commitments or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), (c) if such Indebtedness is senior subordinated or subordinated Indebtedness, the terms of such Indebtedness provide for customary "high yield" subordination of such Indebtedness to the Obligations, (d) any Permitted Additional Debt may not be guaranteed by any subsidiaries of the Borrower that do not guarantee the Obligations, (e) any secured Permitted Additional Debt Incurred may not be secured by any assets that do not secure the Obligations and shall be subject to an applicable Customary Intercreditor Agreement and (f) any Permitted Additional Debt in the form of loans secured by Liens on the Collateral having a priority ranking equal to the priority of the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) shall be subject to the MFN Protection set forth in Section 2.14(c) (but subject to the MFN Exceptions to such MFN Protection) as if such Permitted Additional Debt were an Incremental Term Loan.

"Permitted Additional Debt Documents" shall mean any document or instrument (including any guarantee, security or collateral agreement or mortgage and which may include any or all of the Credit Documents) issued or executed and delivered with respect to any Permitted Additional Debt by any Credit Party.

"Permitted Additional Debt Obligations" shall mean, if any secured Permitted Additional Debt has been Incurred by or provided to a Credit Party and is outstanding, the collective reference to (a) the due and punctual payment of (i) the principal of and premium, if any, and interest at the applicable rate provided in the applicable Permitted Additional Debt Documents (including interest accruing during the pendency of any proceeding under any applicable Debtor Relief Laws (or would accrue but for the operation of applicable Debtor Relief Laws), regardless of whether allowed or allowable in such proceeding) on any such Permitted Additional Debt, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment, repurchase, redemption, defeasance, acquisition or otherwise and (ii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any proceeding under any applicable Debtor Relief Laws, regardless of whether allowed or allowable in such proceeding), of the Borrower or any other Credit Party to any of the

Permitted Additional Debt Secured Parties under the applicable Permitted Additional Debt Documents and (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Borrower or any Credit Party under or pursuant to applicable Permitted Additional Debt Documents.

"Permitted Additional Debt Secured Parties" shall mean the holders from time to time of the secured Permitted Additional Debt Obligations (and any representative on their behalf).

"Permitted Change of Control" shall mean any transaction or series of related transactions that occurs prior to the date that is two years after the Closing Date that would otherwise constitute a Change of Control pursuant to the definition thereof (without giving effect to the exception for a Permitted Change of Control); provided that (i) subject to Section 1.10, the Borrower shall be in compliance, on a pro forma basis after giving effect to such transactions or series of related transactions (including any Indebtedness Incurred in connection therewith), with (x) a Consolidated First Lien Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to such date of determination, of not greater than 5.00:1.00 and (y) a Consolidated Total Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to such date of determination, of not greater than 5.95:1.00 and (ii) subject to Section 1.10, in connection with such Permitted Change of Control, affiliated or unaffiliated investors or co-investors, including any New Sponsor, shall invest an aggregate amount equal to, when combined with the Fair Market Value of any Capital Stock of any equity holders of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) and/or its Subsidiaries, including management of the Borrower and its Subsidiaries, who may be given the opportunity to roll over Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle), rolled over or invested in connection with such Permitted Change of Control transaction, at least 25.0% of the sum of (x) the pro forma Consolidated Total Debt of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) and its Subsidiaries on the closing date of such Permitted Change of Control after giving effect thereto and (y) the equity capitalization of Holdings and its Subsidiaries on the closing date of such Permitted Change of Control after giving effect thereto.

"Permitted Change of Control Costs" shall mean all reasonable fees, costs and expenses incurred or payable by Holdings (or any Parent Entity thereof), the Borrower or any of its Restricted Subsidiaries in connection with a Permitted Change of Control.

"Permitted Debt Exchange" shall have the meaning provided in Section 2.17(a).

"Permitted Debt Exchange Offer" shall have the meaning provided in Section 2.17(a).

"Permitted Encumbrances" shall mean:

(a) Liens for Taxes, assessments or other governmental charges (including any Lien imposed by any pension authority or similar Liens) or claims that are not yet overdue by more than sixty days or more, or if more than sixty days overdue either (i) that are being diligently contested in good faith and by appropriate proceedings for which appropriate reserves have been established in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction or (ii) with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect;

(b) Liens in respect of property or assets of the Borrower or any of its Restricted Subsidiaries imposed by Applicable Law, such as landlord's, carriers', warehousemen's, repairmen's, construction contractors' and mechanics' Liens, supplier of materials, architects' and other similar Liens, in each case so long as such Liens secure amounts not overdue for a period of more than sixty days or, if more than sixty days overdue either (i) no action has been

taken to enforce such Lien, (ii) such amount is being diligently contested in good faith by appropriate proceedings for which appropriate reserves have been established in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction or (iii) with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect;

(c) Liens arising from judgments, awards, attachments or decrees for the payment of money in circumstances not constituting an Event of Default under Section 11.9;

(d) Liens incurred or pledges or deposits (i) made in connection with the Federal Employers Liability Act or any other workers' compensation, unemployment insurance, employers' health tax and other types of social security or similar legislation, (ii) securing insurance premiums, other liabilities (including in respect of reimbursement and indemnified obligations) to insurance carriers under insurance or self-insurance arrangements (including in respect of deductibles, co-payment, co-insurance, self-insurance retention amounts and premiums and adjustments thereof), (iii) securing the performance of tenders, public or statutory obligations, surety, stay, indemnity, warranty release, customs and appeal bonds, bids, licenses, leases (other than Financing Lease Obligations), contracts (including government contracts and trade contracts (other than for Indebtedness)), performance, performance and completion, completion and return-of-money bonds or guarantees, government contracts, financial assurances and completion obligations and other similar obligations, (iv) securing contested Taxes or import duties or the payment of rent, (v) securing surety bonds or appeal bonds or similar bonds required in respect of judicial proceedings and (vi) securing letters of credit, bank guarantees or similar items issued or posted to support the payment of or for the benefit of items in the foregoing clauses (i), (ii), (iii), (iv) and (v) above, in each case incurred in the ordinary course of business or consistent with past practice;

(e) ground leases or subleases, licenses or sublicenses in respect of Real Property on which locations, facilities and/or Grocery Stores owned or leased by the Borrower or any of its Restricted Subsidiaries are located;

(f) (i) easements or reservations of, or rights of others for, rights-of-way, licenses, special assessments, survey exceptions, restrictions (including zoning restrictions), minor title defects, servitudes, drains, sewers, exceptions or irregularities in title, encroachments, protrusions and other similar charges, electric lines, telegraph and telephone lines and other similar purposes, or encumbrances or restrictions on the use of Real Property, which in each case do not and could not reasonably be expected to have a Material Adverse Effect, and that were not incurred in connection with and do not secure any Indebtedness, and (ii) to the extent reasonably agreed by the Collateral Agent, any exception on the title policies issued in connection with any Mortgaged Property;

(g) any (i) Lien or interest or title of a lessor, sublessor, licensor or sublicensor or secured by a lessor's, sublessor's, licensor's or sublicensor's interest under any lease, sublease, license or sublicense permitted by this Agreement (other than in respect of a Financing Lease Obligation or arising by virtue of granting licenses or leases permitted by this Agreement), (ii) landlord Liens permitted by the terms of any lease, (iii) Lien or restriction or encumbrance that the interest or title of any such lessor, sublessor, licensor or a sublicensor may be subject (including ground lease) or (iv) subordination of the interest of the lessee, sublessee, licensee or sublicensee under such lease or license to any restriction or encumbrance referred to in the preceding clause (iii);

(h) Liens in favor of customs and revenue authorities arising as a matter of Applicable Law to secure payment of customs duties in connection with the importation of goods or to secure the performance of leases of Real Property;

(i) Liens on goods or inventory or proceeds thereof the purchase, shipment or storage price of which is financed by a documentary letter of credit, bank guarantees or bankers' acceptance or similar obligation issued or created for the account of the Borrower or any of its Restricted Subsidiaries; provided that such Lien secures only the obligations of the Borrower or such Restricted Subsidiaries in respect of such letter of credit, bank guarantees or bankers' acceptance or similar obligation to the extent permitted under Section 10.1;

(j) licenses, sublicenses and cross-licenses of Intellectual Property granted in the ordinary course of business or consistent with past practice;

(k) Liens arising from (i) UCC or equivalent statutory financing statements regarding operating leases, consignments or other obligations not constituting Indebtedness and (ii) precautionary UCC or equivalent statutory financing statements, other applicable personal property or movable property security registry financing statements or similar filings made in respect of Non-Financing Lease Obligations, consignment arrangements or bailee arrangements entered into by the Borrower or any of its Restricted Subsidiaries;

(l) any zoning, building or similar law or right reserved to, or vested in, any Governmental Authority to control or regulate the use of any Real Property or any structure thereon that does not and could not reasonably be expected to have a Material Adverse Effect;

(m) (i) leases, licenses, subleases or sublicenses (including of Intellectual Property) granted to others in the ordinary course of business or consistent with past practice or (ii) the rights reserved or vested in any Person (including any Governmental Authority) by the terms of any lease, license, franchise, grant or permit held by the Borrower 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;

(n) Liens given to a public utility or any municipality or Governmental Authority when required by such utility or other authority in connection with the ordinary conduct of the business of the Borrower or any Restricted Subsidiary; provided that such Liens do not and would not reasonably be expected to have a Material Adverse Effect;

(o) servicing agreements, development agreements, site plan agreements, subdivision agreements and other agreements with Governmental Authorities pertaining to the use or development of any of the Real Property of the Borrower or any Restricted Subsidiary, including, without limitation, any obligations to deliver letters of credit and other security as required; so long as the same do not and would not reasonably be expected to have a Material Adverse Effect;

(p) undetermined or inchoate Liens, rights of distress and charges incidental to current operations that have not at such time been filed or exercised, or which relate to obligations not due or payable or if due, the validity of such Liens are being contested in good faith by appropriate actions diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(q) reservations, limitations, provisos and conditions expressed in any original grant from any Governmental Authority or other grant of real or immovable property or interests therein;

(r) Liens consisting of royalties payable with respect to any asset, right or property of the Borrower or its Subsidiaries;

(s) statutory Liens incurred or pledges or deposits made in favor of a Governmental Authority to secure the performance of obligations of the Borrower or any of its Subsidiaries under Environmental Laws to which the Borrower or any of its Subsidiaries or any assets of the Borrower or any of its Subsidiaries is subject, in each case incurred or made in the ordinary course of business or consistent with past practice;

(t) all rights of expropriation, access or use or other similar right conferred by or reserved by any federal, state or municipal Governmental Authority;

(u) the right reserved to, or vested in, any Governmental Authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit of the Borrower or any Restricted Subsidiary, to terminate any such lease, license, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof;

(v) Liens arising from Cash Equivalents described in clause (i) of the definition of the term "Cash Equivalents";

(w) with respect to any Foreign Subsidiary, other Liens and privileges arising mandatorily by any Applicable Law;

(x) Liens arising from judgments, awards, attachments or decrees for the payment of money in circumstances not constituting an Event of Default and notices of lis pendens and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(y) statutory Liens incurred or pledges or deposits made in favor of a governmental authority to secure the performance of obligations of the Borrower or any of its Subsidiaries under environmental laws to which the Borrower or any of its Subsidiaries or any assets of the Borrower or any of its Subsidiaries is subject, in each case incurred or made in the ordinary course of business or consistent with past practice;

(z) the prior rights of consignees and their lenders under consignment arrangements entered into in the ordinary course of business or consistent with past practice; and

(aa) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business or consistent with past practice.

"Permitted Equal Priority Refinancing Debt" shall mean any secured Indebtedness Incurred by the Borrower and/or the Guarantors in the form of one or more series of senior secured notes, bonds, debentures or loans; provided that (a) such Indebtedness is secured by Liens on all or a portion of the Collateral on an equal priority basis with the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) and is not secured by any property or assets of Holdings, the Borrower

or any Restricted Subsidiary other than the Collateral, (b) such Indebtedness satisfies the applicable requirements set forth in the provisos to the definition of "Credit Agreement Refinancing Indebtedness", (c) such Indebtedness is not at any time guaranteed by any Persons other than Persons that are Guarantors and (d) the holders of such Indebtedness (or their representative) and Collateral Agent shall become parties to a Customary Intercreditor Agreement described in clause (a) of the definition thereof providing that the Liens on the Collateral securing such obligations shall rank equal in priority to the Liens on the Collateral securing the Obligations (but without regard to the control of remedies).

"Permitted Holder Group" shall have the meaning provided in the definition of the term "Permitted Holders".

"Permitted Holders" shall mean each of (a) the Investors, (b) the Employee Investors (including any Employee Investors owning through an Equityholding Vehicle), (c) any Permitted Parent and (d) any "group" (within the meaning of Section 13(d)(3) of the Exchange Act or any successor provision) the members of which include any of the Permitted Holders specified in clauses (a), (b) or (c) above (a "Permitted Holder Group"); provided that, in the case of any Permitted Holder Group, no Person or other "group" (other than the Permitted Holders specified in clauses (a), (b) or (c) above or the last sentence of this definition) own, directly or indirectly, more than 50.0% of the total voting power of the Voting Stock of Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or any IPO Entity) or any Parent Entity of Holdings held by such Permitted Holder Group. Any Person or "group" (within the meaning of Section 13(d)(3) of the Exchange Act or any successor provision) whose acquisition of beneficial ownership of Voting Stock constitutes a Permitted Change of Control will thereafter, together with its Affiliates, constitute an additional Permitted Holder (the "New Sponsor").

"Permitted Investments" shall have the meaning provided in Section 10.5.

"Permitted Junior Priority Refinancing Debt" shall mean secured Indebtedness Incurred by any Credit Party in the form of one or more series of junior lien secured notes, bonds or debentures or junior lien secured loans; provided that (a) such Indebtedness is secured by Liens on all or a portion of the Collateral on a junior priority basis to the Liens on the Collateral securing the Obligations and any other First Lien Obligations and is not secured by any property or assets of Holdings, the Borrower or any Restricted Subsidiary other than the Collateral, (b) such Indebtedness satisfies the applicable requirements set forth in the provisos in the definition of "Credit Agreement Refinancing Indebtedness" (provided that such Indebtedness may be secured by a Lien on the Collateral that ranks junior in priority to the Liens on the Collateral securing the Obligations and any other First Lien Obligations, notwithstanding any provision to the contrary contained in the definition of "Credit Agreement Refinancing Indebtedness"), (c) the holders of such Indebtedness (or their representative) and the Collateral Agent shall become parties to the First Lien/Second Lien Intercreditor Agreement or another Customary Intercreditor Agreement described in clause (b) of the definition thereof providing that the Liens on the Collateral securing such obligations shall rank junior in priority to the Liens on the Collateral securing the Obligations, and (d) such Indebtedness is not at any time guaranteed by any Persons other than Persons that are Guarantors.

"Permitted Parent" shall mean (a) any Parent Entity of Holdings (or, for the avoidance of doubt, of any New Holdings, Successor Holdings or IPO Entity) formed not in connection with, or in contemplation of, a transaction (other than the Transactions) that (but for the application to such Person of clause (c) of the definition of "Permitted Holders") would constitute a Change of Control and (b) any Public Company (or Wholly-Owned Subsidiary of such Public Company), except to the extent (and until such time as) any Person or group is deemed to be or becomes a beneficial owner of Capital Stock of such Public Company representing more than 50.0% of the total voting power of the Voting Stock of such Public Company.

"Permitted Refinancing Indebtedness" shall mean, with respect to any Indebtedness (the "Refinanced Indebtedness"), any Indebtedness Incurred in exchange for or as a replacement of (including by entering into alternative financing arrangements in respect of such exchange or replacement (in whole or in part), by adding or replacing lenders, creditors, agents, borrowers and/or guarantors, or, after the original instrument giving rise to such Indebtedness has been terminated, by entering into any credit agreement, loan agreement, note purchase agreement, indenture or other agreement), or the net proceeds of which are to be used for the purpose of modifying, extending, refinancing, renewing, replacing, redeeming, repurchasing, defeasing, acquiring, amending, supplementing, restructuring, repaying, prepaying, retiring, extinguishing or refunding (collectively to "Refinance" or a "Refinancing" or "Refinanced"), such Refinanced Indebtedness (or previous refinancing thereof constituting Permitted Refinancing Indebtedness); provided that (A) the principal amount (or accreted value, if applicable) of any such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Refinanced Indebtedness outstanding immediately prior to the consummation of such Refinancing except by an amount equal to the unpaid accrued interest, dividends and premium (including tender premiums), if any, thereon plus defeasance costs, underwriting discounts and other amounts paid and fees and expenses (including OID, closing payments, upfront fees and similar fees) incurred in connection with such Refinancing plus an amount equal to any existing commitment unutilized and letters of credit undrawn thereunder, (B) if the Indebtedness being Refinanced is Indebtedness permitted by Section 10.1(a), 10.1(b), 10.1(h) or 10.1(u), the direct and contingent obligors with respect to such Permitted Refinancing Indebtedness are not changed (except that any Credit Party may be added as an additional direct or contingent obligor in respect of such Permitted Refinancing Indebtedness), (C) other than with respect to a Refinancing in respect of Indebtedness permitted pursuant to Section 10.1(f) or Section 10.1(g), such Permitted Refinancing Indebtedness shall have a final maturity date equal to or later than the earlier of the final maturity date of the Refinanced Debt and the Latest Maturity Date, and shall have a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Refinanced Indebtedness; provided that the foregoing requirements of this clause (C) shall not apply (x) to the extent such Indebtedness either is subject to Customary Escrow Provisions or constitutes a customary bridge facility, so long as the long-term Indebtedness into which any such customary bridge facility is to be converted or exchanged satisfies the requirements of this clause (C) and such conversion or exchange is subject only to conditions customary for similar conversions or exchanges and (y) Permitted Refinancing Indebtedness in an amount not exceeding the Incremental/Refinancing Maturity Limitation Excluded Amount, and (D) if the Indebtedness being Refinanced is Indebtedness permitted by Section 10.1(a), 10.1(b) 10.1(h) or 10.1(u), except for any of the following that are only applicable to periods after the Latest Maturity Date, the terms and conditions contained in the documentation governing such Permitted Refinancing Indebtedness, taken as a whole, are determined by the Borrower to either (A) be consistent with market terms and conditions and conditions at the time of incurrence or effectiveness (as determined in good faith by the Borrower) or (B) not be materially more restrictive on the obligor or obligors of such Indebtedness than the terms and conditions contained in the documentation governing such Refinanced Indebtedness being Refinanced (including, if applicable, as to collateral priority and subordination, but excluding as to interest rates (including through fixed exchange rates), interest rate margins, rate floors, fees, maturity, currency types and denominations, funding discounts, original issue discount and redemption or prepayment terms and premiums) (provided that, if the documentation governing such Permitted Refinancing Indebtedness contains a Previously Absent Covenant, the Administrative Agent shall have been given prompt written notice thereof and this Agreement shall be amended to include such Previously Absent Covenant for the benefit of each Credit Facility (provided, however, that if (x) the documentation governing the Permitted Refinancing Indebtedness that includes a Previously Absent Covenant consists of a revolving credit facility (whether or not the documentation therefor includes any other facilities) and (y) such Previously Absent Covenant is a "springing" financial maintenance covenant for the benefit of such revolving credit facility or a covenant only applicable to, or for the benefit of, a revolving credit facility, the Previously Absent Covenant shall only be included in this Agreement for the benefit of each revolving credit facility hereunder (and not for the benefit of any

term loan facility hereunder) and such Permitted Refinancing Indebtedness shall not be deemed "more restrictive" solely as a result of such Previously Absent Covenant benefiting only such revolving credit facilities)); provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement in clause (D) shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees).

"Permitted Unsecured Refinancing Debt" shall mean unsecured Indebtedness Incurred by any Credit Party in the form of one or more series of senior, senior subordinated or subordinated unsecured notes, bonds, debentures or loans; provided that (a) such Indebtedness satisfies the applicable requirements set forth in the provisos in the definition of "Credit Agreement Refinancing Indebtedness" and (b) such Indebtedness is not at any time guaranteed by any Persons other than Persons that are Guarantors.

"Person" shall mean any individual, partnership, Joint Venture, firm, corporation, unlimited liability company, limited liability company, association, trust or other enterprise or any Governmental Authority.

"Planned Expenditures" shall have the meaning provided in the definition of the term "Additional ECF Reduction Amounts".

"Platform" shall have the meaning provided in Section 13.2.

"Pledge Agreement" shall mean the First Lien Pledge Agreement, dated as of the Closing Date, among Holdings, the Borrower, the Domestic Subsidiary pledgors party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit C.

"Preferred Stock" shall mean any Capital Stock with preferential rights of payment of dividends or upon liquidation, dissolution, or winding up.

"Prepayment Event" shall mean any Asset Sale Prepayment Event, Recovery Prepayment Event or Debt Incurrence Prepayment Event.

"Prepayment Premium Period" shall have the meaning provided in Section 5.1(b).

"Present Fair Saleable 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 applicable Person and its 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.

"Previous Holdings" shall have the meaning provided in the definition of the term "Holdings".

"Previously Absent Covenant" shall mean, at any time (x) any financial maintenance covenant or other covenant or requirement that is not included in this Agreement at such time and (y) any financial maintenance covenant or other covenant or requirement in any other Indebtedness that is included in this Agreement at such time but with covenant levels or requirements that are more restrictive on the Borrower and the Restricted Subsidiaries than the covenant levels or requirements included in this Agreement at such time.

"Prime Rate" shall mean the rate of interest announced from time to time by Morgan Stanley Senior Funding, Inc. as its "prime rate" and set by Morgan Stanley Senior Funding, Inc. based upon various factors including Morgan Stanley Senior Funding, Inc.'s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the Prime Rate announced by Morgan Stanley Senior Funding, Inc. shall take effect at the opening of business on the day of the announcement of such change.

"Proceeding" shall have the meaning provided in Section 13.5(a)(iii).

"Pro Forma Entity" shall mean any Acquired Entity or Business, any Sold Entity or Business, any Converted Restricted Subsidiary or any Converted Unrestricted Subsidiary.

"PTE" shall mean a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Public Company" shall mean any Person with a class or series of Capital Stock that is traded on the New York Stock Exchange, the NASDAQ, the Luxembourg Stock Exchange, the London Stock Exchange, the Frankfurt Stock Exchange or any comparable stock exchange or similar market.

"Public Company Costs" shall mean costs relating to compliance with the provisions of the Securities Act and the Exchange Act, in each case 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' compensation, fees and expense reimbursement, costs relating to investor relations, shareholder meetings and reports to shareholders or debtholders, directors' and officers' insurance, listing fees and all executive, legal and professional fees related to the foregoing.

"Public Lender" shall have the meaning provided in Section 13.2.

"Public Lender Presentation" shall mean the Lender Presentation of the Borrower, dated October 4, 2018, delivered to the prospective Lenders.

"Purchasing Borrower Party" shall mean Holdings, the Borrower or any Restricted Subsidiary of the Borrower that becomes a Transferee pursuant to Section 13.6(g).

"Qualified Capital Stock" shall mean any Capital Stock that is not Disqualified Capital Stock.

"Qualified Proceeds" shall mean assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business; provided that the Fair Market Value of any such assets or Capital Stock shall be determined by the Borrower in good faith.

"Qualified Receivables Facility" shall mean any Receivables Facility of a Receivables Subsidiary that meets the following conditions: (a) the Borrower shall have determined in good faith that such Receivables Facility (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Borrower and its Restricted Subsidiaries; (b) all sales of accounts receivables and related assets by the Borrower or any Restricted Subsidiary to the Receivables Subsidiary or any other Person are made at fair market value (as determined in good faith by the Borrower); (c) the financing terms, covenants, termination events and other provisions thereof shall be

on market terms (as determined in good faith by the Borrower) and may include Standard Securitization Undertakings; and (d) the obligations under such Receivables Facility are non-recourse (except for customary representations, warranties, covenants and indemnities made in connection with such facilities) to the Borrower or any of its Restricted Subsidiaries (other than a Receivables Subsidiary).

"Rating Agency" shall mean Moody's and S&P or if Moody's or S&P or both shall not make a rating on the Initial Term Loans and/or the Borrower and/or any other Person, instrument or security publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Borrower which shall be substituted for Moody's or S&P or both, as the case may be.

"Real Property" shall mean, collectively, all right, title and interest in and to any and all parcels of or interests in real property owned or leased by any person, together with, in each case, all easements, hereditaments and appurtenances relating thereto, all improvements and appurtenant fixtures and equipment, all general intangibles and contract rights and other property and rights incidental to the ownership thereof.

"Receivables Facility" shall mean any of one or more receivables financing facilities as amended, supplemented, modified, extended, renewed, restated or refunded from time to time, the obligations of which are non-recourse (except for customary representations, warranties, covenants and indemnities made in connection with such facilities) to the Borrower or any of the Restricted Subsidiaries (other than a Receivables Subsidiary) pursuant to which the Borrower or any of the Restricted Subsidiaries sells its accounts receivable to either (a) a Person that is not a Restricted Subsidiary or (b) a Restricted Subsidiary or Receivables Subsidiary that in turn funds such purchase by selling its accounts receivable to a Person that is not a Restricted Subsidiary or by borrowing from such a Person or from another Receivables Subsidiary that in turn funds itself by borrowing from such a Person, in each case, that constitutes a Qualified Receivables Facility.

"Receivables Fees" shall mean distributions or payments made directly or by means of discounts with respect to any accounts receivable or participation interest therein issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Receivables Facility.

"Receivables Subsidiary" shall mean any Subsidiary formed for the purpose of, and that solely engages only in, one or more Receivables Facilities and other activities reasonably related thereto.

"Recovery Event" shall mean (a) any damage to, destruction of, or other casualty or loss involving, any property or asset or (b) any seizure, condemnation, confiscation or taking under the power of eminent domain of, or any requisition of title or use of or relating to, or any similar event in respect of, any property or asset, in each case, of the Borrower or a Restricted Subsidiary.

"Recovery Prepayment Event" shall mean the receipt of cash proceeds with respect to any settlement or payment in connection with any Recovery Event in respect of any property or asset of the Borrower or any Restricted Subsidiary; provided that the term "Recovery Prepayment Event" shall not include any Asset Sale Prepayment Event.

"Redemption Notice" shall have the meaning provided in Section 10.7(a).

"Reference Rate" shall mean an interest rate per annum equal to the rate per annum determined by the Administrative Agent at approximately 11:00 a.m. (London time) on such day for delivery two Business Days later by reference to ICE Benchmark Administration Limited's "LIBOR" rate (or by reference to the rates provided by any Person that take over the administration of such rate if ICE

Benchmark Administration Limited is no longer making a "LIBOR" rate available) for deposits in Dollars (as set forth on the Bloomberg screen displaying such "LIBOR" rate (or, in the event such rate does not appear on a Bloomberg page or screen, on any successor or substitute page or screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time, in each case as selected by the Administrative Agent)) for a period equal to three-months; provided that, to the extent that the Eurodollar Rate is not ascertainable pursuant to the foregoing, the Reference Rate shall be determined by the Administrative Agent to be the average of the rates per annum at which deposits in Dollars are offered for a three month Interest Period to major banks in the London interbank market in London, England by the Administrative Agent at approximately 11:00 a.m. (London time) on such date for delivery two Business Days later.

"Refinance", "Refinancing" and "Refinanced" shall have the meanings provided in the definition of the term "Permitted Refinancing Indebtedness".

"Refinanced Debt" shall have the meaning provided in the definition of "Credit Agreement Refinancing Indebtedness".

"Refinanced Indebtedness" shall have the meaning provided in the definition of the term "Permitted Refinancing Indebtedness".

"Refunding Capital Stock" shall have the meaning provided in Section 10.6(a).

"Register" shall have the meaning provided in Section 13.6(b)(v).

"Regulation D" shall mean Regulation D of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"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.

"Reinvestment Period" shall mean, with respect to any Asset Sale Prepayment Event or Recovery Prepayment Event, the day which is eighteen months after the receipt of cash proceeds by the Borrower or any Restricted Subsidiary from such Asset Sale Prepayment Event or Recovery Prepayment Event.

"Related Parties" shall mean, with respect to any specified Person, such Person's Affiliates and the directors, officers, employees, agents, advisors, controlling persons and other representatives and successors of such Person or such Person's Affiliates.

"Release" shall mean any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the Environment or within, from or into any building, structure, facility or fixture.

"Repayment Amount" shall mean any Initial Term Loan Repayment Amount, an Extended Term Loan Repayment Amount with respect to any Extension Series and the amount of any installment of Incremental Term Loans scheduled to be repaid on any date.

"Reportable Event" shall mean an event described in Section 4043(c) of ERISA and the regulations thereunder, other than those events as to which the 30 day notice period referred to in Section 4043 of ERISA has been waived, 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) and (o) of Section 414 of the Code).

"Repricing Transaction" shall mean (a) the Incurrence by the Borrower of any term loans (including, without limitation, any new or additional term loans under this Agreement, whether Incurred directly or by way of the conversion of Initial Term Loans into a new Class of replacement term loans under this Agreement) that is broadly syndicated to banks, financial institutions and/or other institutional lenders or investors in financings similar to the Initial Term Loan Facility provided for in this Agreement (i) having an Effective Yield that is less than the Effective Yield for the Initial Term Loans of the respective equivalent Type, but excluding Indebtedness Incurred in connection with an IPO, Change of Control (other than a Permitted Change of Control) (or a transaction that, if consummated, would constitute a Change of Control (other than a Permitted Change of Control)), or a material Permitted Acquisition and (ii) the proceeds of which are used to prepay (or, in the case of a conversion, deemed to prepay or replace), in whole or in part, outstanding principal of Initial Term Loans or (b) any effective reduction in the Effective Yield for the Initial Term Loans (e.g., by way of amendment, waiver or otherwise), except for a reduction in connection with an IPO, Change of Control (other than a Permitted Change of Control) (or a transaction that, if consummated, would constitute a Change of Control (other than a Permitted Change of Control)) or a material Permitted Acquisition and, in the case of any transaction under either clause (a) or clause (b) above, the primary purpose of which is to lower the Effective Yield on the Initial Term Loans. Any determination by the Administrative Agent with respect to whether a Repricing Transaction shall have occurred shall be conclusive and binding on all Lenders holding the Initial Term Loans.

"Required Lenders" shall mean, at any date and subject to the limitations set forth in Section 13.6(h), Non-Defaulting Lenders having or holding greater than 50.0% of the sum of (a) the outstanding principal amount of the Term Loans in the aggregate at such date, (b)(i) the Adjusted Total Revolving Credit Commitment at such date and the Adjusted Total Extended Revolving Credit Commitment of all Classes at such date or (ii) if the Total Revolving Credit Commitment (or any Total Extended Revolving Credit Commitment of any Class) has been terminated or, for the purposes of acceleration pursuant to Section 11, the outstanding principal amount of the Revolving Credit Loans and Letter of Credit Exposure (excluding the Revolving Credit Exposure of Defaulting Lenders) in the aggregate at such date and/or the outstanding principal amount of the Extended Revolving Credit Loans and letter of credit exposure under such Extended Revolving Credit Commitments (excluding any such Extended Revolving Credit Loans and letter of credit exposure of Defaulting Lenders) at such date, (c)(i) the Adjusted Total Additional/Replacement Revolving Credit Commitment of each Class of Additional/Replacement Revolving Credit Commitments at such date or (ii) if the Adjusted Total Additional/Replacement Revolving Credit Commitment of any Class of Additional/Replacement Revolving Credit Commitments has been terminated or for purposes of acceleration pursuant to Section 11, the outstanding principal amount of the Additional/Replacement Revolving Credit Loans of such Class and the related revolving credit exposure (excluding the revolving credit exposure of Defaulting Lenders) in the aggregate at such date and (d) if applicable, the outstanding principal amount of Incremental Term Loan Commitments in the aggregate at such date.

"Required Reimbursement Date" shall have the meaning provided in Section 3.4(a).

"Required Revolving Credit Lenders" shall mean, at any date, Non-Defaulting Lenders having or holding greater than 50.0% 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 outstanding principal amount of the Revolving Credit Loans and Revolving Credit Exposure (excluding the Revolving Credit Exposure of Defaulting Lenders) at such time).

"Restoration Certification" shall mean, with respect to any Recovery Prepayment Event, a certification made by an Authorized Officer of the Borrower or a Restricted Subsidiary, as applicable, to the Administrative Agent prior to the end of the Reinvestment Period certifying (a) that the Borrower or such Restricted Subsidiary intends to use the proceeds received in connection with such Recovery Prepayment Event to repair, restore or replace the property or assets in respect of which such Recovery Prepayment Event occurred, or otherwise invest in assets useful to the business, (b) the approximate costs of completion of such repair, restoration or replacement and (c) that such repair, restoration, reinvestment, or replacement will be completed within the later of (x) eighteen months after the date on which cash proceeds with respect to such Recovery Prepayment Event were received and (y) 180 days after delivery of such Restoration Certification.

"Restricted Investments" shall mean any Investment other than a Permitted Investment.

"Restricted Payment Amount" shall mean, at any time, the greater of (x) $50,000,000 and (y) 31.25% of Consolidated EBITDA of the Borrower for the Test Period most recently ended (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date, minus the sum of (a) the amount utilized by the Borrower or any Restricted Subsidiary to make Restricted Payments in reliance on Section 10.6(f)(iv), (b) the amount utilized by the Borrower or any Restricted Subsidiary to make Investments in reliance on Section 10.5(uu), (c) the amount utilized by the Borrower or any Restricted Subsidiary to incur Indebtedness in reliance on Section 10.1(w) utilizing the Available RP Capacity Amount and (d) the amount utilized by the Borrower or any Restricted Subsidiary to prepay, repurchase, redeem or otherwise defease or make similar payments in respect of Junior Debt prior to its stated maturity made by the Borrower or any Restricted Subsidiary in reliance on Section 10.7(a)(iii)(D).

"Restricted Payments" shall have the meaning provided in Section 10.6.

"Restricted Subsidiary" shall mean any Subsidiary of the Borrower other than an Unrestricted Subsidiary. Unless otherwise expressly provided herein, all references herein to a "Restricted Subsidiary" shall mean a Restricted Subsidiary of the Borrower.

"Retained Asset Sale Proceeds" shall mean that portion of the Net Cash Proceeds of an Asset Sale Prepayment Event or Recovery Prepayment Event not required to be offered to prepay Term Loans pursuant to Section 5.2(a)(i) due to the Disposition Percentage being less than 100.0%.

"Retained Refused Proceeds" shall have the meaning provided in Section 5.2(c)(ii).

"Return" shall mean, with respect to any Investment, any dividend, distribution, interest, fee, premium, return of capital, repayment of principal, income, profit (from a Disposition or otherwise) and any other similar amount received or realized in respect thereof.

"Revolving Credit Borrowing" shall mean a borrowing consisting of Revolving Credit Loans of the same Type and Class and, in the case of Eurodollar Loans, having the same Interest Period made by each of the Revolving Credit Lenders under such Class pursuant to Section 2.1(b).

"Revolving Credit Commitment" shall mean, (a) with respect to each Lender that is a Lender on the Closing Date, the amount set forth opposite such Lender's name on Schedule 1.1(a) as such Lender's "Revolving Credit Commitment", (b) in the case of any Lender that becomes a Lender after the Closing

Date, the amount specified as such Lender's "Revolving Credit Commitment" in the Assignment and Acceptance pursuant to which such Lender assumed a portion of the Total Revolving Credit Commitment and (c) in the case of any Lender that increases its Revolving Credit Commitment or becomes an Incremental Revolving Credit Commitment Increase Lender in respect of the Revolving Credit Facility, in each case pursuant to Section 2.14, the amount specified in the applicable Incremental Agreement, in each case as the same may be changed from time to time pursuant to terms hereof. The aggregate amount of Revolving Credit Commitments as of the Closing Date is $100,000,000.

"Revolving Credit Commitment Percentage" shall mean, at any time, for each Lender, the percentage obtained by dividing (a) such Lender's Revolving Credit Commitment by (b) the aggregate amount of the Revolving Credit Commitments of all Revolving Credit Lenders; provided that, at any time when the Total Revolving Credit Commitment shall have been terminated, each Lender's Revolving Credit Commitment Percentage shall be its Revolving Credit Commitment Percentage as in effect immediately prior to such termination.

"Revolving Credit Exposure" shall mean, with respect to any Lender at any time, the sum of (a) the aggregate principal amount of the Revolving Credit Loans of such Lender then outstanding, (b) such Lender's Letter of Credit Exposure at such time and (c) such Lender's Swingline Exposure at such time.

"Revolving Credit Extension Request" shall have the meaning provided in Section 2.15(b).

"Revolving Credit Facility" shall have the meaning provided in the recitals to this Agreement.

"Revolving Credit Lender" shall mean, at any time, any Lender that has a Revolving Credit Commitment at such time.

"Revolving Credit Loan" shall have the meaning provided in Section 2.1(b)(i).

"Revolving Credit Maturity Date" shall mean the fifth anniversary of the Closing Date, or, if such anniversary is not a Business Day, the Business Day immediately following such anniversary.

"Revolving Credit Note" shall mean a promissory note of the Borrower payable to any Revolving Credit Lender or its registered assigns, in substantially the form of Exhibit F-1 hereto, evidencing the aggregate Indebtedness of the Borrower to such Revolving Credit Lender resulting from the Revolving Credit Loans made by such Revolving Credit Lender.

"Revolving Credit Termination Date" shall mean the date on which the Revolving Credit Commitments shall have terminated, no Revolving Credit Loans shall be outstanding and the Letter of Credit Obligations shall have been reduced to zero or Cash Collateralized.

"S&P" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"Sale Leaseback" shall mean any transaction or series of related transactions pursuant to which the Borrower or any of the Restricted Subsidiaries (a) sells, transfers or otherwise disposes of any property, real or personal, whether now owned or hereafter acquired, and (b) as part of such transaction, thereafter rents or leases such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold, transferred or Disposed of.

"Sanctions" shall mean any U.S. sanctions administered by OFAC.

"SEC" shall mean the Securities and Exchange Commission or any successor thereto.

"Second Lien Credit Agreement" shall mean the Second Lien Credit Agreement, dated as of the Closing Date, among Holdings, the Borrower, the lenders from time to time party thereto and Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent.

"Second Lien Credit Documents" shall mean the Second Lien Credit Agreement, the First Lien/Second Lien Intercreditor Agreement and other Credit Documents (as defined in the Second Lien Credit Agreement).

"Second Lien Incremental Base Amount" shall mean the amount of Second Lien Incremental Facilities that may be Incurred pursuant to the definition of "Incremental Base Amount" as defined in the Second Lien Credit Agreement.

"Second Lien Incremental Facilities" shall mean "Incremental Facilities" as defined in the Second Lien Credit Agreement.

"Second Lien Initial Term Loans" shall have the meaning provided in the recitals to this Agreement.

"Second Lien Term Loans" shall mean "Term Loans" as defined in the Second Lien Credit Agreement.

"Section 9.1 Financials" shall mean the financial statements delivered, or required to be delivered, pursuant to Section 9.1(a) or 9.1(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, at the Borrower's written election to the Administrative Agent, any agreement relating to Cash Management Services that is entered into by and between Holdings, the Borrower or any Restricted Subsidiary and a Cash Management Bank.

"Secured Hedging Agreement" shall mean, at the Borrower's written election to the Administrative Agent, any Hedging Agreement that is entered into by and between Holdings, the Borrower or any Restricted Subsidiary and any Hedge Bank. For purposes of the preceding sentence, the Borrower may deliver one notice designating all Hedging Agreements entered into pursuant to a specified Master Agreement as "Specified Hedging Agreements".

"Secured Parties" shall mean, collectively, (a) the Lenders, (b) the Letter of Credit Issuers, (c) the Swingline Lender, (d) the Administrative Agent, (e) the Collateral Agent, (f) each Hedge Bank, (g) each Cash Management Bank, (h) the beneficiaries of each indemnification obligation undertaken by any Credit Party under the Credit Documents and (i) any successors, endorsees, permitted transferees and permitted assigns of each of the foregoing.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Securitization Repurchase Obligation" shall mean any obligation of a seller (or any guaranty of such obligation) of assets subject to a Receivables Facility in a Qualified Receivables Facility to repurchase such assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including, without limitation, as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, offset or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"Security Agreement" shall mean the First Lien Security Agreement, dated as of the Closing Date, among Holdings, the Borrower, the Domestic Subsidiary grantors party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit B.

"Security Documents" shall mean, collectively the Security Agreement, the Pledge Agreement, the Mortgages, if any, and each other security agreement or other instrument or document executed and delivered pursuant to Section 6.2, 9.10, 9.11 or 9.14, the First Lien/Second Lien Intercreditor Agreement and any other Customary Intercreditor Agreement executed and delivered pursuant to Section 10.2 or pursuant to any of the Security Documents.

"Similar Business" shall mean any business conducted or proposed to be conducted by the Borrower and the Restricted Subsidiaries on the Closing Date or any business that is similar, reasonably related, incidental or ancillary thereto.

"Software" shall have the meaning provided in the Security Agreement.

"Sold Entity or Business" shall have the meaning provided in the definition of the term "Consolidated EBITDA".

"Solvent" shall mean, at the time of determination:

(a) each of the Fair Value and the Present Fair Saleable Value of the assets of a Person and its Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; and

(b) such Person and its Subsidiaries taken as a whole do not have Unreasonably Small Capital; and

(c) such Person and its Subsidiaries taken as a whole can pay their Stated Liabilities and Identified Contingent Liabilities as they mature.

Defined terms used in the foregoing definition shall have the meanings set forth in the solvency certificate delivered on the Closing Date pursuant to Section 6.8.

"Special Purpose Subsidiary" shall mean any (a) not-for-profit Subsidiary, (b) captive insurance company or (c) Receivables Subsidiary and any other Subsidiary formed for a specific bona fide purpose not including substantive business operations and that does not own any material assets, in each case, that has been designated as a "Special Purpose Subsidiary" by the Borrower.

"Specified Debt Incurrence Prepayment Event" shall have the meaning provided in Section 5.2(a)(i).

"Specified Existing Revolving Credit Commitment" shall mean any Existing Revolving Credit Commitments belonging to a Specified Existing Revolving Credit Commitment Class.

"Specified Existing Revolving Credit Commitment Class" shall have the meaning provided in Section 2.15(b).

"Specified Restructuring" shall mean any restructuring initiative, cost saving initiative or other similar strategic initiative of the Borrower or any of its Restricted Subsidiaries after the Closing Date described in reasonable detail in a certificate of an Authorized Officer delivered by the Borrower to the Administrative Agent.

"Specified Subsidiary" shall mean, at any date of determination, (a) any Restricted Subsidiary whose total assets (when combined with the assets of such Restricted Subsidiary's Subsidiaries after eliminating intercompany obligations) at the last day of the Test Period most recently ended on or prior to such date of determination were equal to or greater than 15% of the Consolidated Total Assets of the Borrower and the Restricted Subsidiaries at such date, (b) any Restricted Subsidiary whose gross revenues (when combined with the gross revenues of such Restricted Subsidiary's Subsidiaries after eliminating intercompany obligations) for such Test Period were equal to or greater than 15% of the consolidated gross revenues of the Borrower and the Restricted Subsidiaries for such Test Period, in each case determined in accordance with GAAP or (c) each other Restricted Subsidiary that, when such Restricted Subsidiary's total assets or gross revenues (when combined with the total assets or gross revenues of such Restricted Subsidiary's Subsidiaries after eliminating intercompany obligations) are aggregated with each other Restricted Subsidiary (when combined with the total assets or gross revenues of such Restricted Subsidiary's Subsidiaries after eliminating intercompany obligations) that is the subject of an Event of Default described in Section 11.5 would constitute a "Specified Subsidiary" under clause (a) or (b) above.

"Specified Transaction" shall mean, with respect to any period, any Investment (including Acquisitions) Permitted Change of Control, sale, transfer or other Disposition of assets or property, Incurrence, Refinancing, prepayment, redemption, repurchase, defeasance, acquisition, similar payment, extinguishment, retirement or repayment of Indebtedness, Restricted Payment, Subsidiary designation, provision of Incremental Term Loans (whether under, or as defined in, this Agreement or under the Second Lien Credit Agreement), provision of Incremental Revolving Credit Commitment Increases, provision of Additional/Replacement Revolving Credit Commitments, creation of Extended Term Loans or Extended Revolving Credit Commitments or other event that by the terms of the Credit Documents 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, collectively, Hellman & Friedman LLC and/or its respective Affiliates and any funds, partnerships or other co-investment vehicles managed, advised or controlled by the foregoing or its respective Affiliates (but excluding any operating portfolio companies of Hellman & Friedman LLC or any such Affiliate), and any New Sponsor and, if applicable, its respective Affiliates and any funds, partnerships or other co-investment vehicles managed, advised or controlled by the foregoing or its respective Affiliates.

"SPV" shall have the meaning provided in Section 13.6(c).

"Standard Securitization Undertakings" shall mean representations, warranties, covenants and indemnities entered into by the Borrower or any Subsidiary of the Borrower which the Borrower has determined in good faith to be customary in a Receivables Facility, including, without limitation, those relating to the servicing of the assets of a Receivables Subsidiary, it being understood that any Securitization Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

"Stated Amount" of any Letter of Credit shall mean, unless otherwise specified herein, the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving pro forma effect to all such increases, whether or not such maximum stated amount is in effect at such time.

"Statutory Reserves" shall have the meaning provided in the definition of the term "Eurodollar Rate".

"Subordinated Indebtedness" shall mean any third-party Indebtedness for borrowed money owing by any Loan Party (and any Guarantee Obligations in respect thereof) that is subordinated expressly by its terms in right of payment to the Obligations.

"Subsidiary" of any Person shall mean and include (a) any corporation more than 50.0% of whose equity 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 equity 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 and (b) any limited liability company, partnership, association, Joint Venture or other entity in which such Person directly or indirectly through Subsidiaries has more than a 50.0% equity interest at the time. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Borrower.

"Subsidiary Guarantor" shall mean each Guarantor that is a Subsidiary of the Borrower.

"Successor Benchmark Rate" shall have the meaning provided in Section 2.10(d).

"Successor Borrower" shall have the meaning provided in Section 10.3(a).

"Successor Holdings" shall have the meaning provided in Section 10.9(b).

"Swap" shall mean any agreement, contract, or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swap Obligation" shall mean any obligation to pay or perform under any Swap.

"Swap Termination Value" shall mean, in respect of any one or more Hedging Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedging Agreements, (a) for any date on or after the date such Hedging Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedging Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedging Agreements (which may include a Lender or any Affiliate of a Lender).

"Swingline Commitment" shall mean $20,000,000.

"Swingline Exposure" shall mean, with respect to any Lender, at any time, such Lender's Revolving Credit Commitment Percentage of the Swingline Loans outstanding at such time.

"Swingline Lender" shall mean Morgan Stanley Senior Funding, Inc. in its capacity as lender of Swingline Loans hereunder, or such other financial institution that, after the Closing Date, shall agree to act in the capacity of lender of Swingline Loans hereunder. In the event that there is more than one Swingline Lender at any time, references herein and in the other Credit Documents to the Swingline Lender shall be deemed to refer to the Swingline Lender in respect of the applicable Swingline Loan or to all Swingline Lenders, as the context requires.

"Swingline Loan" shall have the meaning provided in Section 2.1(d)(i).

"Swingline Maturity Date" shall mean, with respect to any Swingline Loan, the date that is three Business Days prior to the Revolving Credit Maturity Date.

"Tax Restructuring" means any reorganizations and other transactions entered into among Holdings (or any Parent Entity thereof), the Borrower and/or its Restricted Subsidiaries for tax planning (as determined by the Borrower in good faith) entered into after the Closing Date so long as such reorganizations and other transactions do not impair the value of the Collateral, when taken as a whole, or the value of the Guarantees, taken as a whole, in any material respect and is otherwise not adverse to the Lenders in any material respect and after giving effect to such reorganizations and other transactions, Holdings, the Borrower and its Restricted Subsidiaries otherwise comply with Section 9.14.

"Taxes" shall have the meaning provided in Section 5.4(a).

"Term Loan" shall mean an Initial Term Loan, an Incremental Term Loan or any Extended Term Loan, as applicable.

"Term Loan Exchange Effective Date" shall have the meaning provided in Section 2.17(a).

"Term Loan Exchange Notes" shall have the meaning provided in Section 2.17(a).

"Term Loan Extension Request" shall have the meaning provided in Section 2.15(a)(i).

"Term Loan Facility" shall mean any of the Initial Term Loan Facility, any Incremental Term Loan Facility and any Extended Term Loan Facility.

"Term Note" shall mean a promissory note of the Borrower payable to any Initial Term Loan Lender or its registered assigns, in substantially the form of Exhibit F-2 hereto, evidencing the aggregate Indebtedness of the Borrower to such Initial Term Loan Lender resulting from the Initial Term Loans made by such Initial Term Loan Lender.

"Test Period" shall mean, (a) for any determination under this Agreement other than with respect to any determination of the Financial Performance Covenant, any determination of the Applicable Margin or the Commitment Fee Rate or any determination pursuant to Sections 5.2(a)(i) and (ii), the most recent period of four consecutive fiscal quarters of the Borrower ended on or prior to such date of determination (taken as one accounting period) in respect of which Internal Financial Statements are available for each fiscal quarter or fiscal year in such period and (b) for any determination of the Financial Performance Covenant, any determination of the Applicable Margin and the Commitment Fee Rate and or any determination pursuant to Sections 5.2(a)(i) and (ii), the most recent period of four consecutive quarters of the Borrower ended on or prior to such date of determination (taken as one accounting period) in respect of which Section 9.1 Financials shall have been delivered to the Administrative Agent for each fiscal quarter or fiscal year in such period; provided that, prior to the first date that Internal Financial Statements or Section 9.1 Financials are available or shall have been delivered pursuant to Section 9.1(a) or (b), the Test Period in effect shall be the period of four consecutive fiscal quarters of the Borrower ended June 30, 2018. A Test Period may be designated by reference to the last day thereof (i.e. the June 30, 2018 Test Period refers to the period of four consecutive fiscal quarters of the Borrower ended June 30, 2018), and a Test Period shall be deemed to end on the last day thereof.

"Total Additional/Replacement Revolving Credit Commitment" shall mean the sum of Additional/Replacement Revolving Credit Commitments of all the Lenders providing any Class of Additional/Replacement Revolving Credit Commitments.

"Total Commitment" shall mean the sum of the Total Initial Term Loan Commitment, the Total Incremental Term Loan Commitment, the Total Revolving Credit Commitment, the Total Additional/Replacement Revolving Credit Commitment and the Total Extended Revolving Credit Commitment of each Extension Series.

"Total Credit Exposure" shall mean, at any date, the sum, without duplication, of 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 Revolving Credit Lenders at such date), the Total Additional/Replacement Revolving Credit Commitment at such date (or, if the Total Additional/Replacement Revolving Credit Commitment shall have been terminated on such date, the aggregate exposure of all Additional/Replacement Revolving Credit Lenders at such date), the Total Extended Revolving Credit Commitment of each Extension Series at such date (or if the Total Extended Revolving Credit Commitment of any Extension Series shall have been terminated on such date, the aggregate exposures of all lenders under such series at such date) and the outstanding principal amount of all Term Loans at such date.

"Total Extended Revolving Credit Commitment" shall mean the sum of all Extended Revolving Credit Commitments of all Lenders under each Extension Series.

"Total Incremental Term Loan Commitment" shall mean the sum of the Incremental Term Loan Commitments of any Class of Incremental Term Loans of all the Lenders providing such Class of Incremental Term Loans.

"Total Initial Term Loan Commitment" shall mean the sum of the Initial Term Loan Commitments of all the Lenders.

"Total Revolving Credit Commitment" shall mean, on any date, the sum of the Revolving Credit Commitments on such date of all the Revolving Credit Lenders.

"Transaction Expenses" shall mean any fees or expenses incurred or paid by the Sponsor, Permitted Holders, Holdings (or Parent Entity thereof), the Borrower, any of their Subsidiaries or any of their Affiliates in connection with the Transactions, this Agreement and the other Credit Documents and the transactions contemplated hereby and thereby.

"Transactions" shall mean, collectively, (a) the entering into of the Agreement, the other Credit Documents, the Second Lien Credit Agreement and the other Second Lien Credit Documents and funding of the Loans and the Second Lien Initial Term Loans, (b) the Existing Debt Refinancing, (c) the declaration and payment of the 2018 Dividend, (d) the payment of the Transaction Expenses and (e) the consummation of any other transactions in connection with the foregoing (including all or any of those contemplated by the recitals to this Agreement).

"Transferee" shall have the meaning provided in Section 13.6(f).

"Treasury Capital Stock" shall have the meaning provided in Section 10.6(a).

"Type" shall mean as to any Loan, its nature as an ABR Loan or a Eurodollar Loan.

"UCC" shall mean the Uniform Commercial Code as in effect from time to time (except as otherwise specified) in any applicable state or jurisdiction.

"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).

"Unfunded Current Liability" of any Pension Plan shall mean the amount, if any, by which the present value of the accrued benefits under the Pension Plan exceeds the Fair Market Value of the assets allocable thereto as of the close of its most recent plan year, determined in both cases using the applicable assumptions promulgated under Section 430 of the Code.

"United States Tax Compliance Certificate" shall have the meaning provided in Section 5.4(d)(i).

"Unpaid Drawing" shall have the meaning provided in Section 3.4(a).

"Unrestricted Subsidiary" shall mean (a) any Subsidiary of the Borrower that is formed or acquired after the Closing Date and is designated as an Unrestricted Subsidiary by the Borrower pursuant to Section 9.15 subsequent to the Closing Date, (b) any existing Restricted Subsidiary of the Borrower that is designated as an Unrestricted Subsidiary by the Borrower pursuant to Section 9.15 subsequent to the Closing Date and (c) any Subsidiary of an Unrestricted Subsidiary.

"Voting Stock" shall mean, with respect to any Person, shares of such Person's Capital Stock that is at the time generally entitled, without regard to contingencies, to vote in the election of the Board of Directors of such Person. To the extent that a partnership agreement, limited liability company agreement or other agreement governing a partnership or limited liability company provides that the members of the Board of Directors of such partnership or limited liability company (or, in the case of a limited partnership whose business and affairs are managed or controlled by its general partner, the Board of Directors of the general partner of such limited partnership) is appointed or designated by one or more Persons rather than by a vote of Voting Stock, each of the Persons who are entitled to appoint or designate the members of such Board of Directors will be deemed to own a percentage of Voting Stock of such partnership or limited liability company equal to (a) the aggregate votes entitled to be cast on such Board of Directors by the members of such Board of Directors which such Person or Persons are entitled to appoint or designate divided by (b) the aggregate number of votes of all members of such Board of Directors.

"Weighted Average Life to Maturity" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Indebtedness.

"Wholly-Owned Subsidiary" shall mean a Subsidiary of a Person, all of the outstanding Capital Stock of which (other than (x) any director's qualifying shares and (y) shares issued to other Persons to the extent required by Applicable Law) are owned by such Person and/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 withholding agent, if applicable.

"Write-Down and Conversion Power" shall mean, 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.

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) The term "including" is by way of example and not limitation.

(d) Section, Exhibit and Schedule references are to the Credit Document in which such reference appears.

(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) Any reference to any Person shall be constructed to include such Person's successors or assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all of the functions thereof.

(i) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(j) The word "will" shall be construed to have the same meaning as the word "shall."

(k) 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.

1.3 Accounting Terms.

(a) 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 manner consistent with that used in preparing, prior to the Closing Date, the Historical Financial Statements and, after the Closing Date, the Section 9.1 Financials, except as otherwise specifically prescribed herein; provided, however, that (i) if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any Accounting Change occurring after the Closing Date on the operation of such provision, regardless of whether any such notice is given before or after such Accounting Change, then such provision shall be interpreted as if such Accounting Change had not occurred until such notice shall have been withdrawn or such provision amended in accordance herewith and (ii) if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof to eliminate the effect of any Accounting Change occurring after the Closing Date on the operation of such provision, regardless of whether any such notice is given before or after such Accounting Change, then such provision shall be interpreted as if such Accounting Change had not occurred until such notice shall have been withdrawn or such provision amended in accordance herewith, but only to the extent that, without undue burden or expense, the Borrower, its auditors and/or its financial systems are capable of interpreting such provisions as if such Accounting Change had not occurred.

(b) Where reference is made to "the Borrower and its Restricted Subsidiaries, on a consolidated basis" or similar language, such consolidation shall not include any Subsidiaries of the Borrower other than Restricted Subsidiaries.

(c) Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under the Financial Accounting Standards Board's Accounting Standards Codification No. 825—Financial Instruments, or any successor thereto (including pursuant to the Accounting Standards Codification), to value any Indebtedness of Holdings, the Borrower or any Subsidiary at "fair value" as defined therein.

(d) 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 Net Income of such Person or business shall not be excluded from the calculation of Net Income until such Disposition shall have been consummated.

1.4 Rounding. Any financial ratios required to be maintained or complied with by the Borrower 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 (with a rounding-up if there is no 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 Obligations shall be deemed to include all subsequent amendments, restatements, amendment and restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, amendment and restatements, extensions, supplements and other modifications are permitted by this Agreement; and (b) references to any Applicable Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Applicable Law.

1.6 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable), for times of the day in New York City, New York.

1.7 Timing of Payment or Performance. Except as otherwise provided herein, when the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as described in Section 2.5 or Section 2.9) or performance shall extend to the immediately succeeding Business Day.

1.8 Currency Equivalents Generally.

(a) For purposes of any determination under Section 9, Section 10 (other than for purposes of calculating the Consolidated First Lien Debt to Consolidated EBITDA Ratio, the Consolidated Secured Debt to Consolidated EBITDA Ratio, the Consolidated Total Debt to Consolidated EBITDA Ratio or the Consolidated EBITDA to Consolidated Interest Expense Ratio) or Section 11 or any determination under any other provision of this Agreement requiring the use of a current exchange rate, all amounts Incurred or proposed to be Incurred in currencies other than Dollars shall be translated into Dollars at the Exchange Rate then in effect on the date of such determination; provided, however, that (x) for purposes of determining compliance with Section 10 with respect to the amount of any Indebtedness, Investment, Disposition, Restricted Payment or payment under Section 10.7 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 or Investment is Incurred or Disposition, Restricted Payment or payment under Section 10.7 is made, (y) for purposes of determining compliance with any Dollar-denominated restriction on the Incurrence of Indebtedness, if such Indebtedness is Incurred to Refinance other Indebtedness denominated in a foreign 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 (or accreted amount) of the Indebtedness that is Incurred to Refinance such Indebtedness does not exceed the principal amount (or accreted amount) of such Indebtedness being Refinanced, except by an amount equal to the accrued interest, dividends and premium (including tender premiums), if any, thereon plus defeasance costs, underwriting discounts and other amounts paid and fees and expenses (including OID, closing payments, upfront fees and similar fees) incurred in connection with such Refinancing plus an amount equal to any existing commitment unutilized and letters of credit undrawn thereunder and (z) for the avoidance of doubt, the foregoing provisions of this Section 1.8 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness or Investment may be Incurred or Disposition, Restricted Payment or payment under Section 10.7 may be made at any time under such Sections. For purposes of calculating the Consolidated First Lien Debt to Consolidated EBITDA Ratio, the Consolidated Secured Debt to Consolidated EBITDA Ratio, the Consolidated Total Debt to Consolidated EBITDA Ratio and the Consolidated EBITDA to Consolidated Interest Expense Ratio, amounts in currencies other than Dollars shall be translated into Dollars at the applicable exchange rates used in preparing the most recently delivered financial statements pursuant to Section 9.1(a) or Section 9.1(b) or, prior to the Closing Date, the Historical Financial Statements.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify with the Borrower’s consent (such consent not to be unreasonably withheld) to appropriately reflect a change in currency of any country and any relevant market conventions or practices relating to such change in currency.

1.9 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a "Revolving Credit Loan") or by Type (e.g., a "Eurodollar Loan") or by Class and Type (e.g., a "Eurodollar Revolving Credit Loan"). Borrowings also may be classified and referred to by Class (e.g., a "Revolving Credit Borrowing") or by Type (e.g., a "Eurodollar Borrowing") or by Class and Type (e.g., a "Eurodollar Revolving Credit Borrowing").

1.10 Limited Condition Transactions.

(a) In connection with any action being taken in connection with a Limited Condition Transaction, for purposes of determining compliance with any provision of this Agreement that requires that no Default, Event of Default or specified Event of Default, as applicable, has occurred, is continuing or would result from any such action, as applicable, such condition shall, at the option of the Borrower, be deemed satisfied, so long as no Default, Event of Default or specified Event of Default, as applicable, exists on the LCT Test Date (as defined below) for such Limited Condition Transaction are entered. For the avoidance of doubt, if the Borrower has exercised its option under the first sentence of this clause (a), and any Default, Event of Default or specified Event of Default occurs following the LCT Test Date for the applicable Limited Condition Transaction and prior to or on the date of the consummation of such Limited Condition Transaction, any such Default, Event of Default or specified Event of Default shall be deemed to not have occurred or be continuing for purposes of determining whether any action being taken in connection with such Limited Condition Transaction is permitted hereunder.

(b) In connection with any action being taken in connection with a Limited Condition Transaction, for purposes of:

(i) determining compliance with any provision of this Agreement which requires the calculation of the Consolidated First Lien Debt to Consolidated EBITDA Ratio, the Consolidated Secured Debt to Consolidated EBITDA Ratio, the Consolidated Total Debt to Consolidated EBITDA Ratio or the Consolidated EBITDA to Consolidated Interest Expense Ratio or any other ratio test; or

(ii) testing baskets or any other calculations (including any minimum equity calculation) set forth in this Agreement (including baskets or any other calculations measured as a percentage of Consolidated Total Assets or Consolidated EBITDA);

in each case, at the option of the Borrower (the Borrower's election to exercise such option in connection with any Limited Condition Transaction, an "LCT Election"), the date of determination of whether any such action is permitted hereunder shall be deemed to be (x) the date on which the definitive acquisition agreements for such Limited Condition Transaction (including any Permitted Change of Control) are entered into, (y) the date of any prepayment, redemption, repurchase, defeasance, acquisition or other payment or (z) in respect of sales in connection with an acquisition to which the United Kingdom City Code on Takeovers and Mergers applies (or similar law or practice in other jurisdictions), the date on which a "Rule 2.7 announcement" of a firm intends to make an offer or similar announcement or determination in another jurisdiction subject to laws similar to the United Kingdom City Code on Takeovers and Mergers in respect of a target of a Limited Condition Transaction (the "LCT Test Date"), and if, after giving pro forma effect to the Limited Condition Transaction and the other transactions to be entered into in connection therewith (including any Incurrence of Indebtedness and the use of proceeds thereof) as if they had occurred at the beginning of the Test Period most recently ended on or prior to the applicable LCT Test Date, the Borrower could have taken such action on the relevant LCT Test Date in compliance with such ratio, calculation or basket, such ratio, calculation or basket shall be deemed to have been complied with. For the avoidance of doubt, if the Borrower has made an LCT Election and any of the ratios, calculations or baskets for which compliance was determined or tested as of the LCT Test

Date are exceeded as a result of fluctuations in any such ratio, calculation or basket, including due to fluctuations in Consolidated EBITDA, Consolidated Total Assets or the valuation of any rollover or existing equity in connection with any minimum equity calculation of the Borrower or the Person subject to such Limited Condition Transaction, on or prior to the date of consummation of the relevant transaction or action, such baskets, calculations or ratios will not be deemed to have been exceeded as a result of such fluctuations. If the Borrower has made an LCT Election for any Limited Condition Transaction, then in connection with any subsequent calculation of any ratio, calculation or test with respect to the Incurrence of Indebtedness or Liens, or the making of distributions or Restricted Payments, Investments, payments pursuant to Section 10.7, Dispositions, mergers, Dispositions of all or substantially all of the assets of the Borrower or the designation of an Unrestricted Subsidiary on or following the relevant LCT Test Date and prior to the earlier of the date on which such Limited Condition Transaction is consummated or the definitive agreement for such Limited Condition Transaction is terminated or expires without consummation of such Limited Condition Transaction, any such ratio, calculation or test shall be calculated on a pro forma basis assuming such Limited Condition Transaction and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have been consummated.

1.11 Pro Forma and Other Calculations.

(a) Notwithstanding anything to the contrary herein, financial ratios, calculations and tests (including measurements of baskets and other calculations calculated on the basis of Consolidated Total Assets or Consolidated EBITDA), including the Consolidated EBITDA to Consolidated Interest Expense Ratio, Consolidated First Lien Debt to Consolidated EBITDA Ratio, Consolidated Secured Debt to Consolidated EBITDA Ratio and Consolidated Total Debt to Consolidated EBITDA Ratio shall be calculated in the manner prescribed by this Section 1.11; provided that, notwithstanding anything to the contrary in clauses (b), (c), (d) or (e) of this Section 1.11, when calculating the Consolidated First Lien Debt to Consolidated EBITDA Ratio for purposes of (i) the definition of "Applicable Margin" and the "Commitment Fee Rate", (ii) calculating the covenant in Section 10.10 and (iii) Section 5.2(a)(i) and Section 5.2(a)(ii), the events described in this Section 1.11 that occurred subsequent to the end of the applicable Test Period shall not be given pro forma effect; provided, however, that, for purposes of any determination under the proviso to Section 5.2(a)(ii), Consolidated First Lien Debt shall be determined after giving pro forma effect to (A) the aggregate principal amount of (1) Term Loans voluntarily prepaid pursuant to Section 5.1, (2) Second Lien Term Loans voluntarily prepaid pursuant to Section 5.1 of the Second Lien Credit Agreement (or, in accordance with the corresponding provisions of the documentation governing any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) and (3) secured Permitted Additional Debt and secured Credit Agreement Refinancing Indebtedness voluntarily prepaid, repurchased, defeased, acquired or redeemed, (B) the aggregate amount of cash consideration paid by any Purchasing Borrower Party (as defined in this Agreement or in the Second Lien Credit Agreement, as applicable) to effect any assignment to it of (1) Term Loans pursuant to Section 13.6(g) or (2) Second Lien Term Loans pursuant to Section 13.6(g) of the Second Lien Credit Agreement (or, in accordance with the corresponding provisions of the documentation governing any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof), but only to the extent that such Term Loans or such Second Lien Term Loans (or such Permitted Refinancing Indebtedness in respect thereof), as applicable, have been cancelled and (C) the aggregate amount of all permanent reductions of Revolving Credit Commitments, Extended Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments pursuant to Section 4.2 (for the avoidance of doubt, excluding any such commitment reductions required by the proviso to Section 2.14(b) or in connection with the Incurrence of any Credit Agreement Refinancing Indebtedness Incurred to Refinance any Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments and/or Extended Revolving Credit Commitments), in each case, after the end of the Borrower's most recently ended full fiscal year and prior to the date of the applicable payment to be made pursuant to such

Section 5.2(a)(ii) assuming such voluntary prepayments had been made on the last day of such fiscal year. In addition, whenever a financial ratio, calculation or test is to be calculated on a pro forma basis or requires pro forma compliance, the reference to "Test Period" for purposes of calculating such financial ratio or test shall be deemed to be a reference to, and shall be based on, the most recently ended Test Period for which Internal Financial Statements are internally available.

(b) For purposes of calculating any financial ratio, calculation (including any minimum equity calculation) or test (including measurements of baskets and other calculations on the basis of Consolidated Total Assets or Consolidated EBITDA), Specified Transactions (with any Incurrence or Refinancing of any Indebtedness in connection therewith to be subject to clause (d) of this Section 1.11) that have been made (i) during the applicable Test Period or (ii) subsequent to such Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made shall be calculated on a pro forma basis assuming that all such Specified Transactions (and any increase or decrease in Consolidated EBITDA and the component financial definitions used therein attributable to any Specified Transaction) had occurred on the first day of the applicable Test Period (or, in the case of Consolidated Total Assets or "unrestricted" cash and cash equivalents, or any new cash equity contribution and/or rollover and/or valuation of existing equity in connection with such Specified Transaction, on the last day of the applicable Test Period). If, since the beginning of any applicable Test Period, any Person that subsequently became a Restricted Subsidiary or was merged, amalgamated or consolidated with or into the Borrower or any Restricted Subsidiary since the beginning of such Test Period shall have made any Specified Transaction that would have required adjustment pursuant to this Section 1.11, then such financial ratio, calculation or test (including measurements of baskets and other calculations on the basis of Consolidated Total Assets and Consolidated EBITDA) shall be calculated to give pro forma effect thereto in accordance with this Section 1.11.

(c) Whenever pro forma effect or a determination of pro forma compliance is to be given to a Specified Transaction or a Specified Restructuring, the pro forma calculations shall be made in good faith by an Authorized Officer of the Borrower and may include, for the avoidance of doubt, the amount of "run rate" cost savings, operating expense reductions and cost synergies and other synergies projected by the Borrower in good faith to result from or relating to any Specified Transaction (including the Transactions) or Specified Restructuring that is being given pro forma effect or for which a determination of pro forma compliance is being made that have been realized or are expected to be realized and for which the actions necessary to realize such cost savings, operating expense reductions, cost synergies or other synergies have been taken, have been committed to be taken, with respect to which substantial steps have been taken or which are expected to be taken (in the good faith determination of the Borrower) (calculated on a pro forma basis as though such cost savings, operating expense reductions, cost synergies and other synergies had been realized on the first day of such period and as if such cost savings, operating expense reductions, cost synergies and other synergies were realized during the entirety of such period and "run rate" means the full recurring benefit for a period that is associated with any action taken, any action committed to be taken, any action with respect to which substantial steps have been taken or any action that is expected to be taken (including any savings expected to result from the elimination of Public Company Costs, if any) net of the amount of actual benefits realized during such period from such actions, and any such adjustments shall be included in the initial pro forma calculations of such financial ratios or tests and during any subsequent Test Period in which the effects thereof are expected to be realized) relating to such Specified Transaction or Specified Transaction, and any such adjustments included in the initial pro forma calculations shall continue to apply to subsequent calculations of such financial ratios or tests, including during any subsequent Test Periods in which the effects thereof are expected to be realizable; provided that (A) such amounts are reasonably identifiable in the good faith judgment of the Borrower, (B) such actions are taken, such actions are committed to be taken, substantial steps with respect to such action have been taken or such actions are expected to be taken no later than eight fiscal quarters after the date of consummation of such Specified Transaction or the date of initiation

of such Specified Restructuring (or, with respect to the Transactions, twelve fiscal quarters) and (C) no amounts shall be added to the extent duplicative of any amounts that are otherwise added back in computing Consolidated EBITDA (or any other components thereof), whether through a pro forma adjustment or otherwise, with respect to such period.

(d) In the event that the Borrower or any Restricted Subsidiary Incurs (including by assumption or guarantee) or Refinances (including by redemption, repurchase, repayment, retirement or extinguishment) any Indebtedness, in each case included in the calculations of any financial ratio or test, (i) during the applicable Test Period or (ii) subsequent to the end of the applicable Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made, then such financial ratio or test shall be calculated giving pro forma effect to such Incurrence or Refinancing of Indebtedness (including pro forma effect to the application of the net proceeds therefrom), in each case to the extent required, as if the same had occurred on the last day of the applicable Test Period (except in the case of the Consolidated EBITDA to Consolidated Interest Expense Ratio (or similar ratio), in which case such Incurrence or Refinancing of Indebtedness will be given effect, as if the same had occurred on the first day of the applicable Test Period); provided that, with respect to any Incurrence of Indebtedness permitted by the provisions of this Agreement in reliance on the pro forma calculation of the Consolidated First Lien Debt to Consolidated EBITDA Ratio, the Consolidated Secured Debt to Consolidated EBITDA Ratio, the Consolidated EBITDA to Consolidated Interest Expense Ratio and/or the Consolidated Total Debt to Consolidated EBITDA Ratio, as applicable, pro forma effect shall not be given to any Indebtedness being Incurred (or expected to be Incurred) substantially simultaneously or contemporaneously with the Incurrence of any such Indebtedness in reliance on any "basket" set forth in this Agreement, including the Incremental Base Amount, any "baskets" measured as a percentage of Consolidated Total Assets or Consolidated EBITDA, any Credit Event under the Revolving Credit Facility or, except to the extent expressly required to be calculated otherwise in Section 2.14 or Section 10.1(u), any Additional/Replacement Revolving Credit Facility.

(e) Whenever pro forma effect is to be given to a pro forma event, the pro forma calculations shall be made in good faith by an Authorized Officer of the Borrower. 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 the event for which the calculation of the Consolidated EBITDA to Consolidated Interest Expense Ratio is made had been the applicable rate for the entire period (taking into account any interest Hedging Agreements applicable to such Indebtedness). To the extent interest expense generated by Hedging Obligations that have been terminated is included in Consolidated Interest Expense prior to the date of the event for which the calculation of the Consolidated EBITDA to Consolidated Interest Expense Ratio is being made, Consolidated Interest Expense shall be adjusted to exclude such expense. Interest on a Financing Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by an Authorized Officer of the Borrower to be the rate of interest implicit in such Financing Lease Obligation in accordance with GAAP. 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 determined to have been based upon the rate actually chosen, or if none, then based upon such optional rate chosen as the Borrower or applicable Restricted Subsidiary may designate. For purposes of making the computations 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 maximum commitments under such revolving credit facility as of the date of the event for which the calculation of the Consolidated EBITDA to Consolidated Interest Expense Ratio is being made, except as set forth in Section 1.11(d).

(f) Any such pro forma calculation may include, without limitation, (1) all adjustments of the type described in clause (a)(viii) of the definition of "Consolidated EBITDA" to the extent such adjustments, without duplication, continue to be applicable to such Test Period, and (2) adjustments calculated in accordance with Regulation S-X under the Securities Act.

(g) In connection with any incurrence of Indebtedness to be consummated in connection with any Permitted Change of Control, subject to the Borrower's corporate credit rating being in B3 or better from Moody's and B- or better from S&P (in each case, with a stable outlook), respectively, at the time of the incurrence thereof or as of the LCT Test Date, as applicable, all leverage ratios related thereto shall be deemed to be 0.50 to 1.00 times higher than the otherwise applicable incurrence test ratio set forth in this Agreement.

(h) After an IPO, at the option of the Borrower (the exercising of such option to release Holdings from its obligations under the Credit Documents pursuant to this Section 1.11(h), a "Holdings Termination Event"), but only if, upon giving effect to such IPO and through a series of mergers, consolidations, dissolutions, amalgamations or otherwise, the Borrower would cease to have a direct or indirect Parent Entity that owns all of the Capital Stock of the Borrower, Holdings shall be released from its Guarantee and all of its property (including the Capital Stock of the Borrower) released as Collateral automatically, and Holdings shall be released from all obligations under this Agreement and the other Credit Documents, including with respect to all representations and warranties, covenants, and defaults related to or referencing Holdings. Following any such release, this Agreement and the other Credit Documents shall be deemed to be amended to eliminate or modify all references to Holdings, as applicable.

SECTION 2. Amount and Terms of Credit Facilities.

2.1 Loans.

(a) Subject to and upon the terms and conditions herein set forth, each Lender having an Initial Term Loan Commitment severally agrees to make a loan or loans (each, an "Initial Term Loan") to the Borrower, which Initial Term Loans (i) shall not exceed, for any such Lender, the Initial Term Loan Commitment of such Lender, (ii) shall not exceed, in the aggregate, the Total Initial Term Loan Commitment, (iii) shall be made on the Closing Date and shall be denominated in Dollars, (iv) may, at the option of the Borrower, be Incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; provided that all such Initial Term Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise provided herein, consist entirely of Initial Term Loans of the same Type and (v) may be repaid or prepaid in accordance with the provisions hereof, but once repaid or prepaid may not be reborrowed. On the Initial Term Loan Maturity Date, all outstanding Initial Term Loans shall be repaid in full.

(b) (a) Subject to and upon the terms and conditions herein set forth, each Revolving Credit Lender severally agrees to make a loan or loans (each, a "Revolving Credit Loan") to the Borrower in U.S. Dollars, which Revolving Credit Loans (A) shall not exceed, for any such Lender, the Revolving Credit Commitment of such Lender, (B) shall not, after giving pro forma effect thereto and to the application of the proceeds thereof, result in such Lender's Revolving Credit Exposure at such time exceeding such Lender's Revolving Credit Commitment at such time, (C) shall not, after giving pro forma effect thereto and to the application of the proceeds thereof, at any time result in the aggregate amount of all Lenders' Revolving Credit Exposures exceeding the Total Revolving Credit Commitment then in effect, (D) 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, (E) may at the option of the Borrower be Incurred and maintained as, and/or converted into, ABR Loans or Eurodollar 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 and (F) may be repaid and reborrowed in accordance with the provisions hereof.

(i) On the Revolving Credit Maturity Date, all outstanding Revolving Credit Loans shall be repaid in full and the Revolving Credit Commitments shall terminate.

(c) Each Lender may at its option make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Eurodollar Loan; provided that (i) any exercise of such option shall not affect the obligation of the Borrower to repay such Eurodollar Loan and (ii) in exercising such option, such Lender shall use its reasonable efforts to minimize any increased costs to the Borrower resulting therefrom (which obligation of the Lender shall not require it to take, or refrain from taking, actions that it determines would result in increased costs for which it will not be compensated hereunder or that it determines would be otherwise disadvantageous to it and in the event of such request for costs for which compensation is provided under this Agreement, the provisions of Section 2.10 shall apply).

(d)

(i) 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") to the Borrower in U.S. Dollars, which Swingline Loans (A) shall be ABR Loans, (B) shall have the benefit of the provisions of Section 2.1(d)(ii), (C) shall not exceed at any time outstanding the Swingline Commitment, (D) shall not, after giving pro forma effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of all Lenders' Revolving Credit Exposures exceeding the Total Revolving Credit Commitment then in effect, (E) may be repaid and reborrowed in accordance with the provisions hereof and (F) shall mature no later than the date ten Business Days after such Swingline Loan is made. On the Swingline Maturity Date, all outstanding Swingline Loans shall be repaid in full. The Swingline Lender shall not make any Swingline Loan after receiving a written notice from either the Borrower or the Administrative Agent stating that a Default or an Event of Default exists and is continuing until such time as the Swingline Lender shall have received written notice (x) of rescission of all such notices from the party or parties originally delivering such notice, (y) of the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1 or (z) from the Administrative Agent that such Default or Event of Default is no longer continuing.

(ii) On any Business Day, the Swingline Lender may, in its sole discretion, give notice to the Revolving Credit Lenders, with a copy to the Borrower, 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 (each such Borrowing, a "Mandatory Borrowing") shall be made on the same Business Day by all Revolving Credit Lenders pro rata based on each such 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 Revolving Credit Lender hereby irrevocably agrees to make such Revolving Credit Loans upon same Business Days' 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 any Debtor Relief Law in respect of the Borrower), each Revolving Credit 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 each such Lender 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 the Lender purchasing the same from and after such date of purchase.

(iii) The Borrower may, at any time and from time to time, designate as additional Swingline Lenders one or more applicable Revolving Credit Lenders that agree to serve in such capacity as provided below. The acceptance by a Revolving Credit Lender of an appointment as a Swingline Lender hereunder shall be evidenced by an agreement, which shall be in form and substance reasonably satisfactory to the Administrative Agent and the Borrower, executed by the Borrower, the Administrative Agent and such designated Swingline Lender, and, from and after the effective date of such agreement, (i) such Revolving Credit Lender shall have all the rights and obligations of a Swingline Lender under this Agreement and (ii) references herein to the term "Swingline Lender" shall be deemed to include such Revolving Credit Lender in its capacity as a lender of Swingline Loans hereunder.

(iv) The Borrower may terminate the appointment of any Swingline Lender as a "Swingline Lender" hereunder by providing a written notice thereof to such Swingline Lender, with a copy to the Administrative Agent. Any such termination shall become effective upon the earlier of (i) the Swingline Lender's acknowledging receipt of such notice and (ii) the fifth Business Day following the date of the delivery thereof; provided that no such termination shall become effective until and unless the Swingline Exposure of such Swingline Lender shall have been reduced to zero. Notwithstanding the effectiveness of any such termination, the terminated Swingline Lender shall remain a party hereto and shall continue to have all the rights of a Swingline Lender under this Agreement with respect to Swingline Loans made by it prior to such termination, but shall not make any additional Swingline Loans.

2.2 Minimum Amount of Each Borrowing; Maximum Number of Borrowings. The aggregate principal amount of each Borrowing of Term Loans or Revolving Credit Loans shall be in a multiple of $500,000 (or, in the case of a Borrowing of Revolving Credit Loans on the Closing Date, $100,000) and Swingline Loans shall be in a multiple of $100,000 and, in each case, shall not be less than the Minimum Borrowing Amount with respect for such Type of Loans (except that the Mandatory Borrowings shall be made in the amounts required by Section 2.1(d) and Revolving Credit Loans to reimburse any 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 fifteen (15) Eurodollar Borrowings under this Agreement (which number of Eurodollar Borrowings may be increased or adjusted by agreement between the Borrower and the Administrative Agent in connection with any Incremental Facility or Extended Loans/Commitments). For purposes of the foregoing, Borrowings having different Interest Periods, regardless of whether they commence on the same date, shall be considered separate Borrowings.

2.3 Notice of Borrowing.

(a) The Borrower 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 (or telephonic notice promptly confirmed in writing) of the Borrowing of Initial Term Loans or any Borrowing of Incremental Term Loans (unless otherwise set forth in the applicable Incremental Agreement), as the case may be, if all or any of such Term Loans are to be initially Eurodollar Loans and (ii) written notice (or telephonic notice promptly confirmed in writing) prior to 1:00 p.m. (New York City time) on the date of the Borrowing of Initial Term Loans or any Borrowing of Incremental Term Loans, as the case may be, if all or any of such Term Loans are to be ABR Loans; provided that any notice of a

Borrowing of Eurodollar Loans to be made on the Closing Date or any Incremental Facility Closing Date may be given not later than 1:00 p.m. (New York City time) (or such later date as the Administrative Agent may reasonably agree) one Business Day prior to the date of the proposed Borrowing, which notice may be subject to the effectiveness of the Credit Agreement. Such notice (together with each notice of a Borrowing of Revolving Credit Loans pursuant to Section 2.3(b) and each notice of a Borrowing of Swingline Loans pursuant to Section 2.3(c), a "Notice of Borrowing") shall be in substantially the form of Exhibit D and shall specify (i) the aggregate principal amount of the Initial Term Loans or Incremental Term Loans, as the case may be, to be made, (ii) the date of the Borrowing (which shall be, (x) in the case of the Initial Term Loans, the Closing Date, and, (y) in the case of the Incremental Term Loans, the applicable Incremental Facility Closing Date in respect of such Class) and (iii) whether the Initial Term Loans or Incremental Term Loans, as the case may be, shall consist of ABR Loans and/or Eurodollar Loans and, if the Initial Term Loans or Incremental Term Loans, as the case may be, are to include Eurodollar Loans, the Interest Period to be initially applicable thereto; provided that the Notice of Borrowing for a Borrowing of Term Loans shall be revocable so long as the Borrower agrees to comply with the applicable provisions of Section 2.11 upon any such revocation. The Administrative Agent shall promptly give each Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Initial Term Loans or Incremental Term Loans, as the case may be, of such Lender's proportionate share thereof and of the other matters covered by the related Notice of Borrowing.

(b) Whenever the Borrower desires to Incur Revolving Credit Loans hereunder (other than Mandatory Borrowings or borrowings to repay Unpaid Drawings under Letters of Credit), it 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 (or telephonic notice promptly confirmed in writing) of each Borrowing of Revolving Credit Loans that are to be initially Eurodollar Loans and (ii) prior to 1:00 p.m. (New York City time) on the date of such Borrowing prior written notice (or telephonic notice promptly confirmed in writing) of each Borrowing of Revolving Credit Loans that are to be ABR Loans; provided that any Notice of Borrowing of Eurodollar Loans to be made on the Closing Date or on any Incremental Facility Closing Date may be given not later than 1:00 p.m. (New York City time) (or such later date as the Administrative Agent may reasonably agree) one Business Day prior to the date of the proposed Borrowing, which notice may be subject to the effectiveness of the Credit Agreement. Each such Notice of Borrowing, except as otherwise expressly provided in Section 2.10, shall be irrevocable and shall specify (i) the aggregate principal amount of the Revolving Credit Loans to be made pursuant to such Borrowing, (ii) the date of Borrowing (which shall be a Business Day) and (iii) whether the respective Borrowing shall consist of ABR Loans and/or Eurodollar Loans, and, if Eurodollar Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall promptly give each Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Revolving Credit Loans, of such Lender's proportionate share thereof and of the other matters covered by the related Notice of Borrowing.

(c) Whenever the Borrower desires to Incur Swingline Loans hereunder, the Borrower shall give the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) of each Borrowing of Swingline Loans prior to 3:00 p.m. (New York City time) or such later time as agreed by the Swingline Lender on the date of such Borrowing. Each such notice shall specify (i) the aggregate principal amount of the Swingline Loans to be made pursuant to such Borrowing and (ii) the date of Borrowing (which shall be a Business Day). The Administrative Agent shall promptly give the Swingline Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Swingline Loans and of the other matters covered by the related Notice of Borrowing.

(d) Mandatory Borrowings shall be made upon the notice specified in Section 2.1(d)(iv) or Section 2.1(d)(v), respectively, with the Borrower irrevocably agreeing, by its Incurrence of any applicable Swingline Loan, to the making of Mandatory Borrowings as set forth in such Section.

(e) Borrowings of Revolving Credit Loans to reimburse Unpaid Drawings under Letters of Credit shall be made upon the terms set forth in Section 3.3 or Section 3.4(a).

(f) If the Borrower fails to specify a Type of Loan in a Notice of Borrowing, then the applicable Loans shall be made as Eurodollar Loans with an Interest Period of one (1) month. If the Borrower requests a Borrowing of Eurodollar Loans, in any such Notice of Borrowing, but fails to specify an Interest Period (or fails to give a timely notice requesting a continuation of Eurodollar Loans), it will be deemed to have specified an Interest Period of one (1) month.

(g) Without in any way limiting the obligation of the Borrower to confirm in writing any notice it may give hereunder by telephone, 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. In each such case, the Borrower hereby waives the right to dispute the Administrative Agent's record of the terms of any such telephonic notice.

2.4 Disbursement of Funds.

(a) No later than 12:00 p.m. (New York City time) on the date specified in each Notice of Borrowing or, if any such Notice of Borrowing (including Mandatory Borrowings and Borrowings to reimburse Unpaid Drawings under Letters of Credit) is delivered on the same day as the requested Borrowing, no later than one hour after delivery thereof (including, in any such case, Mandatory Borrowings and Borrowings to reimburse Unpaid Drawings under Letters of Credit), each Lender will 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 (or, with respect to any Incremental Facilities, on the relevant Incremental Facilities Closing Date), such funds may be made available at such earlier time as may be agreed among the relevant Lenders, the Borrower 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 one hour after written notice of such Borrowing is delivered by the applicable Administrative Agent to the Swingline Lender.

(b) Each Lender shall make available all such requested amounts it is to fund to the Borrower under any Borrowing for its applicable Commitments 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, Borrowings to repay Unpaid Drawings under Letters of Credit) make available to the Borrower by depositing to an account designated by the Borrower to the Administrative Agent in writing, the aggregate of the amounts so made available. Unless the Administrative Agent shall have been notified in writing 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 same 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, and the Borrower shall immediately pay such corresponding amount to the Administrative Agent. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower, as the case may be, 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 Federal Funds Effective Rate, or (ii) if paid by the Borrower, the then-applicable rate of interest, calculated in accordance with Section 2.8, for the respective Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing.

(c) The Swingline Lender shall make available all amounts it is to fund to the Borrower under any Borrowing of Swingline Loans in immediately available funds to the Borrower (as specified in the applicable Notice of Borrowing), by depositing to an account designated by the Borrower to the Swingline Lender in writing or otherwise in such Notice of Borrowing, the aggregate of the amount so made available in Dollars.

(d) Nothing in this Section 2.4, including any payment by the Borrower, shall be deemed to relieve any Lender from its obligation to fulfill its commitments hereunder or to prejudice any rights that the Borrower 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 Borrower agrees to repay to the Administrative Agent, for the benefit of the applicable Lenders, (i) on the Initial Term Loan Maturity Date, all then outstanding Initial Term Loans, (ii) on the relevant Incremental Term Loan Maturity Date for any Class of Incremental Term Loans, any then outstanding Incremental Term Loans of such Class, (iii) on the Revolving Credit Maturity Date, the then outstanding Revolving Credit Loans, (iv) on the relevant maturity date for any Class of Additional/Replacement Revolving Credit Commitments, all then outstanding Additional/Replacement Revolving Credit Loans of such Class, (v) on the relevant maturity date for any Class of Extended Term Loans, all then outstanding Extended Term Loans of such Class, (vi) on the relevant maturity date for any Class of Extended Revolving Credit Commitments, all then outstanding Extended Revolving Credit Loans of such Class and (vii) on the Swingline Maturity Date, the then outstanding Swingline Loans.

(b) The Borrower shall repay to the Administrative Agent, in Dollars, for the ratable benefit of the Initial Term Loan Lenders, on the last Business Day of each March, June, September and December, beginning March 31, 2019 (each, an "Initial Term Loan Repayment Date"), a principal amount of the Initial Term Loans equal to (i) the product of (x) the aggregate principal amount of Initial Term Loans outstanding immediately after the Borrowing of Initial Term Loans on the Closing Date multiplied by (y) 0.25% (with respect to each Initial Term Loan Repayment Date prior to the Initial Term Loan Maturity Date, as such product may be reduced by, and after giving pro forma effect to, any voluntary and mandatory prepayments made in accordance with Section 5 or as contemplated by Section 2.15) or (ii) the aggregate principal amount of Initial Term Loans then outstanding (with respect to the Initial Term Loan Maturity Date) (each amount, an "Initial Term Loan Repayment Amount").

(c) In the event any Incremental Term Loans are made, such Incremental Term Loans shall mature and be repaid in amounts and on dates as agreed between the Borrower and the relevant Lenders of such Incremental Term Loans in the applicable Incremental Agreement, subject to the requirements set forth in Section 2.14. In the event that any Extended Term Loans are established, such Extended Term Loans shall, subject to the requirements of Section 2.15, mature and be repaid by the Borrower in the

amounts (each such amount, an "Extended Term Loan Repayment Amount") and on the dates (each an "Extended Repayment Date") set forth in the applicable Extension Agreement. In the event any Extended Revolving Credit Commitments are established, such Extended Revolving Credit Commitments shall, subject to the requirements of Section 2.15, be terminated (and all Extended Revolving Credit Loans of the same Extension Series repaid) on dates set forth in the applicable Extension Agreement.

(d) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower 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, on behalf of the Borrower, shall maintain the Register pursuant to Section 13.6(b)(v), 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 an Initial Term Loan, an Incremental Term Loan (and the relevant Class thereof), a Revolving Credit Loan, an Additional/Replacement Revolving Credit Loan (and the relevant Class thereof), an Extended Term Loan (and the relevant Class thereof), an Extended Revolving Credit Loan (and the relevant Class thereof), or a Swingline Loan, as applicable, the Type of each Loan made 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 or the Swingline Lender hereunder, (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof and (iv) any cancellation or retirement of Loans contemplated by Section 13.6(i).

(f) The entries made in the Register and accounts and subaccounts maintained pursuant to paragraphs (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 Borrower therein recorded and, in the case of the Register, shall be conclusive absent manifest error; provided, however, that the failure of any Lender or the Administrative Agent to maintain such account, such Register or such subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans made to the Borrower in accordance with the terms of this Agreement; provided, further, that in the event of any inconsistency between the accounts maintained by the Administrative Agent pursuant to paragraph (e) of this Section 2.5 and any Lender's records, the accounts of the Administrative Agent shall govern.

(g) For the avoidance of doubt, all Initial Term Loans and Revolving Credit Loans shall be repaid, whether pursuant to this Section 2.5 or otherwise, in Dollars.

2.6 Conversions and Continuations.

(a) The Borrower shall have the option on any Business Day, subject to Section 2.11, to convert all or a portion equal to at least the Minimum Borrowing Amount of the outstanding principal amount of Term Loans, Revolving Credit Loans, Additional/Replacement Revolving Credit Loans or Extended Revolving Credit Loans of one Type into a Borrowing or Borrowings of another Type and except as otherwise provided herein the Borrower shall have the option on the last day of an Interest Period to continue the outstanding principal amount of any Eurodollar Loans as Eurodollar Loans for an additional Interest Period; provided that (i) no partial conversion of Eurodollar Loans shall reduce the outstanding principal amount of Eurodollar Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) ABR Loans may not be converted into Eurodollar 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) Eurodollar

Loans may not be continued as Eurodollar 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 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', in the case of a continuation of, or conversion to, Eurodollar Loans or (ii) the same Business Day in the case of a conversion into ABR Loans), prior written notice (or telephonic notice promptly confirmed in writing) (each a "Notice of Conversion or Continuation") specifying the Loans to be so converted or continued, the Type of Loans to be converted or continued, the requested date of the conversion or continuation, as the case may be (which shall be a Business Day), the principal amount of Loans to be converted or continued, as the case may be, and if such Loans are to be converted into or continued as Eurodollar Loans, the Interest Period to be initially applicable thereto. If the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made or continued as the same Type of Loan, which if a Eurodollar Loan, shall have a one-month Interest Period. Any such automatic continuation shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Loans. If the Borrower requests a conversion to, or continuation of, Eurodollar Loans in any such Notice of Conversion or Continuation, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one (1) month's duration. Notwithstanding anything to the contrary herein, a Swingline Loan may not be converted to a Eurodollar Loan. 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 Eurodollar Loans and the Administrative Agent has, or the Required Lenders have, determined in its or their sole discretion not to permit such continuation, Eurodollar Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans.

2.7 Pro Rata Borrowings. Each Borrowing of Initial Term Loans under this Agreement shall be granted by the Lenders pro rata on the basis of their then-applicable Initial Term Loan Commitments. Each Borrowing of Revolving Credit Loans under this Agreement shall be granted by the Revolving Credit Lenders pro rata on the basis of their then-applicable Revolving Credit Commitment Percentages with respect to the applicable Class. Each Borrowing of Incremental Term Loans under this Agreement shall be granted by the Lenders of the relevant Class thereof pro rata on the basis of their then-applicable Incremental Term Loan Commitments for the applicable Class. Each Borrowing of Additional/Replacement Revolving Credit Loans under this Agreement shall be granted by the Lenders of the relevant Class thereof pro rata on the basis of their then-applicable Additional/Replacement Revolving Credit Commitments for the applicable Class. Each Borrowing of Extended Revolving Credit Loans under this Agreement shall be granted by the Lenders of the relevant Class thereof pro rata on the basis of their then-applicable Extended Revolving Credit Commitments for the applicable Class. 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 and 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 obligations 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 in effect from time to time plus the ABR in effect from time to time.

(b) The unpaid principal amount of each Eurodollar 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 in effect from time to time plus the relevant Eurodollar Rate in effect from time to time.

(c) If at any time after the occurrence of and during the continuance of an Event of Default under Section 11.1, all or a portion of the principal amount of any Loan or any interest payable thereon or any fees or other amounts due hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest (including post-petition interest in any proceeding under any applicable Debtor Relief Law) at a rate per annum that is (i) in the case of overdue principal, the rate that would otherwise be applicable thereto plus 2.00% or (ii) in the case of overdue interest, fees or other amounts due hereunder, to the extent permitted by Applicable Law, the rate described in Section 2.8(a) plus 2.00% from and including the date of such non-payment to but excluding the date on which such amount is paid in full. All such interest shall be payable on demand.

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof, and shall be payable in Dollars and, except as otherwise provided below, 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 Eurodollar 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, (iii) in respect of each Loan (except in the case of prepayments of any ABR Revolving Credit Loans that are not made in connection with the termination or permanent reduction of the Revolving Credit Commitments), on any prepayment date (on the amount prepaid), at maturity (whether by acceleration or otherwise) and, after such maturity, on demand; provided that a Loan that is repaid on the same day on which it is made shall bear interest for one day and (iv) in respect of each Loan, to the extent necessary to create a fungible tranche of Term Loans, the date of the incurrence of any Incremental Term Loans.

(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 Eurodollar Loans shall promptly notify the Borrower and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

(g) Except as otherwise provided herein, whenever any payment hereunder or under the other Credit Documents shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commitment or letter of credit fee or commission, as the case may be.

2.9 Interest Periods. At the time the Borrower 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 Eurodollar Loans (in the case of the initial Interest Period applicable thereto) on or prior to 1:00 p.m. (New York City time) on the third Business Day prior to the expiration of an Interest Period applicable to a Borrowing of Eurodollar Loans, the Borrower shall have the right to elect, by giving the Administrative Agent written notice (or telephonic notice promptly confirmed in writing), the Interest

Period applicable to such Borrowing, which Interest Period shall be the period commencing on the date of such Borrowing and ending on the numerically corresponding day (or, if there is no numerically corresponding day, on the last Business Day) in the calendar month that is one, two, three or six months thereafter (or, if agreed to by all relevant Lenders participating in the relevant Credit Facility, twelve months thereafter or any other period, including a period shorter than one month).

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of Eurodollar 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 would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(c) if any Interest Period relating to a Borrowing of Eurodollar 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;

(d) in the case of Eurodollar Loans, interest shall accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period; and

(e) the Borrower shall not be entitled to elect any Interest Period in respect of any Eurodollar Loan if such Interest Period would extend beyond the applicable 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 or (y) in the case of clauses (ii) and (iii) below, any Lender, 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 Eurodollar Rate for any Interest Period that (x) deposits in the principal amounts of the Loans comprising any Borrowing of Eurodollar Loans are not generally available in the relevant market or (y) by reason of any changes arising on or after the Closing Date affecting the London interbank eurocurrency market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of “Eurodollar Rate”; or

(ii) that, due to a Change in Law, which shall (A) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any reserve requirement taken into account in determining the Statutory Reserves); (B) subject any Lender to any Tax (other than (1) Taxes indemnifiable under Section 5.4, (2) Excluded Taxes or (3) Taxes described in Section 5.4(f)) on its loans, loan principal, letters of credits, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or (C) impose on any Lender or the London interbank eurocurrency market any other condition, cost or

expense affecting this Agreement or Eurodollar Loans made by such Lender (other than Taxes), which results in the cost to such Lender of making, converting into, continuing or maintaining Eurodollar Loans or participating in Letters of Credit (in each case hereunder) increasing by an amount which such Lender reasonably deems material or the amounts received or receivable by such Lender hereunder with respect to the foregoing shall be reduced; or

(iii) at any time after the Closing Date, that the making or continuance of any Eurodollar Loan has become unlawful by compliance by such Lender in good faith with any Applicable Law (or would conflict with any such Applicable Law 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 London interbank eurocurrency market;

then, and in any such event, such Lender (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 and 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, Eurodollar Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower 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 or Continuation given by the Borrower with respect to Eurodollar Loans that have not yet been Incurred shall be deemed rescinded by the Borrower, (y) in the case of clause (ii) above, the Borrower shall pay to such Lender, promptly (but no later than ten Business Days) 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 Lender in its reasonable discretion shall determine) as shall be required to compensate such Lender for such 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 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 shall take one of the actions specified in Section 2.10(b) as promptly as possible and, in any event, within the time period required by Applicable Law.

(b) At any time that any Eurodollar Loan is affected by the circumstances described in Section 2.10(a)(ii) or (iii), the Borrower may (and in the case of a Eurodollar Loan affected pursuant to Section 2.10(a)(iii) shall) either (x) if the affected Eurodollar Loan is then being made pursuant to a Borrowing, cancel said Borrowing by giving the Administrative Agent telephonic notice (confirmed promptly in writing) thereof on the same date that the Borrower was notified by a Lender pursuant to Section 2.10(a)(ii) or (iii) or (y) if the affected Eurodollar Loan is then outstanding, upon at least three Business Days' notice to the Administrative Agent, require the affected Lender to convert each such Eurodollar Loan into an ABR Loan, if applicable; 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 any Change in Law regarding capital adequacy or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or Letter of Credit Issuer's or their respective parent's capital or assets as a consequence of such Lender's or Letter of Credit Issuer's commitments or obligations hereunder to a level below that which such Lender or Letter of Credit Issuer or their respective parent could have achieved but for such Change in Law (taking into consideration such Lender's or Letter of Credit Issuer's or their respective parent's policies with respect to capital adequacy or liquidity), then from time to time, promptly (but no later than ten Business Days) after written demand by such Lender or Letter of Credit Issuer (with a copy to the Administrative Agent), the Borrower shall

pay to such Lender or Letter of Credit Issuer such additional amount or amounts as will compensate such Lender or Letter of Credit Issuer or their respective parent for such reduction, it being understood and agreed, however, that a Lender or Letter of Credit Issuer shall not be entitled to such compensation as a result of such Lender's or Letter of Credit Issuer's compliance with, or pursuant to any request or directive to comply with, any such Applicable Law as in effect on the Closing Date except as a result of a Change in Law. Each Lender or Letter of Credit Issuer, 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 (on its own behalf) 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 any of the Borrower's obligations to pay additional amounts pursuant to this Section 2.10(c) upon receipt of such notice.

(d) Notwithstanding any of the provisions in this Agreement (including Section 2.11) to the contrary, if the Borrower and the Administrative Agent reasonably determine in good faith that an interest rate is not ascertainable pursuant to the provisions of the definition of "Eurodollar Rate" or "Reference Rate" and the inability to ascertain such rate is unlikely to be temporary, the "Eurodollar Rate" and "Reference Rate" shall be an alternate rate that is reasonably commercially practicable for the Administrative Agent to administer (as determined by the Administrative Agent in its reasonable discretion) that is either: (i) an alternate rate established by the Administrative Agent and the Borrower that is generally accepted as the then prevailing market convention for determining a rate of interest for syndicated leveraged loans of this type in the United States at such time, in which case, the Administrative Agent and the Borrower shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable (including the making of appropriate adjustments to such alternate rate and this Agreement (x) to preserve pricing in effect at the time of selection of such alternate rate (but for the avoidance of doubt which would not reduce the Applicable Margin) and (y) other changes necessary to reflect the available interest periods for such alternate rate) (the "Market Convention Rate") or (ii) if a Market Convention Rate is not available in the reasonable determination of the Administrative Agent and the Borrower acting in good faith, an alternate rate, at the option of the Borrower, either (x) established by the Administrative Agent and the Borrower, so long as the Lenders shall have received at least five Business Days' prior written notice thereof (the "Notice Period"), in which case, the Administrative Agent and the Borrower shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable; provided that such alternate rate shall not apply to (and any such amendment shall not be effective with respect to) any Class for which the Administrative Agent has received a written objection within the Notice Period from the Required Lenders of such Class (with the Required Lenders of such Class determined as if such Class of Lenders were the only Class of Lenders hereunder at the time), or (y) selected by the Borrower and the Required Lenders of any applicable Class (with the Required Lenders of such Class determined as if such Class of Lenders were the only Class of Lenders hereunder at the time) solely with respect to such Class, in which case, the Required Lenders of such Class and the Borrower shall, subject to 15 Business Days' prior written notice to the Administrative Agent, enter into an amendment to this Agreement to reflect such alternate rate of interest for such Class and make such other related changes to this Agreement as may be necessary to reflect such alternate rate applicable to such Class) (any such alternate rate so established in accordance with the foregoing provisions of this clause (d), the "Successor Benchmark Rate"); provided that, in the case of each of clauses (i) and (ii), any such amendment shall become effective without any further action or consent of any other party to this Agreement, notwithstanding anything to the contrary in Section 13.1; provided, further, that until such Successor Benchmark Rate has been determined pursuant to this paragraph, (A) any request for Borrowing, the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective and (B) all outstanding Borrowings shall be converted to an ABR Borrowing.

(e) The agreements in this Section 2.10 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(f) Notwithstanding the foregoing, no Lender or Letter of Credit Issuer shall be entitled to seek compensation under this Section 2.10 based on the occurrence of a Change in Law arising solely from (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act or any requests, rules, guidelines or directives thereunder or issued in connection therewith or (y) Basel III or any requests, rules, guidelines or directives thereunder or issued in connection therewith, unless such Lender or Letter of Credit Issuer is generally seeking compensation from other borrowers in the U.S. leveraged loan market with respect to its similarly affected commitments, loans and/or participations under agreements with such borrowers having provisions similar to this Section 2.10.

(g) This Section 2.10 shall not operate to provide payments that are duplicative of those required under Section 5.4.

2.11 Compensation. If (a) any payment of principal of a Eurodollar Loan is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Eurodollar Loan as a result of a payment or conversion pursuant to Section 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 Eurodollar Loans is not made as a result of a withdrawn Notice of Borrowing or failure to satisfy the conditions of Section 6 and Section 7, (c) any ABR Loan is not converted into a Eurodollar Loan as a result of a withdrawn Notice of Conversion or Continuation, (d) any Eurodollar Loan is not continued as a Eurodollar Loan as a result of a withdrawn Notice of Conversion or Continuation or (e) any prepayment of principal of a Eurodollar Loan is not made as a result of a withdrawn notice of prepayment pursuant to Section 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 and, absent clearly demonstrable error, the amount requested shall be final and conclusive and binding upon all parties hereto), pay to the Administrative Agent for the account of such Lender within ten Business Days of such request 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 borrow, failure to convert, failure to continue, failure to prepay, reduction or failure to reduce, 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 such Lender to fund or maintain such Eurodollar Loan. The agreements in this Section 2.11 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.12 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.10(a)(ii), 2.10(a)(iii), 2.10(c), 3.5 or 5.4 with respect to such Lender, it will, if requested by the Borrower, 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 economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. The Borrower hereby agrees to pay all reasonable and documented or invoiced out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment. 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 Section 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 Section 2.10, 2.11, 3.5 or 5.4 is given by any Lender more than 180 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, tax or other additional amounts described in such

Sections, such Lender shall not be entitled to compensation under Section 2.10, 2.11, 3.5 or 5.4, as the case may be, for any such amounts incurred or accruing prior to the giving of such notice to the Borrower; provided that, if the circumstance giving rise to such claim is retroactive, then such 180 day period referred to above shall be extended to include the period of retroactive effect thereof.

2.14 Incremental Facilities.

(a) The Borrower may at any time or from time to time after the Closing Date, by written notice delivered to the Administrative Agent request (i) one or more additional Classes of term loans or additional term loans of the same Class of any existing Class of term loans (the "Incremental Term Loans"), (ii) one or more increases in the amount of the Revolving Credit Commitments of any Class (each such increase, an "Incremental Revolving Credit Commitment Increase") or (iii) one or more additional Classes of revolving credit commitments in U.S. Dollars or any Alternative Currency (the "Additional/Replacement Revolving Credit Commitments", and, together with the Incremental Term Loans and the Incremental Revolving Credit Commitment Increases, the "Incremental Facilities" and the commitments in respect thereof are referred to as the "Incremental Commitments"); provided that, subject to Section 1.10, at the time that any such Incremental Term Loan, Incremental Revolving Credit Commitment Increase or Additional/Replacement Revolving Credit Commitment is made or effected (and after giving pro forma effect thereto), except as set forth in the proviso to clause (b) below, no Event of Default (or, in the case of the Incurrence or provision of any Incremental Facility in connection with an Acquisition or other Investment, no Event of Default under Section 11.1 or 11.5) shall have occurred and be continuing.

(b) Each tranche of Incremental Term Loans, each tranche of Additional/Replacement Revolving Credit Commitments and each Incremental Revolving Credit Commitment Increase shall be in an aggregate principal amount that is not less than $5,000,000 or like amount in an Alternative Currency, as applicable, (it being understood that such amount may be less than $5,000,000 or like amount in an Alternative Currency, as applicable, if such amount represents all remaining availability under the limit set forth below) (and in minimum increments of $1,000,000 or like amount in an Alternative Currency, as applicable, in excess thereof), and, subject to the proviso at the end of this Section 2.14(b), the aggregate amount of (x) the Incremental Term Loans, Incremental Revolving Credit Commitment Increases and the Additional/Replacement Revolving Credit Commitments (after giving pro forma effect thereto and the use of the proceeds thereof) Incurred pursuant to this Section 2.14(b), plus (y) the aggregate principal amount of Permitted Additional Debt Incurred under Section 10.1(u)(ii)(A) shall not exceed, as of the date of Incurrence of such Indebtedness or commitments, the sum of (A) the Incremental Base Amount plus (B) an aggregate amount of Indebtedness, such that, subject to Section 1.10, after giving pro forma effect to such Incurrence (and after giving pro forma effect to any Specified Transaction or Specified Restructuring to be consummated in connection therewith and assuming that all Incremental Revolving Credit Commitment Increases and/or Additional/Replacement Revolving Credit Commitments then outstanding and Incurred under this clause (B) were fully drawn), the Borrower would be in compliance with a Consolidated First Lien Debt to Consolidated EBITDA Ratio as of the last day of the Test Period most recently ended on or prior to the Incurrence of any such Incremental Facility, calculated on a pro forma basis, as if such Incurrence (and transactions) had occurred on the first day of such Test Period, that is no greater than either (x) 4.50:1.00 or (y) if Incurred in connection with an Acquisition or other Investment, the Consolidated First Lien Debt to Consolidated EBITDA Ratio immediately prior to such Acquisition or other Investment (this clause (B), the "Incremental Ratio Debt Amount" and, together with the Incremental Base Amount, the "Incremental Limit"); provided that (i) Incremental Term Loans may be Incurred without regard to the Incremental Limit, without regard to whether an Event of Default has occurred and is continuing and, without regard to the minimums set forth in the first part of this Section 2.14(b), to the extent that the Net Cash Proceeds from such Incremental Term Loans are used on the date of Incurrence of such Incremental Term Loans (or substantially concurrently therewith) to either

(x) prepay Term Loans and related amounts in accordance with the procedures set forth in Section 5.2(a)(i) or (y) permanently reduce the Revolving Credit Commitments, Extended Revolving Credit Commitments or Additional/Replacement Revolving Credit Commitments in accordance with the procedures set forth in Section 5.2(e)(ii) (and any such Incremental Term Loans shall be deemed to have been Incurred pursuant to this proviso), and (ii) Additional/Replacement Revolving Credit Commitments may be provided without regard to the Incremental Limit, without regard to the minimums set forth in the first sentence of this Section 2.14(b) and without regard to whether an Event of Default has occurred and is continuing, to the extent that the existing Revolving Credit Commitments, Extended Revolving Credit Commitments or other Additional/Replacement Revolving Credit Commitments shall be permanently reduced in accordance with Section 5.2(e)(ii) by an amount equal to the aggregate amount of Additional/Replacement Revolving Credit Commitments so provided (and any such Additional/Replacement Revolving Credit Commitments shall be deemed to have been Incurred pursuant to this proviso).

(c)

(i) The Incremental Term Loans (A) shall rank equal in right of payment and security with the Initial Term Loans, shall be secured only by all or a portion of the Collateral securing the Obligations and shall only be guaranteed by the Credit Parties on a senior basis, (B) shall not mature earlier than the Initial Term Loan Maturity Date, (C) shall not have a shorter Weighted Average Life to Maturity than the remaining Initial Term Loans, (D) shall have a maturity date (subject to clause (B)), an amortization schedule (subject to clause (C)), and interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, AHYDO Catch Up Payments, funding discounts, original issue discounts, currency types and denominations and prepayment terms and premiums for the Incremental Term Loans as determined by the Borrower and the lenders of the Incremental Term Loans; provided that, during the period commencing on the Closing Date and ending on the six-month anniversary of the Closing Date, in the event that the Effective Yield for any Incremental Term Loans denominated in U.S. Dollars (other than Incremental Term Loans (1) Incurred pursuant to clause (B) of Section 2.14(b), (2) established pursuant to the proviso of Section 2.14(b), (3) having a final maturity date that is more than one year after the Initial Term Loan Maturity Date or (4) Incurred in connection with an Acquisition or (5) in an aggregate principal amount equal to or less than the greater of (x) $120,000,000, (y) 75.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date or (z) Incremental Terms Loans consisting of a customary bridge facility, so long as the Indebtedness outstanding under any such customary bridge facility may be converted into or exchanged for long term debt that satisfies clauses (B) and (C) and any such conversion or exchange is subject only to conditions customary for similar conversions or exchanges (clauses (x)(1) through (5) and (y), collectively, the "MFN Exceptions")), is greater than the Effective Yield for the Initial Term Loans by more than 0.75%, then the Applicable Margins for the Initial Term Loans shall be increased to the extent necessary so that the Effective Yield for the Initial Term Loans are equal to the Effective Yield for the Incremental Term Loans minus 0.75% (this proviso, the "MFN Protection"); provided, further, that, notwithstanding the foregoing, Incremental Term Loans in an amount not exceeding the Incremental/Refinancing Maturity Limitation Excluded Amount may be Incurred without regard to clause (B) and/or (C) of this Section 2.14(c)(i); provided, further, that, with respect to any Incremental Term Loans that do not bear interest at a rate determined by reference to the Eurodollar Rate, for purposes of calculating the applicable increase (if any) in the Applicable Margins for the Initial Term Loans in the immediately preceding proviso, the Applicable Margin for such Incremental Term Loans shall be deemed to be the interest rate (calculated after giving pro forma effect to any increases required pursuant to the immediately succeeding proviso) of such Incremental Term Loans less the then applicable Reference Rate; and (E) may otherwise have terms and conditions different from those of the Initial Term Loans; provided that (x) except with respect to matters contemplated by clauses (B),

(C) and (D) above, any differences shall be either, at the option of the Borrower, (1) reasonably satisfactory to the Administrative Agent (except for covenants and other provisions applicable only to the periods after the Latest Maturity Date) or (2) consistent market terms and conditions, when taken as a whole, at the time of Incurrence or effectiveness of such Incremental Facility (as determined by the Borrower in good faith) and (y) the documentation governing any Incremental Term Loans may include any Previously Absent Covenant so long as the Administrative Agent shall have been given prompt written notice thereof and this Agreement is amended to include such Previously Absent Covenant for the benefit of each Credit Facility.

(ii) The Incremental Revolving Credit Commitment Increase shall be treated the same as the Class of Revolving Credit Commitments being increased (including with respect to maturity date thereof) and shall be considered to be part of the Class of Revolving Credit Facility being increased (it being understood that, if required to consummate an Incremental Revolving Credit Commitment Increase, the interest rate margins, rate floors and undrawn commitment fees on the Class of Revolving Credit Commitments being increased may be increased and additional upfront or similar fees may be payable to the lenders participating in the Incremental Revolving Credit Commitment Increase (without any requirement to pay such fees to any existing Revolving Credit Lenders)).

(iii) The Additional/Replacement Revolving Credit Commitments (A) shall rank equal in right of payment and security with the Revolving Credit Loans, shall be secured only by all or a portion of the Collateral securing the Obligations and shall only be guaranteed by the Credit Parties on a senior basis, (B) shall not mature earlier than the Revolving Credit Maturity Date and shall require no scheduled amortization or mandatory commitment reduction prior to the Revolving Credit Maturity Date, (C) shall have interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, undrawn commitment fees, funding discounts, original issue discounts, currency types and denominations, prepayment terms and premiums and commitment reduction and termination terms as determined by the Borrower and the lenders of such commitments, (D) may include provisions relating to swingline loans and/or letters of credit, as applicable, issued thereunder, which issuances shall be on terms substantially similar (except for the overall size of such subfacilities, the fees payable in connection therewith and the identity of the swingline lender and letter of credit issuer, as applicable, which shall be determined by the Borrower, the lenders of such commitments, the swingline lender and the applicable letter of credit issuers and borrowing, repayment and termination of commitment procedures with respect thereto, in each case which shall be specified in the applicable Incremental Agreement) to the terms relating to the Swingline Loans and Letters of Credit with respect to the applicable Class of Revolving Credit Commitments or otherwise reasonably acceptable to the Administrative Agent and (E) may otherwise have terms and conditions different from those of the Revolving Credit Facility; provided that (x) except with respect to matters contemplated by clauses (B), (C), (D) and (E) above, any differences shall be either, at the option of the Borrower, (i) reasonably satisfactory to the Administrative Agent (except for covenants and other provisions applicable only to the periods after the Latest Maturity Date) or (2) consistent with market terms and conditions when taken as a whole at the time of the incurrence or effectiveness of such Incremental Facility by the Borrower (as determined in good faith) and (y) the documentation governing any Additional/Replacement Revolving Credit Commitments may include any Previously Absent Covenant so long as the Administrative Agent shall have been given prompt written notice thereof and this Agreement is amended to include such Previously Absent Covenant for the benefit of each Credit Facility (provided, further, however, that, if the applicable Previously Absent Covenant is a “springing” financial maintenance covenant for the benefit of such revolving credit facility or covenant only applicable to, or for the benefit of, a revolving credit facility, the Previously Absent Covenant shall be automatically included in this Agreement only for the benefit of each revolving credit facility hereunder (and not for the benefit of any term loan facility hereunder)).

(d) Each notice from the Borrower pursuant to this Section 2.14 shall be given in writing and shall set forth the requested amount, currency types and denominations and proposed terms of the relevant Incremental Term Loans, Incremental Revolving Credit Commitment Increases or Additional/Replacement Revolving Credit Commitments. Incremental Term Loans may be made, and Incremental Revolving Credit Commitment Increases and Additional/Replacement Revolving Credit Commitments may be provided, subject to the prior written consent of the Borrower (not to be unreasonably withheld or delayed), by any existing Lender (it being understood that no existing Lender with an Initial Term Loan Commitment will have an obligation to make a portion of any Incremental Term Loan, no existing Lender with a Revolving Credit Commitment will have any obligation to provide a portion of any Incremental Revolving Credit Commitment Increase and no existing Lender with a Revolving Credit Commitment will have an obligation to provide a portion of any Additional/Replacement Revolving Credit Commitment) or by any other bank, financial institution, other institutional lender or other investor (any such other bank, financial institution or other investor being called an "Additional Lender"); provided that the Administrative Agent shall have consented (not to be unreasonably withheld or delayed) to such Lender's or Additional Lender's making such Incremental Term Loans or providing such Incremental Revolving Credit Commitment Increases or such Additional/Replacement Revolving Credit Commitments if such consent would be required under Section 13.6(b) for an assignment of Loans or Commitments, as applicable, to such Lender or Additional Lender; provided, further, that, solely with respect to any Incremental Revolving Credit Commitment Increases or Additional/Replacement Revolving Credit Commitments, the Swingline Lender and each Letter of Credit Issuer shall have consented (not to be unreasonably withheld or delayed) to such Lender's or Additional Lender's providing such Incremental Revolving Credit Commitment Increases or Additional/Replacement Revolving Credit Commitments if such consent would be required under Section 13.6(b) for an assignment of Loans or Commitments, as applicable, to such Lender or Additional Lender.

(e) Commitments in respect of Incremental Term Loans, Incremental Revolving Credit Commitment Increases and Additional/Replacement Revolving Credit Commitments shall become Commitments (or in the case of an Incremental Revolving Credit Commitment Increase to be provided by an existing Lender with a Revolving Credit Commitment, an increase in such Lender's applicable Revolving Credit Commitment) under this Agreement pursuant to an amendment (an "Incremental Agreement") to this Agreement and, as appropriate, the other Credit Documents, executed by Holdings, the Borrower, each Lender agreeing to provide such Commitment, if any, and each Additional Lender, if any, so long as any Additional Lender shall have complied with the provisions of Section 13.6(b)(ii)(C) and delivered such forms to the Administrative Agent and the Administrative Agent shall have received prior notice of the proposed execution of such Incremental Agreement; provided that, except as specifically set forth in Section 2.14(d), the Administrative Agent shall not otherwise be required to execute any Incremental Agreement unless such Incremental Agreement would affect the Credit Documents in a manner that would require the consent of the Administrative Agent pursuant to Section 13.1(v) or pursuant to clause (x)(1) of the proviso to Section 2.14(c)(i)(E) or clause (x)(1) of the proviso to Section 2.14(c)(iii)(E). The Incremental Agreement may, subject to Section 2.14(c), without the consent of any other Lenders, effect such amendments to this Agreement and the other Credit Documents as may be necessary, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the provisions of this Section (including (i) in connection with an Incremental Revolving Credit Commitment Increase, to reallocate Revolving Credit Exposure on a pro rata basis among the relevant Revolving Credit Lenders, (ii) in connection with Classes of Incremental Term Loans, to extend the Prepayment Premium Period for the benefit of any existing Class of Term Loans to the extent that such Class of Incremental Term Loans shall have the benefit of such longer Prepayment Premium Period, (iii) to increase the Effective Yield of the applicable Class of Term Loans to the extent necessary in order to ensure that any applicable Class of Incremental Term Loans are "fungible" with any applicable existing Class of Term Loans, (iv) to add or extend, in either case, any other "call protection" for the benefit of

any applicable existing Class of Term Loans) and/or (v) in connection with any incurrence of any Incremental Facility denominated in a currency other than U.S. Dollars, to add interest rate definitions and other currency provisions that are customarily included in agreements contemplating Borrowings or the execution of credit documents in any such currency. The effectiveness of any Incremental Agreement (an "Incremental Facility Closing Date") and the occurrence of any Credit Event pursuant to such Incremental Agreement shall be subject to the satisfaction of such conditions as the parties thereto shall agree. The Borrower will use the proceeds of the Incremental Term Loans, Incremental Revolving Credit Commitment Increases and Additional/Replacement Revolving Credit Commitments for any purpose not prohibited by this Agreement; provided, however, that the proceeds of any Incremental Term Loans Incurred, and any Additional/Replacement Revolving Credit Commitments provided, in either case as described in the proviso to Section 2.14(b), shall be used in accordance with the terms thereof.

(f)

(i) No Lender shall be obligated to provide any Incremental Term Loans, Incremental Revolving Credit Commitment Increases or Additional/Replacement Revolving Credit Commitments unless it so agrees and the Borrower shall not be obligated to offer any existing Lender the opportunity to provide any Incremental Term Loans, Incremental Revolving Credit Commitment Increases or Additional/Replacement Revolving Credit Commitments.

(ii) Upon each increase in the Revolving Credit Commitments of any Class pursuant to this Section 2.14, each Lender with a Revolving Credit Commitment of such Class immediately prior to such increase will automatically and without further act be deemed to have assigned to each Lender providing a portion of the Incremental Revolving Credit Commitment Increase (each, an "Incremental Revolving Credit Commitment Increase Lender") in respect of such increase, and each such Incremental Revolving Credit Commitment Increase 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 and Swingline Loans such that, after giving pro forma effect to each such deemed assignment and assumption of participations, the percentage of the aggregate outstanding (A) participations hereunder in Letters of Credit and (B) participations hereunder in Swingline Loans held by each Lender with a Revolving Credit Commitment of such Class (including each such Incremental Revolving Credit Commitment Increase Lender) will equal the percentage of the aggregate Revolving Credit Commitments of such Class of all Lenders represented by such Lender's Revolving Credit Commitment of such Class. If, on the date of such increase, there are any Revolving Credit Loans of such Class outstanding, such Revolving Credit Loans shall on or prior to the effectiveness of such Incremental Revolving Credit Commitment Increase be prepaid from the proceeds of additional Revolving Credit Loans made hereunder (reflecting such increase in Revolving Credit Commitments of such Class), which prepayment shall be accompanied by accrued interest on the Revolving Credit Loans of such Class being prepaid and any costs incurred by any Lender in accordance with Section 2.11. 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.

(g) This Section 2.14 shall supersede any provisions in Section 2.7 or 13.1 to the contrary. For the avoidance of doubt, any provisions of this Section 2.14 may be amended with the consent of the Required Lenders; provided no such amendment shall require any Lender to provide any Incremental Commitment without such Lender's consent.

2.15 Extensions of Term Loans, Revolving Credit Loans and Revolving Credit Commitments and Additional/Replacement Revolving Credit Loans and Additional/Replacement Revolving Credit Commitments.

(a) The Borrower may at any time and from time to time request that all or a portion of each Term Loan of any Class (an "Existing Term Loan Class") be converted or exchanged to extend the scheduled final maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of such Term Loans or to make any other changes to the terms of such Term Loans (any such Term Loans which have been so extended or changed, "Extended Term Loans") and to provide for other terms consistent with this Section 2.15. Prior to entering into any Extension Agreement with respect to any Extended Term Loans, the Borrower shall provide written notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Existing Term Loan Class, with such request offered equally to all such Lenders of such Existing Term Loan Class) (a "Term Loan Extension Request") setting forth the proposed terms of the Extended Term Loans to be established, which terms shall be similar to the Term Loans of the Existing Term Loan Class from which they are to be extended or changed except that (w) the scheduled final maturity date may be extended or changed and all or any of the scheduled amortization payments of all or a portion of any principal amount of such Extended Term Loans may be delayed to later dates than the scheduled amortization of principal of the Term Loans of such Existing Term Loan Class (with any such delay resulting in a corresponding adjustment to the scheduled amortization payments reflected in Section 2.5 or in the Extension Agreement or the Incremental Agreement, as the case may be, with respect to the Existing Term Loan Class of Term Loans from which such Extended Term Loans were extended or changed, in each case as more particularly set forth in Section 2.15(d) below), (x)(A) the interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, funding discounts, original issue discounts and prepayment terms and premiums with respect to the Extended Term Loans may be different than those for the Term Loans of such Existing Term Loan Class and/or (B) additional fees and/or premiums may be payable to the Lenders providing such Extended Term Loans in addition to any of the items contemplated by the preceding clause (A), in each case, to the extent provided in the applicable Extension Agreement, (y) subject to the provisions set forth in Sections 5.1 and 5.2, the Extended Term Loans may have optional prepayment terms (including call protection and prepayment terms and premiums) and mandatory prepayment terms as may be agreed between the Borrower and the Lenders thereof and (z) the Extension Agreement may provide for other covenants and terms. No Lender shall have any obligation to agree to have any of its Term Loans of any Existing Term Loan Class converted into Extended Term Loans pursuant to any Term Loan Extension Request. Any Extended Term Loans of any Extension Series shall constitute a separate Class of Term Loans from the Existing Term Loan Class of Term Loans from which they were extended or changed.

(b) The Borrower may at any time and from time to time request that all or a portion of the Revolving Credit Commitments of any Class, the Extended Revolving Credit Commitments of any Class and/or any Additional/Replacement Revolving Credit Commitments (and, in each case, including any previously extended Revolving Credit Commitments and/or Additional/Replacement Revolving Credit Commitments), existing at the time of such request or to make any other changes to the terms of such Existing Revolving Credit Commitment and related Loans (each, an "Existing Revolving Credit Commitment" and any related revolving credit loans under any such facility, "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 or exchanged 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 Existing Revolving Credit Loans related to such Existing Revolving Credit Commitments or to make any other changes to the terms of such Existing Revolving Credit Commitment and related Loans (any such Existing Revolving Credit Commitments which have been so extended, "Extended Revolving Credit Commitments" and any related revolving credit loans, "Extended Revolving Credit Loans") and to provide for other terms consistent with this Section 2.15. Prior to entering into any Extension Agreement with respect to any Extended Revolving Credit Commitments, the Borrower 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,

with such request offered equally to all Lenders of such Class) (a "Revolving Credit Extension Request") setting forth the proposed terms of the Extended Revolving Credit Commitments to be established thereunder, which terms shall be similar to those applicable to the Existing Revolving Credit Commitments from which they are to be extended or changed (the "Specified Existing Revolving Credit Commitment Class") except that (w) all or any of the final maturity dates of such Extended Revolving Credit Commitments may be extended or changed to later dates than the final maturity dates of the Existing Revolving Credit Commitments of the Specified Existing Revolving Credit Commitment Class, (x)(A) the interest rates, interest margins, rate floors, upfront fees, funding discounts, original issue discounts and prepayment terms and premiums with respect to the Extended Revolving Credit Commitments may be different than those for the Existing Revolving Credit Commitments of the Specified Existing Revolving Credit Commitment Class and/or (B) additional fees and/or premiums may be payable to the Lenders providing such Extended Revolving Credit Commitments in addition to or in lieu of any of the items contemplated by the preceding clause (A) and (y)(1) the undrawn revolving credit commitment fee rate with respect to the Extended Revolving Credit Commitments may be different than those for the Specified Existing Revolving Credit Commitment Class and (2) the Extension Agreement may provide for other covenants and terms that apply after the Latest Maturity Date; provided that, notwithstanding anything to the contrary in this Section 2.15, Section 5.2(e) or otherwise, (I) the borrowing and repayment (other than in connection with a permanent repayment and termination of commitments) of the Extended Revolving Credit Loans under any Extended Revolving Credit Commitments shall be made on a pro rata basis with any borrowings and repayments of the Existing Revolving Credit Loans of the Specified Existing Revolving Credit Commitment Class (the mechanics for which may be implemented through the applicable Extension Agreement and may include technical changes related to the borrowing and repayment procedures of the Specified Existing Revolving Credit Commitment Class), (II) assignments and participations of Extended Revolving Credit Commitments and Extended Revolving Credit Loans shall be governed by the assignment and participation provisions set forth in Section 13.6 and (III) subject to the applicable limitations set forth in Section 4.2 and Section 5.2(e)(ii), permanent repayments of Extended Revolving Credit Loans (and corresponding permanent reduction in the related Extended Revolving Credit Commitments) shall be permitted as may be agreed between the Borrower and the Lenders thereof. 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 or exchanged 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 Existing Revolving Credit Commitments of the Specified Existing Revolving Credit Commitment Class and from any other Existing Revolving Credit Commitments (together with any other Extended Revolving Credit Commitments so established on such date).

(c) The Borrower shall provide the applicable Extension Request to the Administrative Agent at least five (5) Business Days (or such shorter period as the Administrative Agent may determine in its reasonable discretion) prior to the date on which Lenders under the Existing Class are requested to respond, and shall agree to such procedures, if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably, to accomplish the purpose of this Section 2.15. The Borrower may, at its election, specify as a condition to consummating any Extension Agreement that a minimum amount (to be determined and specified in the relevant Extension Request in the Borrower's sole discretion and as may be waived by the Borrower) of Term Loans and/or Revolving Credit Commitments (as applicable) of any or all applicable Classes be tendered. Any Lender (an "Extending Lender") wishing to have all or a portion of its Term Loans, Revolving Credit Commitments or Additional/Replacement Revolving Credit Commitments (or any earlier Extended Revolving Credit Commitments) of an Existing Class subject to such Extension Request converted or exchanged into Extended Loans/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 Term Loans, Revolving Credit

Commitments and/or Additional/Replacement Revolving Credit Commitments (and/or any earlier Extended Revolving Credit Commitments) which it has elected to convert or exchange into Extended Loans/Commitments (subject to any minimum denomination requirements imposed by the Administrative Agent). In the event that the aggregate amount of Term Loans, Revolving Credit Commitments and Additional/Replacement Revolving Credit Commitments (and any earlier extended Extended Revolving Credit Commitments) subject to Extension Elections exceeds the amount of Extended Loans/Commitments requested pursuant to the Extension Request, Term Loans, Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments or earlier extended Extended Revolving Credit Commitments, as applicable, subject to Extension Elections shall be converted to or exchanged to Extended Loans/Commitments on a pro rata basis (subject to such rounding requirements as may be established by the Administrative Agent) based on the amount of Term Loans, Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments and earlier extended Extended Revolving Credit Commitments included in each such Extension Election or as may be otherwise agreed to in the applicable Extension Agreement. Notwithstanding the conversion of any Existing Revolving Credit Commitment into an Extended Revolving Credit Commitment, unless expressly agreed by the holders of each affected Existing Revolving Credit Commitment of the Specified Existing Revolving Credit Commitment Class, such Extended Revolving Credit Commitment shall not be treated more favorably than all Existing Revolving Credit Commitments of the Specified Existing Revolving Credit Commitment Class for purposes of the obligations of a Revolving Credit Lender in respect of Swingline Loans under Section 2.1(d) and Letters of Credit under Section 3, except that the applicable Extension Agreement may provide that the Swingline Maturity Date and/or the last day for issuing Letters of Credit may be extended and the related obligations to make Swingline Loans and issue Letters of Credit may be continued (pursuant to mechanics to be specified in the applicable Extension Agreement) so long as the Swingline Lender and/or each applicable Letter of Credit Issuer have consented to such extensions (it being understood that no consent of any other Lender shall be required in connection with any such extension).

(d) Extended Loans/Commitments shall be established pursuant to an amendment (an "Extension Agreement") to this Agreement (which, except to the extent expressly contemplated by the penultimate sentence of this Section 2.15(d) 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 with respect to the Extended Loans/Commitments established thereby) executed by the Credit Parties, the Administrative Agent and the Extending Lenders. In addition to any terms and changes required or permitted by this Section 2.15(d), each Extension Agreement in respect of Extended Term Loans may amend the scheduled amortization payments pursuant to Section 2.5 or the applicable Incremental Agreement or Extension Agreement with respect to the Existing Class of Term Loans from which the Extended Term Loans were exchanged to reduce each scheduled Repayment Amount for the Existing Class in the same proportion as the amount of Term Loans of the Existing Class is to be reduced pursuant to such Extension Agreement (it being understood that the amount of any Repayment Amount payable with respect to any individual Term Loan of such Existing Class that is not an Extended Term Loan shall not be reduced as a result thereof). In connection with any Extension Agreement, the Borrower shall deliver an opinion of counsel reasonably acceptable to the Administrative Agent and addressed to the Administrative Agent and the applicable Extending Lenders (i) as to the enforceability of such Extension Agreement, this Agreement as amended thereby, and such of the other Credit Documents (if any) as may be amended thereby (in the case of such other Credit Documents as contemplated by the immediately preceding sentence) and covering customary matters and (ii) to the effect that such Extension Agreement, including the Extended Loans/Commitments provided for therein, does not breach or result in a default under the provisions of Section 13.1 of this Agreement.

(e) Notwithstanding anything to the contrary contained in this Agreement, (A) on any date on which any Existing Term Loan Class or Class of Existing Revolving Credit Commitments is converted

or exchanged to extend the related scheduled maturity date(s) in accordance with paragraph (a) above (an "Extension Date"), (I) in the case of the existing Term Loans of each Extending Lender, the aggregate principal amount of such existing Term Loans shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Term Loans so converted or exchanged by such Lender on such date, and the Extended Term Loans shall be established as a separate Class of Term Loans (together with any other Extended Term Loans so established on such date), and (II) in the case of the Existing Revolving Credit Commitments of each Extending Lender under any Specified Existing Revolving Credit Commitment Class, the aggregate principal amount of such Existing Revolving Credit Commitments shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Revolving Credit Commitments so converted or exchanged by such Lender on such date (or by any greater amount as may be agreed by the Borrower and such Lender), and such Extended Revolving Credit Commitments shall be established as a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitment Class 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 Existing Revolving Credit Loans of any Extending Lender are outstanding under the Specified Existing Revolving Credit Commitment Class, such Existing Revolving Credit Loans (and any related participations) shall be deemed to be converted or exchanged to Extended Revolving Credit Loans (and related participations) of the applicable Class in the same proportion as such Extending Lender's Specified Existing Revolving Credit Commitments to Extended Revolving Credit Commitments of such Class.

(f) In the event that the Administrative Agent determines in its sole discretion that the allocation of Extended Term Loans of a given Extension Series or the Extended Revolving Credit Commitments of a given Extension Series, in each case to a given Lender was incorrectly determined as a result of manifest administrative error in the receipt and processing of an Extension Election timely submitted by such Lender in accordance with the procedures set forth in the applicable Extension Agreement, then the Administrative Agent, the Borrower and such affected Lender may (and hereby are authorized to), in their sole discretion and without the consent of any other Lender, enter into an amendment to this Agreement and the other Credit Documents (each, a "Corrective Extension Agreement") within 15 days following the effective date of such Extension Agreement, as the case may be, which Corrective Extension Agreement shall (i) provide for the conversion or exchange and extension of Term Loans under the Existing Term Loan Class or Existing Revolving Credit Commitments (and related Revolving Credit Exposure), as the case may be, in such amount as is required to cause such Lender to hold Extended Term Loans or Extended Revolving Credit Commitments (and related revolving credit exposure) of the applicable Extension Series into which such other Term Loans or commitments were initially converted or exchanged, as the case may be, in the amount such Lender would have held had such administrative error not occurred and had such Lender received the minimum allocation of the applicable Loans or Commitments to which it was entitled under the terms of such Extension Agreement, in the absence of such error, (ii) be subject to the satisfaction of such conditions as the Administrative Agent, the Borrower and such Lender may agree (including conditions of the type required to be satisfied for the effectiveness of an Extension Agreement described in Section 2.15(d)), and (iii) effect such other amendments of the type (with appropriate reference and nomenclature changes) described in the penultimate sentence of Section 2.15(d).

(g) No conversion or exchange of Loans or Commitments pursuant to any Extension Agreement in accordance with this Section 2.15 shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

(h) This Section 2.15 shall supersede any provisions in Section 2.4 or Section 13.1 to the contrary. For the avoidance of doubt, any of the provisions of this Section 2.15 may be amended with the consent of the Required Lenders; provided that no such amendment shall require any Lender to provide any Extended Loans/Commitments without such Lender's consent.

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

(a) fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 4.1(a);

(b) the Commitment of and the Revolving Credit Exposure of such Defaulting Lender shall not be included in determining whether all Lenders or the Required Lenders or any other requisite Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 13.1); provided that (i) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender which affects such Defaulting Lender differently than other affected Lenders shall require the consent of such Defaulting Lender and (ii) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender;

(c) if any Swingline Exposure or Letter of Credit Exposure exists at the time a Lender becomes a Defaulting Lender, then (i) all or any part of such Letter of Credit Exposure of such Defaulting Lender and such Swingline Exposure of such Defaulting Lender will, subject to the limitation in the proviso below, automatically be reallocated (effective on the day such Lender becomes a Defaulting Lender) among the Non-Defaulting Lenders pro rata in accordance with their respective Revolving Credit Commitment Percentage; of the applicable Class of Revolving Credit Commitments; provided that (A) each Non-Defaulting Lender's Revolving Credit Exposure may not in any event exceed the Revolving Credit Commitment of such Non-Defaulting Lender as in effect at the time of such reallocation and (B) subject to Section 13.21, neither such reallocation nor any payment by a Non-Defaulting Lender pursuant thereto will constitute a waiver or release of any claim the Borrower, the Administrative Agent, the Letter of Credit Issuers, the Swingline Lender or any other Lender may have against such Defaulting Lender or cause such Defaulting Lender to be a Non-Defaulting Lender, (ii) to the extent that all or any portion (the "unreallocated portion") of the Defaulting Lender's Letter of Credit Exposure and Swingline Exposure cannot, or can only partially, be so reallocated to Non-Defaulting Lenders, whether by reason of the first proviso in Section 2.16(c)(i) above or otherwise, the Borrower shall within two Business Days following notice by the Administrative Agent, (x) first, prepay such Swingline Exposure (after giving pro forma effect to any partial reallocation pursuant to clause (i) above) and (y) second, Cash Collateralize such Defaulting Lender's Letter of Credit Exposure (after giving pro forma effect to any partial reallocation pursuant to clause (i) above), in accordance with the procedures set forth in Section 3.8 for so long as such Letter of Credit Exposure is outstanding, (iii) if the Borrower Cash Collateralizes any portion of such Defaulting Lender's Letter of Credit Exposure pursuant to the requirements of this Section 2.16(c), the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 4.1(c) with respect to such Defaulting Lender's Letter of Credit Exposure during the period such Defaulting Lender's Letter of Credit Exposure is Cash Collateralized, (iv) if the Letter of Credit Exposure of the Non-Defaulting Lenders is reallocated pursuant to the requirements of this Section 2.16(c), then the fees payable to the Lenders pursuant to Section 4.1(c) shall be adjusted in accordance with such Non-Defaulting Lenders' Revolving Credit Commitment Percentages of the applicable Class of Revolving Credit Commitments and the Borrower shall not be required to pay any fees to the Defaulting Lender pursuant to Section 4.1(c) with respect to such Defaulting Lender's Letter of Credit Exposure during the

period that such Defaulting Lender's Letter of Credit Exposure is reallocated, or (v) if any Defaulting Lender's Letter of Credit Exposure is neither Cash Collateralized nor reallocated pursuant to the requirements of this Section 2.16(c), then, without prejudice to any rights or remedies of the Letter of Credit Issuer or any Lender hereunder, all fees payable under Section 4.1(c) with respect to such Defaulting Lender's Letter of Credit Exposure shall be payable to the Letter of Credit Issuer until such Letter of Credit Exposure is Cash Collateralized and/or reallocated;

(d) (i) the Letter of Credit Issuer will not be required to issue any new Letter of Credit or amend any outstanding Letter of Credit to increase the face amount thereof, alter the drawing terms thereunder or extend the expiry date thereof, unless the Letter of Credit Issuer is reasonably satisfied that any exposure that would result from the exposure to such Defaulting Lender is eliminated or fully covered by the Revolving Credit Commitments of the Non-Defaulting Lenders or by Cash Collateralization or a combination thereof in accordance with the requirements of Section 2.16(c) above or otherwise in a manner reasonably satisfactory to the Letter of Credit Issuer; and

(ii) the Swingline Lender will not be required to fund any Swingline Loans unless the Swingline Lender is reasonably satisfied that any exposure that would result from the exposure to such Defaulting Lender is eliminated or fully covered by the Revolving Credit Commitments of the Non-Defaulting Lenders or a combination thereof in accordance with the requirements of Section 2.16(c) above.

(e) If the Borrower, the Administrative Agent, the Swingline Lender and each applicable Letter of Credit Issuer agree in writing in their discretion that a Lender that is a Defaulting Lender should no longer be deemed to be 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, such Lender will, to the extent applicable, purchase at par that portion of outstanding Revolving Credit Loans of the other Revolving Credit Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause such outstanding 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 Revolving Credit Lenders (including such Lender) in accordance with their applicable percentages, whereupon such Lender will cease to be a Defaulting Lender and will be a Non-Defaulting Lender and any applicable Cash Collateral shall be promptly returned to the Borrower and any Letter of Credit Exposure and Swingline Exposure of such Lender reallocated pursuant to the requirements of Section 2.16(c) shall be reallocated back to such Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; provided that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender; and

(f) Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 11 or otherwise, and including any amounts made available to the Administrative Agent by that 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 that Defaulting Lender to the Administrative Agent hereunder; second, in the case of a Revolving Credit Lender, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to the Letter of Credit Issuers and the Swingline

Lender hereunder; third, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fourth, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing 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, in accordance with Section 3.8, the Letter of Credit Issuer's potential future fronting exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement; fifth, to the payment of any amounts owing to the Lenders, the Letter of Credit Issuer or the Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, such Letter of Credit Issuer or such Swingline Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; sixth, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower or any of its Restricted Subsidiaries pursuant to any Secured Hedging Agreement with such Defaulting Lender as certified by an Authorized Officer of the Borrower to the Administrative Agent (with a copy to the Defaulting Lender) prior to such date of payment; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and eighth, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that, if such payment is a payment of the principal amount of any Loans or a payment of any Unpaid Drawings, such payment shall be applied solely to pay the relevant Loans of, and Unpaid Drawings owed to, the relevant non-Defaulting Lenders on a pro rata basis prior to being applied in the manner set forth in this Section 2.16(f). 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 Section 3.8 shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

2.17 Term Loan Exchange Notes.

(a) The Borrower may by written notice to the Administrative Agent elect to offer (each a "Permitted Debt Exchange Offer") to issue to Lenders holding Term Loans under this Agreement first priority senior secured notes and/or junior lien secured notes and/or unsecured notes (the "Term Loan Exchange Notes") in exchange for the Term Loans (each such exchange, a "Permitted Debt Exchange"); provided that such Term Loan Exchange Notes may not be in an aggregate principal amount (or accreted value) greater than the aggregate principal amount of Term Loans being exchanged plus unpaid accrued interest, fees and premiums (including tender premiums) (if any) thereon, defeasance costs, underwriting discounts and fees, commissions and expenses (including OID, closing payments, upfront fees or similar fees) in connection with the issuance of the Term Loan Exchange Notes. Each such notice shall specify the date (each, a "Term Loan Exchange Effective Date") on which the Borrower proposes that the Term Loan Exchange Notes shall be issued, which shall be a date not less than fifteen days after the date on which such notice is delivered to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent); provided that: (w) the Weighted Average Life to Maturity of such Term Loan Exchange Notes shall not be shorter than the then remaining Weighted Average Life to Maturity of the Term Loans being exchanged (it being understood that acceleration or mandatory repayment, prepayment, redemption or repurchase of such Term Loan Exchange Notes upon the occurrence of an event of default, a change in control, an event of loss or an asset disposition shall not be deemed to constitute a change in the stated final maturity thereof); (x) if secured, such Term Loan Exchange Notes shall rank equal to or junior in right of payment and of security with the Loans and Commitments being exchanged hereunder; (y) all other terms and conditions (other than interest rates (including through fixed interest rates), interest

rate margins, rate floors, fees, maturity, funding discounts, original issue discounts and redemption or prepayment terms and premiums) applicable to such Term Loan Exchange Notes shall reflect market terms and conditions at the time of incurrence (as determined in good faith by the Borrower); provided that the Term Loan Exchange Notes may have the benefit of any Previously Absent Covenant if the Administrative Agent has been given prompt written notice thereof and this Agreement shall have been amended to include such Previously Absent Covenant; and (z) the obligations in respect of the Term Loan Exchange Notes (A) shall not be secured by Liens on any asset of Holdings, the Borrower and the Restricted Subsidiaries other than assets constituting Collateral, (B) if such Term Loan Exchange Notes are secured, all security therefor shall be granted pursuant to documentation that is not more restrictive than the Security Documents in any material respect taken as a whole (as determined by the Borrower) and the representative for such Term Loan Exchange Notes shall enter into a Customary Intercreditor Agreement (it being understood that junior Liens are not required to be equal to other junior Liens, and that Indebtedness secured by junior Liens may be secured by Liens that are equal to, or junior in priority to, other Liens that are junior to the Liens securing the Obligations), or (C) shall not be incurred or guaranteed by any Restricted Subsidiary unless such Restricted Subsidiary is a Credit Party which shall have previously or substantially concurrently guaranteed or borrowed such Term Loans being exchanged.

(b) The Borrower shall offer to issue Term Loan Exchange Notes in exchange for the Class of Term Loans to all Lenders holding such Class of Term Loans (other than any Lender that, if requested by the Borrower, is unable to certify that it is (i) a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act), (ii) an institutional "accredited investor" (as defined in Rule 501 under the Securities Act) or (iii) not a "U.S. person" (as defined in Rule 902 under the Securities Act)) on a pro rata basis, and such Lenders may choose to accept or decline to receive such Term Loan Exchange Notes in their sole discretion. Any such Term Loans exchanged for Term Loan Exchange Notes shall be automatically and immediately, without further action by any Person, cancelled on the Term Loan Exchange Effective Date for all purposes of this Agreement (and, if requested by the Administrative Agent, any applicable exchanging Lender shall execute and deliver to the Administrative Agent an Assignment and Acceptance, or such other form as may be reasonably requested by the Administrative Agent, in respect thereof pursuant to which the respective Lender assigns its interest in the Term Loans being exchanged pursuant to the Permitted Debt Exchange to the Borrower for immediate cancellation), and accrued and unpaid interest on such Term Loans shall be paid to the exchanging Lenders on the Term Loan Exchange Effective Date, or, if agreed to by the Borrower and the Administrative Agent, the next scheduled date interest is due with respect to such Term Loans (with such interest accruing until the date of consummation of such Permitted Debt Exchange).

(c) If the aggregate principal amount of all Term Loans (calculated on the face amount thereof) of a given Class tendered by Lenders in respect of the relevant Permitted Debt Exchange Offer (with no Lender being permitted to tender a principal amount of Term Loans which exceeds the principal amount thereof of the applicable Class actually held by it) shall exceed the maximum aggregate principal amount of Term Loans of such Class offered to be exchanged by the Borrower pursuant to such Permitted Debt Exchange Offer, then the Borrower shall exchange Term Loans under the relevant Class tendered by such Lenders ratably up to such maximum based on the respective principal amounts so tendered, or, if such Permitted Debt Exchange Offer shall have been made with respect to multiple Classes without specifying a maximum aggregate principal amount offered to be exchanged for each Class, and the aggregate principal amount of all Term Loans (calculated on the face amount thereof) of all Classes tendered by Lenders in respect of the relevant Permitted Debt Exchange Offer (with no Lender being permitted to tender a principal amount of Term Loans which exceeds the principal amount thereof actually held by it) shall exceed the maximum aggregate principal amount of Term Loans of all relevant Classes offered to be exchanged by the Borrower pursuant to such Permitted Debt Exchange Offer, then the Borrower shall exchange Term Loans across all Classes subject to such Permitted Debt Exchange Offer tendered by such Lenders ratably up to such maximum amount based on the respective principal amounts so tendered.

(d) With respect to all Permitted Debt Exchanges effected by the Borrower pursuant to this Section 2.17, unless waived by the Borrower, such Permitted Debt Exchange Offer shall be made for not less than $50,000,000 in aggregate principal amount of Term Loans; provided that subject to the foregoing the Borrower may at its election specify (A) as a condition (a "Minimum Tender Condition") to consummating any such Permitted Debt Exchange that a minimum amount (to be determined and specified in the relevant Permitted Debt Exchange Offer in the Borrower's discretion) of Term Loans of any or all applicable Classes be tendered and/or (B) as a condition (a "Maximum Tender Condition") to consummating any such Permitted Debt Exchange that no more than a maximum amount (to be determined and specified in the relevant Permitted Debt Exchange Offer in the Borrower's discretion) of Term Loans of any or all applicable Classes will be accepted for exchange. The Administrative Agent and the Lenders hereby acknowledge and agree that this Section 2.17 shall supersede any provisions of Section 2.5, Section 5 and Section 13.1 to the contrary, waive the requirements of any other provision of this Agreement or any other Credit Document that may otherwise prohibit the incurrence of any Indebtedness expressly provided for by this Section 2.17 and hereby agree not to assert any Default or Event of Default in connection with the implementation of any such Permitted Debt Exchange or any other transaction contemplated by this Section 2.17.

(e) In connection with each Permitted Debt Exchange, the Borrower shall provide the Administrative Agent at least five Business Days' (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and the Borrower and the Administrative Agent, acting reasonably, shall mutually agree to such procedures as may be necessary or advisable to accomplish the purposes of this Section 2.17; provided that the terms of any Permitted Debt Exchange Offer shall provide that the date by which the relevant Lenders are required to indicate their election to participate in such Permitted Debt Exchange shall be not less than five Business Days following the date on which the Permitted Debt Exchange Offer is made. The Borrower shall provide the final results of such Permitted Debt Exchange to the Administrative Agent no later than one Business Day prior to the proposed date of effectiveness for such Permitted Debt Exchange and the Administrative Agent shall be entitled to conclusively rely on such results.

(f) The Borrower shall be responsible for compliance with, and hereby agrees to comply with, all applicable securities and other laws in connection with each Permitted Debt Exchange, it being understood and agreed that (x) neither the Administrative Agent nor any Lender assumes any responsibility in connection with the Borrower's compliance with such laws in connection with any Permitted Debt Exchange and (y) each Lender shall be solely responsible for its compliance with any applicable "insider trading" laws and regulations to which such Lender may be subject under the Exchange Act.

SECTION 3. Letters of Credit.

3.1 Issuance of Letters of Credit.

(a) Subject to and upon the terms and conditions herein set forth, at any time and from time to time on and after the Closing Date and prior to the date that is three (3) Business Days prior to the Revolving Credit Maturity Date, each Letter of Credit Issuer agrees to issue (or cause its Affiliates or other financial institution with which the Letter of Credit Issuer shall have entered into an agreement regarding the issuance of letters of credit hereunder, to issue on its behalf), upon the request of and for the account of the Borrower or any Restricted Subsidiary, letters of credit (each, a "Letter of Credit") in such form as may be approved by such Letter of Credit Issuer in its reasonable discretion; provided that the Borrower shall be a co-applicant, and be jointly and severally liable, with respect to each Letter of Credit issued for the account of a Restricted Subsidiary.

(b) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letter of Credit Obligations at such time, would exceed the Letter of Credit Sub-Commitment then in effect, (ii) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letter of Credit Obligations and the Revolving Credit Loans and Swingline Loans outstanding at such time, would exceed the Total Revolving Credit Commitment then in effect, (iii) no Letter of Credit shall be required to be issued by a Letter of Credit Issuer the Stated Amount of which, when added to such Letter of Credit Issuer's Revolving Credit Loans and Swingline Loans outstanding at such time, would exceed the Total Revolving Credit Commitment, (iv) each Letter of Credit shall have an expiration date occurring no later than the earlier of (x) one year after the date of issuance thereof, unless otherwise agreed upon by the Administrative Agent and the applicable Letter of Credit Issuer or as provided under Section 3.2(e), and (y) the Letter of Credit Maturity Date, (v) each Letter of Credit shall be denominated in Dollars, (vi) 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, (vii) no Letter of Credit shall be issued after the applicable Letter of Credit Issuer has received a written notice from the Borrower or the Administrative Agent stating that a Default or an 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 or that such Default or Event of Default is no longer continuing and (viii) unless otherwise agreed by the applicable Letter of Credit Issuer, no Letter of Credit shall be issued by the applicable Letter of Credit Issuer if such issuance would cause the Letter of Credit Obligations of such Letter of Credit Issuer to exceed the Letter of Credit Sub-Commitment Obligation of such Letter of Credit Issuer.

(c) In connection with the establishment of any Extended Revolving Credit Commitments or Additional/Replacement Revolving Credit Commitments and subject to the availability of unused Commitments with respect to such newly established Class and the satisfaction of the Conditions set forth in Section 7, the Borrower may, with the written consent of the Letter of Credit Issuer, designate any outstanding Letter of Credit to be a Letter of Credit issued pursuant to such Class of Extended Revolving Credit Commitments or Additional/Replacement Revolving Credit Commitments, as applicable. Upon such designation such Letter of Credit shall no longer be deemed to be issued and outstanding under such prior Class and shall instead be deemed to be issued and outstanding under such newly established Class of Extended Revolving Credit Commitments or Additional/Replacement Revolving Credit Commitments, as applicable.

(d) On the Closing Date, without further action by any party hereto (including the delivery of a Letter of Credit Request or any consent of, or confirmation by or to, the Administrative Agent), subject to the terms of this Section 3, (i) each Existing Letter of Credit set forth on Schedule 1.1(b) hereto issued by a Letter of Credit Issuer hereunder shall become a Letter of Credit outstanding under this Agreement, shall be deemed to be a Letter of Credit issued under this Agreement and shall be subject to the terms and conditions hereof (including Section 4.1) as if each such Letter of Credit was issued by the applicable Letter of Credit Issuer pursuant to this Agreement and (ii) each Letter of Credit Issuer that has issued an Existing Letter of Credit shall be deemed to have granted each Letter of Credit Participant in respect thereof and each Letter of Credit Participant in respect thereof shall be deemed to have acquired from such Letter of Credit Issuer, on the terms and conditions of Section 3.3 hereof, for such Letter of Credit Participant's own account and risk, an undivided participation interest in such Letter of Credit Issuer's obligations and rights under each such Existing Letter of Credit equal to such Letter of Credit Participant's Revolving Credit Commitment Percentage, as applicable, of (A) the outstanding amount available to be drawn under such Existing Letter of Credit and (B) the aggregate amount of any outstanding reimbursement obligations in respect thereof.

3.2 Letter of Credit Requests.

(a) Whenever the Borrower (or the Borrower on behalf of any Restricted Subsidiary) desires that a Letter of Credit be issued (or amended, renewed or extended), it 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) (i) at least three (or such lesser number as may be agreed upon by the Administrative Agent and the Letter of Credit Issuer) Business Days prior to the proposed date of issuance, amendment, renewal or extension for any Letter of Credit for the account of the Borrower or any Subsidiary Guarantor (provided that such Subsidiary Guarantor shall have also signed the applicable Letter of Credit Request), (ii) at least five (or such lesser number as may be agreed upon by the Administrative Agent and the Letter of Credit Issuer) Business Days prior to the proposed date of issuance, amendment, renewal or extension for any Letter of Credit for the account of any Restricted Subsidiary that is a Domestic Subsidiary that is not a Credit Party and (iii) at least ten (or such lesser number as may be agreed upon by the Administrative Agent and the Letter of Credit Issuer) Business Days prior to the date of issuance, amendment, renewal or extension for any Letter of Credit for the account of any Foreign Restricted Subsidiary. Each Letter of Credit Request shall be executed by the Borrower and 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: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the Stated Amount thereof; (C) the expiry date thereof (which shall be not later than the earlier of (x) one year after the date of issuance thereof, unless otherwise agreed upon by the Administrative Agent and the applicable Letter of Credit Issuer or as provided under Section 3.2(e), and (y) the Letter of Credit Maturity Date); (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 and (G) 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: (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the Letter of Credit Issuer 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 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 the Required Revolving Credit Lenders, the Administrative Agent, the Borrower or any other Credit Party at least two Business Days prior to the requested date of issuance or amendment of the Letter of Credit, that one or more applicable conditions contained in Section 7 shall not then be satisfied, 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 the Borrower (or the applicable Restricted Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the terms hereof.

(d) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the Borrower that the Letter of Credit may be issued in accordance with, and will not violate the requirements of, Section 3.1(b).

(e) If the Borrower so requests in any applicable Letter of Credit Request, the Letter of Credit Issuer may 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 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 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 Letter of Credit Maturity Date; provided, however, that the Letter of Credit Issuer shall not permit any such extension if (A) the Letter of Credit Issuer has 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 Section 3.1(b) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Revolving Credit Lenders have elected not to permit such extension or (2) from the Administrative Agent, the Required Revolving Credit Lenders or the Borrower that one or more of the applicable conditions specified in Section 7 are not then satisfied, and in each such case directing the Letter of Credit Issuer not to permit such extension.

(f) Promptly after its delivery of any Letter of Credit or any amendment, renewal or extension to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the Letter of Credit Issuer will notify the Administrative Agent of such delivery, amendment, renewal or extension and will also deliver to the Borrower a true and complete copy of such Letter of Credit or amendment, renewal or extension. On the last Business Day of each March, June, September and December, the Letter of Credit Issuer shall provide the Administrative Agent a list of all Letters of Credit issued by it that are outstanding at such time.

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 other Revolving Credit Lender (each such Revolving Credit Lender, in its capacity under this Section 3.3(a), a "Letter of Credit Participant"), and each such Letter of Credit 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, a "Letter of Credit Participation"), to the extent of such Letter of Credit Participant's Revolving Credit Commitment Percentage, in such Letter of Credit, each substitute letter of credit, each drawing made thereunder and the obligations of the Borrower under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto (although Letter of Credit Fees will be paid directly to the Administrative Agent for the ratable account of the Letter of Credit Participants as provided in Section 4.1(c) and the Letter of Credit Participants shall have no right to receive any portion of any fees paid to the Administrative Agent for the account of the Letter of Credit Issuer in respect of each Letter of Credit issued hereunder).

(b) In determining whether to pay under any Letter of Credit, the Letter of Credit Issuer shall have no obligation relative to the Letter of Credit Participants other than to confirm to the Administrative Agent 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 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 a final non-appealable judgment of a court of competent jurisdiction, shall not create for the Letter of Credit Issuer any resulting liability.

(c) Whenever the Administrative Agent receives a payment in respect of an unpaid reimbursement obligation for the account of the Letter of Credit Issuer from the Borrower, the Administrative Agent shall promptly pay to each Letter of Credit 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 Letter of Credit Participant's share (based upon the proportionate aggregate amount originally funded or deposited by such Letter of Credit Participant to the aggregate amount funded or deposited by all Letter of Credit Participants) of the principal amount of such reimbursement obligation and interest thereon accruing after the purchase of the respective Letter of Credit Participations; provided that the amount paid to any Letter of Credit Participant shall not exceed the amount funded or deposited by such Letter of Credit Participant.

(d) The obligations of the Letter of Credit Participants to purchase Letter of Credit Participations from the Letter of Credit Issuer and 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, including under any of the following circumstances:

(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 the 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 beneficiary or 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 hereby or any unrelated transactions (including any underlying transaction between the Borrower and the beneficiary named in any such Letter of Credit);

(iii) any draft, certificate or any other document presented under any 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;

(iv) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Credit Documents;

(v) the occurrence of any Default or Event of Default; or

(vi) 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, any Credit Party or Restricted Subsidiary

3.4 Agreement to Repay Letter of Credit Drawings.

(a) The Borrower hereby agrees to reimburse the Letter of Credit Issuer in Dollars with respect to any drawing under any Letter of Credit, by making payment, whether with its own funds, with the proceeds of Revolving Credit Loans or any other source, to the Administrative Agent for the account of the Letter of Credit Issuer in immediately available funds, for any payment or disbursement made by

the Letter of Credit Issuer under any Letter of Credit issued by it (with respect to each such amount so paid under a Letter of Credit until reimbursed, a "Unpaid Drawing" (i) within one Business Day of the date of such payment or disbursement (or within two Business Days from such date of payment or disbursement, if the aggregate Revolving Credit Exposures of the applicable Class of Lenders equals the Total Revolving Credit Commitments of such Class of Lenders on the date of payment or disbursement), if the Letter of Credit Issuer provides notice to the Borrower of such payment or disbursement prior to 11:00 a.m. (New York City time) on such next succeeding Business Day after the date of such payment or disbursement or (ii) if such notice is received after such time, on the next Business Day from the receipt of such notice (or within two Business Days from the receipt of such notice, if the aggregate Revolving Credit Exposures of the applicable Class of Lenders equals the Total Revolving Credit Commitments of such Class of Lenders on the date of payment or disbursement) following the date of receipt of such notice (such required date for reimbursement under clause (i) or (ii), as applicable (the "Required Reimbursement Date"), with interest on the amount so paid or disbursed by such Letter of Credit Issuer, from and including the date of such payment or disbursement to but excluding the Required Reimbursement Date, at the per annum rate for each day equal to the rate described in Section 2.8(a); provided that, notwithstanding anything contained in this Agreement to the contrary, with respect to any Letter of Credit, (i) unless the Borrower shall have notified the Administrative Agent and the Letter of Credit Issuer prior to 11:00 a.m. (New York City time) on the Required Reimbursement Date that the Borrower intends to reimburse the Letter of Credit Issuer for the amount of such drawing with funds other than the proceeds of Revolving Credit Loans, the Borrower shall be deemed to have given a Notice of Borrowing requesting that the Lenders with Revolving Credit Commitments make Revolving Credit Loans (which shall be ABR Loans) on the Required Reimbursement Date in an amount equal to the amount of such drawing, and (ii) the Administrative Agent shall promptly notify each Letter of Credit Participant of such drawing and the amount of its Revolving Credit Loan to be made in respect thereof, and each Letter of Credit Participant shall be irrevocably obligated to make a Revolving Credit Loan to the Borrower in the manner deemed to have been requested in the amount of its Revolving Credit Commitment Percentage of the applicable Unpaid Drawing by 12:00 noon (New York City time) on such Required Reimbursement Date by making the amount of such Revolving Credit Loan available to the Administrative Agent. Such Revolving Credit Loans made in respect of such Unpaid Drawing on such Required Reimbursement Date shall be made without regard to the Minimum Borrowing Amount and without regard to the satisfaction of the conditions set forth in Section 7. The Administrative Agent shall use the proceeds of such Revolving Credit Loans solely for the purpose of reimbursing the Letter of Credit Issuer for the related Unpaid Drawing. If and to the extent such Letter of Credit 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, or that in the sole judgment of the Letter of Credit Issuer, such Revolving Credit Loan cannot for any reason be made on the date otherwise required above (including as a result of the commencement of a proceeding under any Debtor Relief Law in respect of the Borrower), each Letter of Credit Participant hereby agrees that its participation in such Unpaid Drawing shall remain outstanding in lieu of funding its portion of such Revolving Credit Loan and such Letter of Credit 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 customarily charged by the Letter of Credit Issuer in connection with the foregoing. The failure of any Letter of Credit 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 Letter of Credit 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 Letter of Credit Participant shall be responsible for the failure of any other Letter of Credit Participant to make available to the Administrative Agent such other Letter of Credit Participant's Revolving Credit Commitment Percentage of any such payment.

(b) The obligations of the Borrower under this Section 3.4 to reimburse the Letter of Credit Issuer with respect to Unpaid Drawings (including, in each case, interest thereon) shall be absolute and unconditional under any and all circumstances and irrespective of any set-off, counterclaim or defense to payment that the Borrower or any other Person may have or have had against the Letter of Credit Issuer, the Administrative Agent or any Lender (including in its capacity as a Letter of Credit Participant), including any defense based upon the failure of any drawing under a Letter of Credit (each, a "Drawing") to conform to the terms of such Letter of Credit or any non-application or misapplication by the beneficiary of the proceeds of such Drawing; provided that the Borrower 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 a Change in Law shall either (a) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against letters of credit issued by the Letter of Credit Issuer, or any Letter of Credit Participant's Letter of Credit Participation therein, (b) subject any Letter of Credit Issuer to any Tax (other than (i) taxes indemnifiable under Section 5.4, (ii) Excluded Taxes or (iii) taxes described in Section 5.4(f)) in respect of Letters of Credit or Letter of Credit Participations therein or (c) impose on the Letter of Credit Issuer or any Letter of Credit Participant any other conditions affecting its obligations under this Agreement in respect of such Letter of Credit Issuer's Letters of Credit (other than Taxes) or such Lender's Letter of Credit Participations therein (other than Taxes), and the result of any of the foregoing is to increase the cost to the Letter of Credit Issuer or such Lender of issuing, maintaining or participating in any Letter of Credit by an amount which such Letter of Credit Issuer or such Lender reasonably deems material, or to reduce the amount of any sum received or receivable by such Letter of Credit Issuer or such Lender hereunder then, promptly after receipt of written demand to the Borrower by the Letter of Credit Issuer or such Letter of Credit Participant, as the case may be (a copy of which notice shall be sent by the Letter of Credit Issuer or such Letter of Credit Participant to the Administrative Agent), the Borrower shall pay to the Letter of Credit Issuer or such Letter of Credit Participant such additional amount or amounts as will compensate the Letter of Credit Issuer or such Letter of Credit Participant for such increased cost or reduction, it being understood and agreed, however, that the Letter of Credit Issuer or a Letter of Credit 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 Applicable Law that would have existed in the event that a Change in Law had not occurred. A certificate submitted to the Borrower by the Letter of Credit Issuer or a Letter of Credit Participant, as the case may be (a copy of which certificate shall be sent by the Letter of Credit Issuer or such Letter of Credit Participant to the Administrative Agent), setting forth in reasonable detail the basis for the determination of such additional amount or amounts necessary to compensate the Letter of Credit Issuer or such Letter of Credit Participant as aforesaid shall be conclusive and binding on the Borrower absent clearly demonstrable error. Notwithstanding the foregoing, no Lender or Letter of Credit Issuer shall be entitled to seek compensation under this Section 3.5 based on the occurrence of a Change in Law arising solely from (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act or any requests, rules, guidelines or directives thereunder or issued in connection therewith or (y) Basel III or any requests, rules, guidelines or directives thereunder or issued in connection therewith, unless such Lender or Letter of Credit Issuer is generally seeking compensation from other borrowers in the U.S. leveraged loan market with respect to its similarly affected commitments, loans and/or participations under agreements with such borrowers having provisions similar to this Section 3.5.

3.6 New or Successor Letter of Credit Issuer.

(a) Any Letter of Credit Issuer may resign as a Letter of Credit Issuer upon 30 days' prior written notice to the Administrative Agent, the applicable Revolving Credit Lenders and the Borrower. Subject to the terms of the following sentence, the Borrower may replace the Letter of Credit Issuer for any reason upon written notice to the Administrative Agent and the Letter of Credit Issuer and the Borrower may add Letter of Credit Issuers at any time upon notice to the Administrative Agent and with the agreement of such new Letter of Credit Issuer. If the Letter of Credit Issuer shall resign or be replaced, or if the Borrower shall decide to add a new Letter of Credit Issuer under this Agreement, then the Borrower may appoint a successor issuer of Letters of Credit or a new Letter of Credit Issuer, as the case may be, with the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), whereupon such successor issuer 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 shall be granted the rights, powers and duties of a 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 Borrower shall pay to the resigning or replaced Letter of Credit Issuer all accrued and unpaid fees pursuant to Sections 4.1(b) and 4.1(d). The acceptance of any appointment as a 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 satisfactory to the Borrower 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 a "Letter of Credit Issuer" hereunder. After the resignation or replacement of a 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 a 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 or amend or renew existing 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, 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 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 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 a 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 a 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 that 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 Borrower, 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 Revolving Credit Lender and the 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, any Related Party of the Letter of Credit Issuer, the Administrative Agent, any of their respective Affiliates or 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 or the Required Revolving Credit Lenders, as applicable, (ii) any action taken or omitted in the absence of gross negligence, bad faith or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes 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 Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the Letter of Credit Issuer, any Related Party of the Letter of Credit Issuer, the Administrative Agent, any of their respective Affiliates or 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(d); provided that anything in such Section to the contrary notwithstanding, the Borrower may have a claim against the Letter of Credit Issuer, and the Letter of Credit Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower caused by the Letter of Credit Issuer's willful misconduct or gross negligence, as determined in a final non-appealable judgment of a court of competent jurisdiction, 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 (as determined by a court of competent jurisdiction in a final and non-appealable order). 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.

3.8 Cash Collateral.

(a) If, as of the Letter of Credit Maturity Date, there are any Letter of Credit Obligations, the Borrower shall promptly (and in any event not later than the following Business Day) Cash Collateralize the Letter of Credit Obligations that for any reason remain outstanding. Section 2.16 and Section 5.2 set forth certain additional circumstances under which Cash Collateral may be, or is required to be, delivered hereunder.

(b) If any Event of Default shall occur and be continuing, the Required Revolving Credit Lenders may require that the Letter of Credit Obligations be Cash Collateralized; provided that, upon the occurrence of an Event of Default referred to in Section 11.5, the Borrower shall immediately Cash Collateralize the Letters of Credit then outstanding and no notice or request by or consent from the Required Lenders shall be required.

(c) For purposes of this Agreement, "Cash Collateralize" or "Cash Collateralization" means to pledge and deposit with or deliver to the Collateral Agent, for the benefit of the Letter of Credit Issuer collateral for the Letter of Credit Obligations cash or deposit account balances ("Cash Collateral") in an amount equal to the amount of the Letter of Credit Obligations required to be Cash Collateralized pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and

the Letter of Credit Issuer (which documents are hereby consented to by the Revolving Credit Lenders). Derivatives of such terms have corresponding meanings. The Borrower hereby grants to the Collateral Agent, for the benefit of the Letter of Credit Issuer and the Letter of Credit Participants, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Collateral Agent, the Letter of Credit Issuer or the Letter of Credit Participants, other than any Liens permitted under Section 10.2, or that the total amount of such Cash Collateral is less than the amount required to be delivered as described above, the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Collateral 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 Collateral Agent or any unaffiliated financial institution designated by the Collateral Agent.

(d) Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under this Agreement in respect of Letters of Credit shall be held and applied to the satisfaction of the specific Letter of Credit Obligations, obligations to fund participations therein, 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.

(e) Cash Collateral (or the appropriate portion thereof) provided to reduce or secure any obligations herein shall be released promptly following (i) the elimination of the applicable obligation giving rise thereto or (ii) the determination by the Administrative Agent and the Letter of Credit Issuer that there exists excess Cash Collateral; provided, however that (x) any such release shall be without prejudice to, and any disbursement or other transfer of Cash Collateral shall be and remain subject to, any other Lien conferred under the Credit Documents and the other applicable provisions of the Credit Documents, and (y) the Person providing Cash Collateral and the Letter of Credit Issuer may agree that Cash Collateral shall not be released but instead held to support anticipated obligations.

3.9 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.

3.10 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, a Restricted Subsidiary, the Borrower shall be obligated to reimburse the Letter of Credit Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Restricted Subsidiaries inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Restricted Subsidiaries.

3.11 Other.

(a) The Letter of Credit Issuer shall be under no obligation to issue any Letter of Credit if:

(i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the Letter of Credit Issuer from issuing such Letter of Credit, or any requirement of 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 (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 or procedures of the Letter of Credit Issuer;

(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 $100,000, in the case of a commercial Letter of Credit, or $10,000, in the case of a standby Letter of Credit;

(iv) such Letter of Credit is denominated in a currency other than Dollars; or

(v) such Letter of Credit contains any provisions for automatic reinstatement of the Stated Amount after any drawing thereunder.

(b) No Letter of Credit Issuer shall be under any obligation to amend any Letter of Credit if (A) such 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.

(c) Each Letter of Credit Issuer shall act on behalf of the applicable Revolving Credit 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 12 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 12 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.

3.12 Applicability of ISP and UCP. Unless otherwise expressly agreed by the Letter of Credit Issuer and the 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 UCP shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, the Letter of Credit Issuer shall not be responsible to the Borrower for, and the Letter of Credit Issuer's rights and remedies against the Borrower shall not be impaired by, any action or inaction of the Letter of Credit Issuer required or permitted under any Applicable 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.

SECTION 4. Fees; Commitment Reductions and Terminations.

4.1 Fees.

(a) The Borrower agrees to pay to the Administrative Agent for the account of each Revolving Credit Lender (in each case pro rata according to the respective Revolving Credit Commitments of all such Revolving Credit Lenders) a commitment fee (the "Commitment Fee") in Dollars that shall accrue daily from and including the Closing Date to but excluding the Revolving Credit

Termination Date. Each such 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 to be calculated based on the actual amount of the Available Revolving Credit Commitment (assuming for this purpose that there is no reference to Swingline Loans in clause (b)(i) of the definition of "Available Revolving Credit Commitment") in effect on such day.

(b) Without duplication, the Borrower agrees to pay to the Administrative Agent for the account of the Letter of Credit Issuer a fronting fee (the "Fronting Fee") with respect to each Letter of Credit issued by such Letter of Credit Issuer on the Borrower's behalf, computed at the rate for each day for the period from and including the date of issuance of such Letter of Credit to but excluding the termination or expiration date of such Letter of Credit equal to 0.125% per annum (or such other percentage per annum as may be agreed between the applicable Letter of Credit Issuer and the Borrower), times the actual daily Stated Amount of such Letter of Credit. The Fronting Fee shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, and on the Revolving Credit Termination Date.

(c) The Borrower agrees to pay to the Administrative Agent for the account of each Revolving Credit Lender, pro rata according to the Letter of Credit Exposure of such Lender, a fee in Dollars in respect of each Letter of Credit (the "Letter of Credit Fee"), for the period from and including the date of issuance of such Letter of Credit to but excluding the termination or expiration date of such Letter of Credit, computed at the per annum rate for each day equal to (x) the Applicable Margin for Eurodollar Loans then in effect for Revolving Credit Loans times (y) the actual daily Stated Amount of such Letter of Credit. Each Letter of Credit Fee shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December and on the Revolving Credit Termination Date. If there is any change in the Applicable Margin during any quarter, the daily maximum amount of each Letter of Credit shall be computed and multiplied by the Applicable Margin separately for each period during such quarter that such Applicable Margin was in effect.

(d) The Borrower agrees to pay directly to each Letter of Credit Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the Letter of Credit Issuer relating to Letters of Credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable within 10 Business Days after demand and are nonrefundable.

(e) The Borrower agrees to pay to the Administrative Agent the administrative agency fees in the amounts and on the dates as set forth in the Fee Letter.

(f) The Borrower agrees to pay to the Administrative Agent, for the account of each Initial Term Loan Lender on the Closing Date, an upfront fee equal to 0.25% of the aggregate principal amount of the Initial Term Loans made on the Closing Date, which may be reflected as original issue discount. All such fees payable under this Section 4.1(f) shall be payable in full on the Closing Date.

4.2 Voluntary Reduction of Commitments.

(a) Upon the prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent at the Administrative Agent's Office (in which case the Administrative Agent shall promptly notify each of the Lenders), the Borrower shall have the right, without premium or penalty, on any day, permanently to terminate or reduce the Commitments of any Class, as determined by the

Borrower, in whole or in part; provided that (a) any such notice shall be received by the Administrative Agent not later than 1:00 p.m., at least two Business Days prior to the proposed date of termination or reduction, (b) any such termination or reduction shall apply proportionately and permanently to reduce the Commitments of each of the Lenders within such Class, except that, notwithstanding the foregoing, (1) the Borrower may allocate any termination or reduction of Commitments among Classes of Commitments at its direction (including, for the avoidance of doubt, to the Commitments with respect to any Class of Extended Revolving Credit Commitments without any termination or reduction of the Commitments with respect to any Existing Revolving Credit Commitments of the same Specified Existing Revolving Credit Commitment Class) and (2) in connection with the establishment on any date of any Extended Revolving Credit Commitments pursuant to Section 2.15, the Existing 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 Specified Existing Revolving Credit Commitments so extended on such date (or, if agreed by the Borrower and the Lenders providing such Extended Revolving Credit Commitments, by any greater amount so long as (a) a proportionate reduction of the Specified Existing Revolving Credit Commitments has been offered to each Lender to whom the applicable Revolving Credit Extension Request has been made (which may be conditioned upon such Lender becoming an Extending Lender), and (b) the Borrower prepays the Existing Revolving Credit Loans of such Class owed to such Lenders providing such Extended Revolving Credit Commitments to the extent necessary to ensure that, after giving pro forma effect to such repayment or reduction, the Existing Revolving Credit Loans of such Class are held by the Lenders of such Class on a pro rata basis in accordance with their Existing Revolving Credit Commitments of such Class after giving pro forma effect to such reduction) (provided that (x) after giving pro forma effect to any such reduction and to the repayment of any Loans made on such date, the aggregate amount of the revolving credit exposure of any such Lender does not exceed the Existing Revolving Credit Commitment thereof (such revolving credit exposure and Revolving Credit Commitment being determined in each case, for the avoidance of doubt, exclusive of such Lender's Extended Revolving Credit Commitment and any exposure in respect thereof) and (y) for the avoidance of doubt, any such repayment of Loans contemplated by the preceding clause shall be made in compliance with the requirements of Section 5.3(a) with respect to the ratable allocation of payments hereunder, with such allocation being determined after giving pro forma effect to any conversion or exchange pursuant to Section 2.15 of Existing Revolving Credit Commitments and Existing Revolving Credit Loans into Extended Revolving Credit Commitments and Extended Revolving Credit Loans respectively, and prior to any reduction being made to the Commitment of any other Lender), (c) any partial reduction pursuant to this Section 4.2 shall be in an aggregate amount of at least $1,000,000 or any whole multiple of $1,000,000 in excess thereof, (d) after giving pro forma effect to such termination or reduction and to any prepayments of Loans or cancellation or Cash Collateralization of Letters of Credit made on the date thereof in accordance with this Agreement, the aggregate amount of the Lenders' revolving credit exposures for such Class shall not exceed the Total Revolving Credit Commitment for such Class, (e) after giving pro forma effect to such termination or reduction and to any prepayments of Additional/Replacement Revolving Credit Loans of any Class or cancellation or cash collateralization of letters of credit made on the date thereof in accordance with this Agreement, the aggregate amount of such Lenders' revolving credit exposures for such Class shall not exceed the Total Additional/Replacement Revolving Credit Commitment for such Class and the aggregate amount of the Lenders' revolving credit exposure for all Classes shall not exceed the Total Revolving Credit Commitment for all Classes, and (f) if, after giving pro forma effect to any reduction hereunder, the Letter of Credit Commitment or the Swingline Commitment exceeds the sum of the Total Revolving Credit Commitment and the Total Additional/Replacement Revolving Credit Commitment (if any), such Commitment shall be automatically reduced by the amount of such excess.

(b) Upon at least one Business Day's prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent and the Letter of Credit Issuer (which notice the Administrative Agent shall promptly transmit to each of the applicable Revolving Credit Lenders), the

Borrower shall have the right, on any day, permanently to terminate or reduce the Letter of Credit Sub-Commitment, in whole or in part, with each Letter of Credit Issuer's Letter of Credit Sub-Commitment being reduced on a pro rata basis; provided that, after giving pro forma effect to such termination or reduction, the Letter of Credit Obligations shall not exceed the Letter of Credit Sub-Commitment.

(c) Notwithstanding anything to the contrary set forth in Section 4.2(a), the Borrower may terminate the unused amount of the Commitment of a Defaulting Lender upon not less than two (2) Business Days' prior written notice to the Administrative Agent (which will promptly notify the Lenders thereof), and in such event the provisions of Section 2.16(f) will apply to all amounts thereafter paid by the Borrower for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts); provided that such termination will not be deemed to be a waiver or release of any claim the Borrower, the Administrative Agent, any Letter of Credit Issuer, any Swingline Lender or any Lender may have against such Defaulting Lender.

4.3 Mandatory Termination of Commitments.

(a) The Total Initial Term Loan Commitment shall terminate upon the occurrence of the Closing Date.

(b) The Total Revolving Credit Commitment shall terminate at 5:00 p.m. (New York City time) on the Revolving Credit Maturity Date.

(c) The Swingline Commitments shall terminate at 5:00 p.m. (New York City time) on the Swingline Maturity Date.

(d) The Incremental Term Loan Commitment for any Class shall, unless otherwise provided in the documentation governing such Incremental Term Loan Commitment, terminate at 5:00 p.m. (New York City time) on the Incremental Facility Closing Date for such Class.

(e) The Additional/Replacement Revolving Credit Commitment for any Class shall terminate at 5:00 p.m. (New York City time) on the maturity date for such Class specified in the documentation governing such Class.

(f) The Extended Loan/Commitment for any Extension Series shall terminate at 5:00 p.m. (New York City time) on the maturity date for such Class specified in the Extension Agreement.

SECTION 5. Payments.

5.1 Voluntary Prepayments.

(a) The Borrower shall have the right to prepay Term Loans, Revolving Credit Loans, Extended Revolving Credit Loans, Additional/Replacement Revolving Credit Loans and Swingline Loans, without, except as set forth in Section 5.1(b), premium or penalty, in whole or in part from time to time on the following terms and conditions: (1) the Borrower shall give the Administrative Agent at the Administrative Agent's Office written notice (or telephonic notice promptly confirmed in writing) of its intent to make such prepayment, the amount of such prepayment and in the case of Eurodollar Loans, the specific Borrowing(s) pursuant to which made, which notice shall be in the form attached hereto as Exhibit N and be given by the Borrower no later than 1:00 p.m. (New York City time) (x) on the date of such prepayment (in the case of ABR Loans, including Swingline Loans) or (y) three Business Days prior to the date of such prepayment (in the case of Eurodollar Loans), and, in each case, the Administrative Agent shall promptly notify each of the relevant Lenders or the relevant Swingline Lender, as the case

may be, (2) each partial prepayment of any Borrowing of Term Loans or Revolving Credit Loans shall be in a multiple of $500,000 and in an aggregate principal amount of at least $1,000,000 and each partial prepayment of Swingline Loans shall be in a multiple of $100,000 and in an aggregate principal amount of at least $100,000; provided that no partial prepayment of Eurodollar Loans made pursuant to a single Borrowing shall reduce the outstanding Eurodollar Loans made pursuant to such Borrowing to an amount less than the Minimum Borrowing Amount for Eurodollar Loans and (3) any prepayment of Eurodollar Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto shall be subject to compliance by the Borrower with the applicable provisions of Section 2.11. Each such notice shall specify the date and amount of such prepayment and the Class(es) and Type(s) of Loans to be prepaid. Each prepayment in respect of any Class of Term Loans pursuant to this Section 5.1 shall be applied to reduce the Repayment Amounts in such order as the Borrower may determine and may be applied to any Class of Term Loans as directed by the Borrower. For the avoidance of doubt, the Borrower may (i) prepay Term Loans of an Existing Term Loan Class pursuant to this Section 5.1 without any requirement to prepay Extended Term Loans that were converted or exchanged from such Existing Term Loan Class and (ii) prepay Extended Term Loans pursuant to this Section 5.1 without any requirement to prepay Term Loans of an Existing Term Loan Class that were converted or exchanged for such Extended Term Loans. In the event that the Borrower does not specify the order in which to apply prepayments to reduce Repayment Amounts or as between Classes of Term Loans, the Borrower shall be deemed to have elected that such proceeds be applied to reduce the Repayment Amounts in direct order of maturity and on a pro rata basis among Term Loan Classes. All prepayments under this Section 5.1 shall also be subject to the provisions of Sections 5.2(d) and 5.2(e). At the Borrower's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any Loan of a Defaulting Lender.

(b) Notwithstanding anything to the contrary contained in this Agreement, at the time of the effectiveness of any Repricing Transaction (including any Incurrence of Incremental Term Loans pursuant to the proviso of Section 2.14(b) in respect of Initial Term Loans) that is consummated prior to the six-month anniversary of the Closing Date (the "Prepayment Premium Period"), the Borrower agrees to pay to the Administrative Agent, for the ratable account of each Lender with outstanding Initial Term Loans, a fee in an amount equal to 1.0% of (x) in the case of a Repricing Transaction of the type described in clause (a) of the definition thereof, the aggregate principal amount of all Initial Term Loans prepaid (or converted or exchanged) in connection with such Repricing Transaction and (y) in the case of a Repricing Transaction described in clause (b) of the definition thereof, the aggregate principal amount of all Initial Term Loans outstanding on such date that are subject to an effective pricing reduction pursuant to such Repricing Transaction. Such fees shall be due and payable upon the date of the effectiveness of such Repricing Transaction. For the avoidance of doubt, on and after the date that is six months following the Closing Date, no fee shall be payable pursuant to this Section 5.1(b).

5.2 Mandatory Prepayments.

(a) Term Loan Prepayments.

(i) On each occasion that a Prepayment Event occurs, the Borrower shall, within five Business Days after the receipt of Net Cash Proceeds from a Debt Incurrence Prepayment Event and within thirty days after the receipt of Net Cash Proceeds in connection with the occurrence of any other Prepayment Event, offer to prepay (or, in the case of a Debt Incurrence Prepayment Event arising from (A) the Incurrence of Incremental Term Loans in reliance on clause (x) of the proviso to Section 2.14(b), (B) the Incurrence of Permitted Additional Debt in reliance on clause (x) of Section 10.1(u)(i) or (C) to the extent relating to Term Loans, the Incurrence of any Credit Agreement Refinancing Indebtedness (any of the foregoing, a "Specified Debt Incurrence Prepayment Event"), prepay), in accordance with Sections 5.2(c) and 5.2(d) below, without premium or penalty (other than to the extent any such Debt Incurrence

Prepayment Event would constitute a Repricing Transaction), a principal amount of Term Loans in an amount equal to 100.0% of the Net Cash Proceeds from such Prepayment Event; provided that, in the case of Net Cash Proceeds from an Asset Sale Prepayment Event or a Recovery Prepayment Event, the Borrower may use cash in an amount not to exceed the amount of such Net Cash Proceeds to prepay, redeem, defease, acquire, repurchase or make a similar payment to any Permitted Equal Priority Refinancing Debt or any Permitted Additional Debt secured by a Lien on the Collateral that ranks equal in priority to the Liens on such Collateral securing the Obligations (but without regard to the control of remedies), in each case the documentation with respect to which requires the issuer or borrower under such Indebtedness to prepay or make an offer to prepay, redeem, repurchase, defease, acquire or satisfy and discharge such Indebtedness with the proceeds of such Prepayment Event, in each case in an amount not to exceed the product of (1) the amount of such Net Cash Proceeds multiplied by (2) a fraction, the numerator of which is the outstanding principal amount of the Permitted Equal Priority Refinancing Debt and Permitted Additional Debt secured by a Lien on the Collateral that ranks equal in priority to the Liens on such Collateral securing the Obligations (but without regard to the control of remedies) and with respect to which such a requirement to prepay or make an offer to prepay, redeem, repurchase, defease, acquire or satisfy and discharge exists and the denominator of which is the sum of the outstanding principal amount of such Permitted Equal Priority Refinancing Debt and Permitted Additional Debt and the outstanding principal amount of Term Loans; provided, further, that in the case of Net Cash Proceeds from an Asset Sale Prepayment Event or a Recovery Prepayment Event, (A) the percentage in this Section 5.2(a)(i) shall be reduced to 50.0% if the Borrower's Consolidated First Lien Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date the Net Cash Proceeds are required to be offered, is less than or equal to 4.00 to 1.00 but greater than 3.75 to 1.00 and (B) no payment of any Term Loans shall be required under this Section 5.2(a)(i) if the Borrower's Consolidated First Lien Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date the Net Cash Proceeds are required to be offered, is less than or equal to 3.75 to 1.00.

(ii) Not later than the date that is ten Business Days following the date Section 9.1 Financials are required to be delivered under Section 9.1(a) (commencing with the Section 9.1 Financials to be delivered with respect to the fiscal year ending December 31, 2019), the Borrower shall offer to prepay, in accordance with Sections 5.2(c) and 5.2(d) below, without premium or penalty, an aggregate principal amount of Term Loans equal to (x) 50.0% of Excess Cash Flow for such fiscal year minus (y) at the Borrower's option, (A) the aggregate principal amount of (1) Term Loans voluntarily prepaid pursuant to Section 5.1, (2) Second Lien Term Loans voluntarily prepaid pursuant to Section 5.1 of the Second Lien Credit Agreement (or, in accordance with the corresponding provisions of the governing documentation of any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) and (3) any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness voluntarily prepaid, repurchased, defeased, acquired or redeemed, (B) the aggregate principal amount of Revolving Credit Loans, Extended Revolving Credit Loans and Additional/Replacement Revolving Credit Loans and other revolving loans that are effective in reliance on Section 10.1(a) or Section 10.1(u) voluntarily prepaid pursuant to Section 5.1 to the extent accompanied by a permanent reduction of such Revolving Credit Commitments, Incremental Revolving Credit Commitment Increases, Extended Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments or other revolving commitments, as applicable, in an equal amount pursuant to Section 4.2 (or the equivalent provision governing such revolving credit facility) and (C) the aggregate amount of cash consideration paid by any Purchasing Borrower Party (as defined in this Agreement or in the Second Lien Credit Agreement, as applicable) to effect any assignment to it of Term Loans pursuant to Section 13.6(g) or of Second Lien Term Loans pursuant to Section 13.6(g) of the Second Lien Credit Agreement (or, in accordance with the corresponding provisions of the governing documentation of any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) (but only to the extent that such Term Loans, such Second Lien Term Loans or such Permitted Refinancing Indebtedness in respect

thereof have been cancelled) but excluding the aggregate principal amount of any such voluntary prepayments and any such assignments made with the proceeds of Incurrences of long-term Indebtedness or issuances of Capital Stock) and (D) the aggregate amount of Additional ECF Reduction Amounts, in each case during such fiscal year or after year-end and prior to the time such prepayment pursuant to this Section 5.2(a)(ii) is due; provided that, in the case that Excess Cash Flow is required to be offered to prepay any Term Loans, the Borrower may use cash in an amount not to exceed the amount of such Excess Cash Flow required to be offered to prepay the Term Loans to prepay, redeem, defease, acquire, repurchase or make a similar payment to any Permitted Equal Priority Refinancing Debt or any Permitted Additional Debt secured by a Lien on the Collateral that ranks equal in priority to the Liens on such Collateral securing the Obligations (but without regard to the control of remedies), in each case the documentation with respect to which requires the issuer or borrower under such Indebtedness to prepay or make an offer to prepay, redeem, repurchase, defease, acquire or satisfy and discharge such Indebtedness with a percentage of Excess Cash Flow, in each case in an amount not to exceed the product of (1) the amount of such Excess Cash Flow required to be offered to prepay the Term Loans multiplied by (2) a fraction, the numerator of which is the outstanding principal amount of the Permitted Equal Priority Refinancing Debt and Permitted Additional Debt secured by a Lien on the Collateral that ranks equal in priority to the Liens on such Collateral securing the Obligations (but without regard to the control of remedies) and with respect to which such a requirement to prepay or make an offer to prepay, redeem, repurchase, defease, acquire or satisfy and discharge exists and the denominator of which is the sum of the outstanding principal amount of such Permitted Equal Priority Refinancing Debt and Permitted Additional Debt and the outstanding principal amount of Term Loans; provided, further, that (A) the percentage in this Section 5.2(a)(ii) shall be reduced to 25.0% if the Borrower's Consolidated First Lien Debt to Consolidated EBITDA Ratio for the fiscal year ended prior to such prepayment date is less than or equal to 4.00 to 1.00 but greater than 3.75 to 1.00 and (B) no payment of any Term Loans shall be required under this Section 5.2(a)(ii) if the Consolidated First Lien Debt to Consolidated EBITDA Ratio for the fiscal year ended prior to such prepayment date is less than or equal to 3.75 to 1.00. Any prepayment amounts credited pursuant to subclause (y) above against such amount in subclause (x) above shall be without duplication of any such credit in any prior or subsequent fiscal year.

(b) Repayment of Revolving Credit Loans. If, on any date, the aggregate amount of the Lenders' Revolving Credit Exposures in respect of any Class of Revolving Credit Loans for any reason exceeds 100.0% of the Revolving Credit Commitment of such Class then in effect, the Borrower shall forthwith repay on such date the principal amount of Swingline Loans of such Class, and after all such Swingline Loans have been paid in full, the Revolving Credit Loans of such Class in an amount equal to such excess. If, after giving pro forma effect to the prepayment of all outstanding Swingline Loans and Revolving Credit Loans of such Class, the Revolving Credit Exposures of such Class exceeds the Revolving Credit Commitment of such Class then in effect, the Borrower shall Cash Collateralize the Letters of Credit outstanding in relation to such Class to the extent of such excess.

(c) Application to Repayment Amounts.

(i) Subject to clause (ii) of this Section 5.2(c), the first proviso to Section 5.2(a)(i) and the first proviso to Section 5.2(a)(ii), (A) each prepayment of Term Loans required by Sections 5.2(a)(i) and (ii) (other than in connection with a Debt Incurrence Prepayment Event) shall be allocated to the Classes of Term Loans outstanding, pro rata, based upon the applicable remaining Repayment Amounts due in respect of each such Class of Term Loans (excluding any Class of Term Loans that has agreed to receive a less than pro rata share of any such mandatory prepayment and taking into account any reduction in the amount of any required Excess Cash Flow payment to any Class of Term Loans that have been subject to a Section 13.6(g) transaction), shall be applied pro rata to Lenders within each Class, based upon the outstanding principal amounts owing to each such Lender under each such Class of Term Loans and shall be applied to reduce such scheduled Repayment Amounts within each such Class in accordance with

Section 5.2(d)(ii) and (B) each prepayment of Term Loans required by Section 5.2(a)(i) in connection with a Debt Incurrence Prepayment Event shall be allocated to any Class of Term Loans outstanding as directed by the Borrower (subject to the requirement that the proceeds of any Specified Debt Incurrence Prepayment Event shall in all cases be applied to prepay or repay the applicable Refinanced Indebtedness), shall be applied pro rata to Lenders within each such Class, based upon the outstanding principal amounts owing to each such Lender under each such Class of Term Loans and shall be applied to reduce such scheduled Repayment Amounts within each such Class in accordance with Section 5.2(d)(ii); provided that, with respect to the allocation of such prepayments under clause (A) above only, between an Existing Term Loan Class and Extended Term Loans of the same Extension Series, the Borrower may allocate such prepayments as the Borrower may specify, subject to the limitation that the Borrower shall not allocate to Extended Term Loans of any Extension Series any such mandatory prepayment under such clause (A) unless such prepayment is accompanied by at least a pro rata prepayment, based upon the applicable remaining Repayment Amounts due in respect thereof, of the Term Loans of the Existing Term Loan Class, if any, from which such Extended Term Loans were converted or exchanged (or such Term Loans of the Existing Term Loan Class have otherwise been repaid in full).

(ii) With respect to each such prepayment required by Section 5.2(a)(i) and Section 5.2(a)(ii) (other than any Debt Incurrence Prepayment Event), (A) the Borrower will, not later than the date specified in Section 5.2(a) for offering to make such prepayment, give the Administrative Agent telephonic notice (promptly confirmed in writing) requesting that the Administrative Agent provide notice of such prepayment to each Lender and the Administrative Agent will promptly provide such notice to each Lender, (B) other than if such prepayment arises due to a Specified Debt Incurrence Prepayment Event, each Lender of Term Loans will have the right to refuse any such prepayment by giving written notice of such refusal to the Administrative Agent and the Borrower within three Business Days after such Lender's receipt of notice from the Administrative Agent of such prepayment (and the Borrower shall not prepay any Term Loans until the date that is specified in clause (C) below) (such refused amounts, the "First Refused Proceeds"), (C) the Borrower will make all such prepayments not so refused upon the tenth Business Day after the Lender received first notice of repayment from the Administrative Agent and (D) thereafter, any First Refused Proceeds shall be offered in accordance with the mandatory prepayment provisions of the Second Lien Credit Agreement (or the applicable corresponding provisions of any document governing Indebtedness representing Permitted Refinancing Indebtedness in respect thereof), and to the extent any such prepayment is refused by the lenders thereunder, such amounts may be retained by the Borrower (the "Retained Refused Proceeds") (it being understood that if no Term Loans are outstanding at the time the notice referenced in clause (A) above is required to be delivered, such prepayment shall be deemed First Refused Proceeds without any further action by the Borrower for purposes of this Section 5.2(c)(ii)).

(d) Application to Term Loans.

(i) With respect to each prepayment of Term Loans elected by the Borrower pursuant to Section 5.1 or pursuant to a Specified Debt Incurrence Prepayment Event, such prepayments shall be applied to reduce Repayment Amounts in such order as the Borrower may specify (or, if not specified, in direct order of maturity) and the Borrower may designate the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made; provided that the Borrower pays any amounts, if any, required to be paid pursuant to Section 2.11 with respect to prepayments of Eurodollar Loans made on any date other than the last day of the applicable Interest Period. In the absence of a designation by the Borrower as described in the preceding sentence, the Administrative Agent, shall, subject to the above, make such designation in a manner that minimizes the amount of payments required to be made by the Borrower pursuant to Section 2.11.

(ii) With respect to each prepayment of Term Loans by the Borrower required pursuant to Section 5.2(a) (other than in respect of a Specified Debt Incurrence Prepayment Event), such prepayments shall be applied to reduce Repayment Amounts in direct order of maturity and on a pro rata basis to the then outstanding Term Loans (other than any Class of Term Loans that has agreed to receive a less than pro rata share of any such mandatory prepayment) being prepaid irrespective of whether such outstanding Term Loans are ABR Loans or Eurodollar Loans; provided that, if no Lender exercises the right to waive a given mandatory prepayment of the Term Loans pursuant to Section 5.2(c)(ii), then, with respect to such mandatory prepayment, the amount of such mandatory prepayment shall be applied first to Term Loans that are ABR Loans to the full extent thereof before application to Term Loans that are Eurodollar Loans in a manner that minimizes the amount of any payments required to be made by the Borrower pursuant to Section 2.11.

(e) Application to Revolving Credit Loans; Mandatory Commitment Reduction.

(i) With respect to each prepayment of Revolving Credit Loans, Extended Revolving Credit Loans and Additional/Replacement Revolving Credit Loans elected by the Borrower pursuant to Section 5.1 or required by Section 5.2(b), the Borrower may designate (i) the Class and Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which such Loans were made and (ii) the Class of Revolving Credit Loans, Extended Revolving Credit Loans or Additional/Replacement Revolving Credit Loans to be prepaid; provided that (x) Eurodollar Loans may be designated for prepayment pursuant to this Section 5.2 only on the last day of an Interest Period applicable thereto unless all Eurodollar Loans with Interest Periods ending on such date of required prepayment and all ABR Loans have been paid in full; (y) each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans of such Class (except that any prepayment made in connection with a reduction of the Commitments of such Class pursuant to Section 4.2 shall be applied pro rata based on the amount of the reduction in the Commitments of such Class of each applicable Lender); and (z) notwithstanding the provisions of the preceding clause (y), at the option of the Borrower, no prepayment made pursuant to Section 5.1 or Section 5.2(b) of Revolving Credit Loans, Extended Revolving Credit Loans or Additional/Replacement Revolving Credit Loans of any Class shall be applied to the Loans of any Defaulting Lender. In the absence of a designation by the Borrower as described in the preceding sentence, the Administrative Agent shall, subject to the above, make such designation in a manner that minimizes the amount of any payments required to be made by the Borrower pursuant to Section 2.11.

(ii) With respect to each mandatory reduction and termination of Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments (and any previously extended Extended Revolving Credit Commitments) required by either clause (i) or (ii) of the proviso to Section 2.14(b), by Section 10.1(u)(i) or in connection with the Incurrence of any Credit Agreement Refinancing Indebtedness Incurred to Refinance any Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments and/or Extended Revolving Credit Commitments, the Borrower may designate (A) the Classes of Commitments to be reduced and terminated and (B) the corresponding Classes of Loans to be prepaid; provided that (x) any such reduction and termination shall apply proportionately and permanently to reduce the Commitments of each of the Lenders within any such Class and (y) after giving pro forma effect to such termination or reduction and to any prepayments of Loans or cancellation or Cash Collateralization of letters of credit made on the date of each such reduction and termination in accordance with this Agreement, the aggregate amount of such Lenders' credit exposures shall not exceed the remaining Commitments of such Lenders' in respect of the Class reduced and terminated. In connection with any such termination or reduction, to the extent necessary, the participations hereunder in outstanding Letters of Credit and Swingline Loans may be required to be reallocated and related loans outstanding prepaid and then reborrowed, in each case in the manner contemplated by Section 2.14(f)(ii) (as modified to account for a termination or reduction, as opposed to an increase, of such Commitment).

(f) Eurodollar Interest Periods. In lieu of making any payment pursuant to this Section 5.2 in respect of any Eurodollar Loan other than on the last day of the Interest Period thereof, so long as no Default or Event of Default shall have occurred and be continuing, the Borrower at its option may deposit with the Administrative Agent an amount equal to the amount of the Eurodollar Loan to be prepaid and such Eurodollar Loan shall be repaid on the last day of the Interest Period therefor in the required amount. Such deposit shall be held by the Administrative Agent in a deposit account established on terms reasonably satisfactory to the Administrative Agent, which account may, for the avoidance of doubt, be established at an unaffiliated financial institution. Such deposit shall constitute Cash Collateral for the Obligations; provided that the Borrower may at any time direct that such deposit be applied to make the applicable payment required pursuant to this Section 5.2.

(g) Minimum Amount.

(i) No prepayment shall be required pursuant to Section 5.2(a)(i) (except to the extent such prepayment arises due to a Debt Incurrence Prepayment Event) unless and until the amount at any time of Net Cash Proceeds from Prepayment Events required to be offered at or prior to such time pursuant to such Section and not yet offered at or prior to such time to prepay Term Loans pursuant to such Section exceeds (i) $12,000,000 for any single Prepayment Event or series of related Prepayment Events and (ii) $24,000,000 in the aggregate for all such Prepayment Events in any fiscal year, at which time the amount in excess of $12,000,000 or $24,000,000 , as the case may be, will be offered to be prepaid as provided in Section 5.2(a)(i), with the date of receipt of such Net Cash Proceeds being deemed for such purpose to be the date such thresholds set forth in clauses (i) and (ii) of this clause (g) are met.

(ii) No prepayment shall be required pursuant to Section 5.2(a)(ii) unless and until the amount of Excess Cash Flow required to be offered to prepay Term Loans for a fiscal year pursuant to such Section exceeds $12,000,000, at which time the amount in excess of $12,000,000, will be offered to be prepaid as provided in Section 5.2(a)(ii).

(h) Non-Credit Party Asset Sales. Notwithstanding any other provisions of this Section 5.2, (i) to the extent that any of or all the Net Cash Proceeds of any asset sale by a Non-Credit Party giving rise to an Asset Sale Prepayment Event (a "Non-Credit Party Asset Sale"), the Net Cash Proceeds of any Recovery Event from a Non-Credit Party (a "Non-Credit Party Recovery Event") or Excess Cash Flow, are prohibited, delayed or restricted by applicable local law, rule or regulation (including financial assistance and corporate benefit restrictions and statutory duties of the relevant directors) from being repatriated or expatriated to the United States or from being distributed to a Credit Party, the portion of such Net Cash Proceeds or Excess Cash Flow so affected will not be required to be applied to repay Term Loans at the times provided in this Section 5.2(h)(i) but may be retained by the applicable Non-Credit Party so long, but only so long, as the applicable local law, rule or regulation will not permit repatriation to the United States or expatriation or distribution to a Credit Party (the Borrower hereby agreeing to cause the applicable Non-Credit Party to promptly take all commercially reasonable actions available under applicable local law, rule or regulation to permit such repatriation, expatriation or distribution), and once such repatriation, expatriation or distribution of any of such affected Net Cash Proceeds or Excess Cash Flow is permitted under the applicable local law, rule or regulation, such repatriation, expatriation or distribution will be immediately effected and such repatriated, expatriated or distributed Net Cash Proceeds or Excess Cash Flow will be promptly (and in any event not later than two Business Days after such repatriation, expatriation or distribution) applied (net of additional taxes payable or reserved against as a result thereof) to the repayment of the Term Loans (and, if applicable, such other Indebtedness as is contemplated by this Section 5.2(h)(i) pursuant to this Section 5.2(h)(i) and (ii) to the extent that the Borrower has determined in good faith that such repatriation or expatriation of any of or all the Net Cash Proceeds of any Non-Credit Party Asset Sale, any Non-Credit Party Recovery Event or Excess Cash Flow would have a material adverse tax cost consequence with respect to such Net Cash Proceeds or Excess

Cash Flow (but only for so long as such material adverse tax cost consequence exists), the Net Cash Proceeds or Excess Cash Flow so affected may be retained by the applicable Non-Credit Party; provided that, in the case of this clause (ii), on or before the date on which any Net Cash Proceeds from any Non-Credit Party Asset Sale or Non-Credit Party Recovery Event so retained would otherwise have been required to be applied to reinvestments or prepayments pursuant to Section 5.2(a) (or, in the case of Excess Cash Flow, a date on or before the date that is six months after the date such Excess Cash Flow would have been so required to be applied to prepayments pursuant to Section 5.2(a)(ii) unless previously repatriated or expatriated in which case such repatriated or expatriated Excess Cash Flow shall have been promptly applied to the repayment of the Term Loans pursuant to Section 5.2(a)), (x) the Borrower applies an amount equal to such Net Cash Proceeds or Excess Cash Flow to such reinvestments or prepayments as if such Net Cash Proceeds or Excess Cash Flow had been received by the Borrower rather than such Non-Credit Party, less the amount of additional taxes that would have been payable or reserved against if such Net Cash Proceeds or Excess Cash Flow had been repatriated or expatriated (or, if less, the Net Cash Proceeds or Excess Cash Flow that would be calculated if received by such Non-Credit Party) or (y) such Net Cash Proceeds or Excess Cash Flow are applied to the repayment of Indebtedness of a Non-Credit Party.

5.3 Method and Place of Payment.

(a) All payments under this Agreement shall be made by the Borrower, without set-off, counterclaim or deduction of any kind. Except as otherwise specifically provided in this Agreement, all payments by the Borrower under this Agreement shall be made in Dollars to the Administrative Agent for the ratable account of the applicable Lenders entitled thereto, the applicable Letter of Credit Issuer or the Swingline Lender (except to the extent payments are to be made directly to such Letter of Credit Issuer or the Swingline Lender), as the case may be, not later than 2:00 p.m. (New York City time) on the date when due and shall be made in immediately available funds at the Administrative Agent's Office it being understood that written, electronic or facsimile notice by the Borrower to the Administrative Agent to make a payment from the funds in the Borrower's account at the Administrative Agent's Office shall constitute the making of such payment to the extent of such funds held in such account. The Administrative Agent will thereafter cause to be distributed like funds relating to the payment of principal or interest or Fees ratably to the Lenders entitled thereto or to the applicable Letter of Credit Issuer or the Swingline Lender, as applicable.

(b) For purposes of computing interest or fees, 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 (and the Administrative Agent may extend such deadline in its discretion whether or not such payments are in process). Except as otherwise provided in this Agreement, 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) Except as required by law, all payments made by or on behalf of a Credit Party under this Agreement or any other Credit Document shall be made free and clear of, and without deduction or withholding for or on account of, any current or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority (including any interest, additions to tax and penalties applicable thereto) (collectively, "Taxes") excluding in the case of each Lender and each Agent and, except as otherwise provided in Section 5.4(f), (A) net income Taxes and franchise Taxes (imposed in lieu of net

income Taxes) imposed on such Agent or such Lender as a result of (i) such Agent or such Lender having been organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax or (ii) a present or former connection between such Agent or such Lender and the jurisdiction imposing such Tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising from such Agent or such Lender having executed, delivered or performed its obligations or received a payment under, or enforced, or engaged in any other transactions pursuant to, this Agreement or any other Credit Document), (B) any branch profits Taxes imposed by the United States of America or any similar Tax imposed by any other jurisdiction described in clause (A)(i) or (A)(ii) and (C) any withholding Tax imposed pursuant to FATCA (collectively, "Excluded Taxes"). If any such non-Excluded Taxes imposed on or with respect to any payment by or on account of any obligation of any Credit Party under Credit Documents ("Non-Excluded Taxes") are required to be withheld by a Withholding Agent from any amounts payable under this Agreement or any other Credit Document, the applicable Credit Party shall increase the amounts payable to the Administrative Agent or such Lender to the extent necessary to yield to the Administrative Agent or such Lender (after payment of all Non-Excluded Taxes including those applicable to any amounts payable under this Section 5.4) interest or any such other amounts payable hereunder at the rates or in the amounts specified in such Credit Document. Whenever any withholding Taxes are payable by any Credit Party in respect of amounts payable under any Credit Document, promptly thereafter, the applicable Credit Party shall send to the Administrative Agent for its own account or for the account of such Lender, as the case may be, a certified copy of an original official receipt, if available (or other evidence acceptable to such Lender, acting reasonably) received by the applicable Credit Party showing payment thereof. The agreements in this Section 5.4 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(b) In addition, each Credit Party shall pay any present or future stamp, court, documentary, filing, mortgage, recording, property or intangible taxes, charges or similar levies (including any interest, additions to tax and penalties) that arise from any payment made by such Credit Party hereunder or under any other Credit Documents or from the execution, delivery or registration or recordation of, from the receipt or perfection of a security interest or performance under, or otherwise with respect to, this Agreement or the other Credit Documents, except any taxes imposed as a result of a present or former connection between an assignee and the jurisdiction imposing such tax (other than a connection arising solely from an assignee having executed, delivered, become a party to, performed its obligations under, received or perfected a security interest under, engaged in any transaction pursuant to, or enforced this Agreement) with respect to an assignment (other than an assignment requested by a Credit Party) (hereinafter referred to as "Other Taxes").

(c) (i) Subject to Section 5.4(f), the Credit Parties shall jointly and severally indemnify each Lender and each Agent for and hold them harmless against the full amount of Non-Excluded Taxes and Other Taxes payable or paid by such Lender or Agent (as the case may be) or required to be withheld or deducted from a payment to such Lender or Agent (as the case may be) that are imposed or asserted (whether or not correctly or legally asserted) by any jurisdiction (including on any additional amounts or indemnities payable under this Section 5.4) and any liability (including penalties, additions to tax, interest and expenses) arising therefrom or with respect thereto; provided that if any claim pursuant to this Section 5.4(c)(i) is made later than 180 days after the date on which the relevant Lender or Agent had actual knowledge of the relevant Non-Excluded Taxes or Other Taxes, then the Credit Parties shall not be required to indemnify the applicable Lender or Agent for any penalties which accrue in respect of such Non-Excluded Taxes or Other Taxes after the 180th day. This indemnification shall be made within 30 days from the date such Lender or such Agent (as the case may be) makes written demand therefor.

(ii) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Non-

Excluded Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified the Administrative Agent for such Non-Excluded Taxes and without limiting the obligation of Credit Parties to do so), (y) the Administrative Agent and the Credit Parties, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 13.6(d)(ii) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Credit Parties, as applicable, against any Excluded Taxes attributable to such Lender that are payable or paid by the Administrative Agent or the Credit Parties in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. 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 clause (ii).

(d) Each Lender shall, at such times as are reasonably requested by the Borrower or the Administrative Agent, provide the Borrower and the Administrative Agent with any documentation prescribed by any Applicable Law or reasonably requested by the Borrower or the Administrative Agent (A) as will permit such payments to be made without, or at a reduced rate of, withholding or (B) as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Each such Lender shall, whenever a lapse in time or change in circumstances renders such documentation obsolete, expired or inaccurate in any material respect, deliver promptly to the Borrower and the Administrative Agent updated or other appropriate documentation (including any new documentation reasonably requested by the Borrower or the Administrative Agent) or promptly notify the Borrower and the Administrative Agent of its inability to do so. Notwithstanding anything herein to the contrary, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 5.4(d)(i)(w)-(y), 5.4(e) and 5.4(g) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender. Without limiting the foregoing to the extent permitted by law, each Lender that is not a United States person within the meaning of Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall:

(i) deliver to the Borrower and the Administrative Agent on or before the date on which it becomes a party to this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent) two properly executed copies of (v) in the case of a Non-U.S. Lender claiming the benefits of an income tax treaty to which the United States is a party, executed copies of United States Internal Revenue Service Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding tax, (w) in the case of Non-U.S. Lender claiming exemption from U.S. federal withholding Tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", United States Internal Revenue Service Form W-8BEN or W-8BEN-E (together with a certificate representing that such Non-U.S. Lender is not a bank for purposes of Section 881(c)(3)(A) of the Code, is not a 10 percent shareholder (within the meaning of Section 871(h)(3)(B) of the Code) of the Borrower and is not a controlled foreign corporation related to the Borrower (within the meaning of Section 864(d)(4) of the Code) substantially in the form of Exhibit K (a "United States Tax Compliance Certificate")), (x) United States Internal Revenue Service Form W-8ECI, (y) to the extent a Non-U.S. Lender is not the Beneficial Owner (for example, where the Non-U.S. Lender is a partnership), United States Internal Revenue Service Form W-8IMY (or any successor forms) of the Non-U.S. Lender, accompanied by a Form W-8ECI, W-8BEN or W-8BEN-E, United States Tax Compliance Certificate, Form W-9, Form W-8IMY or any other required information from each Beneficial Owner, as applicable (provided that, if one or more Beneficial Owners are

claiming the portfolio interest exemption, the United States Tax Compliance Certificate may be provided by such Non-U.S. Lender on behalf of such Beneficial Owner), and/or (z) any other form prescribed by applicable U.S. federal income Tax laws (including the United States Treasury Regulations) as a basis for claiming a complete exemption from, or a reduction in, U.S. federal withholding Tax on any payments to such Lender under the Credit Documents, in each case properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or reduced rate of, U.S. federal withholding Tax on payments by the Borrower under this Agreement; and

(ii) deliver to the Borrower and the Administrative Agent two further copies of any such form or certification (or any applicable successor form) on or before the date that any such form or certification expires or becomes obsolete or inaccurate and promptly after the occurrence of any event requiring a change in the most recent form previously delivered by it to the Borrower;

unless in any such case such Lender is not legally entitled to duly complete and deliver any such form with respect to it. Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(e) If a payment made to a Lender under this Agreement or any other 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 Withholding Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Withholding 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 Withholding Agent as may be necessary for the Withholding Agent to comply with its obligations under FATCA, to determine that such Lender has or has not complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 5.4(e), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(f) No Credit Party shall be required to indemnify any Lender or Agent pursuant to Section 5.4(c), or to pay any additional amounts to any Lender or Agent pursuant to Section 5.4(a) in respect of (i) U.S. federal withholding Taxes imposed under any law in effect on the date such Lender acquired its interest in the applicable Loan, Commitment or Letter of Credit or changed its lending office; provided, however, that this Section 5.4(f) shall not apply to the extent that (x) the indemnity payments or additional amounts any Lender would be entitled to receive (without regard to this clause (i)) do not exceed the indemnity payment or additional amounts that the person making the assignment or change in lending office would have been entitled to receive immediately prior to such assignment or change in lending office, or (y) such assignment had been requested by a Credit Party or (ii) Taxes attributable to such Lender's failure to comply with the provisions of Section 5.4(d), 5.4(e) or 5.4(g).

(g) Each Lender that is organized in the United States of America or any state thereof or the District of Columbia shall (A) on or prior to the date such Lender becomes a Lender hereunder, (B) on or prior to the date on which any such form or certification expires or becomes obsolete, (C) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it pursuant to this Section 5.4(g) and (D) from time to time if requested by the Borrower or the Administrative Agent (or, in the case of a participant, the relevant Lender), provide the Administrative Agent and the Borrower (or, in the case of a participant, the relevant Lender) with two duly completed and signed originals of United States Internal Revenue Service Form W-9 (certifying that such Lender is entitled to an exemption from U.S. backup withholding tax) or any successor form.

(h) If any Lender or the Administrative Agent determines in its sole discretion, exercised in good faith, that it has received a refund of a Non-Excluded Tax, Other Taxes or taxes described in Section 5.4(f) for which a payment has been made by a Credit Party pursuant to this Agreement, which refund in the good-faith judgment of such Lender or the Administrative Agent, as the case may be, is attributable to such payment made by such Credit Party, then such Lender or the Administrative Agent, as the case may be, shall reimburse the Credit Party for such amount (together with any interest paid by the relevant Governmental Authority with respect to such refund) as such Lender or the Administrative Agent, as the case may be, reasonably determines to be the proportion of the refund as will leave it, after such reimbursement, in no better or worse position than it would have been in if the payment had not been required; provided that the Credit Party, upon the request of such Lender, agrees to repay the amount paid over to the Credit Party (with interest, penalties and other charges imposed by the relevant Governmental Authority) in the event such Lender or the Administrative Agent is required to repay such refund to such Governmental Authority. Neither any Lender nor the Administrative Agent shall be obliged to disclose any information regarding its tax affairs or computations to any Credit Party in connection with this paragraph (h) or any other provision of this Section 5.4; provided, further, that nothing in this Section 5.4 shall obligate any Lender (or Transferee) or the Administrative Agent to apply for any refund.

(i) Each Lender authorizes the Administrative Agent to deliver to the Credit Parties and to any successor Administrative Agent any documentation provided by such Lender to the Administrative Agent pursuant to this Section 5.4.

(j) For purpose of this Section 5.4, the term "Lender" shall include the Swingline Lender and any Letter of Credit Issuer.

5.5 Computations of Interest and Fees. All computations of interest and of fees shall be made by the Administrative Agent on the basis of a year of 360 days and, in the case of ABR Loans, 365 or 366 days, as the case may be, in each case for the actual number of days (including the first day but excluding the last) occurring in the period for which such interest and fees are payable.

5.6 Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrower shall not be obliged to pay any interest or other amounts under or in connection with this Agreement or any other Credit Document in excess of the amount or rate permitted under or consistent with any Applicable Law.

(b) Payment at Highest Lawful Rate. If the Borrower is not obliged to make a payment which it would otherwise be required to make, as a result of Section 5.6(a), the Borrower shall make such payment to the maximum extent permitted by or consistent with Applicable Law.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate the Borrower to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate which would be prohibited by any Applicable Law, or would result in receipt by an Agent or Lender of interest at a rate prohibited by any Applicable Law, 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 Applicable Law (in the case of the Borrower), such adjustment to be effected, to the extent necessary, as follows:

(i) firstly, by reducing the amount or rate of interest required to be paid by the Borrower to the affected Lender under Section 2.8; and

(ii) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid by the Borrower to the affected Lender.

Notwithstanding the foregoing, and after giving pro forma effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrower an amount in excess of the maximum permitted by any Applicable Law, then the Borrower shall be entitled, by notice in writing to the Administrative Agent, to obtain reimbursement from such Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by such Lender to the Borrower.

SECTION 6. Conditions Precedent to the Closing Date. The occurrence of the initial Credit Event is subject to the satisfaction of the following conditions precedent:

6.1 Credit Documents. The Administrative Agent's receipt of the following, each of which shall be originals, facsimiles or electronic copies unless otherwise specified, each properly executed by an Authorized Officer of the signing Credit Party:

(a) this Agreement, executed and delivered by (i) an Authorized Officer of each of Holdings and the Borrower, (ii) each Agent, (iii) each Lender, (iv) the Swingline Lender and (v) each Letter of Credit Issuer;

(b) the Guarantee, executed and delivered by an Authorized Officer of each Person that is a Guarantor as of the Closing Date;

(c) the Security Agreement, executed and delivered by an Authorized Officer of Holdings, the Borrower and each other grantor party thereto as of the Closing Date;

(d) the Pledge Agreement, executed and delivered by an Authorized Officer of the Borrower and each other pledgor party thereto;

(e) the First Lien/Second Lien Intercreditor Agreement, executed and delivered by an Authorized Officer of each Person that is a Credit Party as of the Closing Date and by Morgan Stanley Senior Funding, Inc. (in each of its capacities thereunder); and

(f) such certificates of good standing (to the extent such concept exists) from the applicable secretary of state or other relevant Governmental Authority of the jurisdiction of organization of each Credit Party.

6.2 Collateral.

(a) All Capital Stock of the Borrower and all Capital Stock of each wholly owned Restricted Subsidiary of the Borrower directly owned by the Borrower or any Subsidiary Guarantor, in each case as of the Closing Date, shall have been pledged pursuant to the Pledge Agreement (except that such Credit Parties shall not be required to pledge any Excluded Capital Stock) and the Collateral Agent shall have received all certificates, if any, (except as permitted by Section 9.17) representing such securities pledged under the Pledge Agreement, accompanied by instruments of transfer and undated stock powers endorsed in blank.

(b) (b) Except with respect to intercompany Indebtedness, all evidences of Indebtedness for borrowed money in a principal amount in excess of $10,000,000 (individually) that is owing to Holdings, the Borrower or any Subsidiary Guarantor shall be evidenced by a promissory note and shall have been pledged pursuant to the Pledge Agreement, and the Collateral Agent shall have received all such promissory notes, together with undated instruments of transfer with respect thereto endorsed in blank.

(i) All Indebtedness of Holdings, the Borrower and each Restricted Subsidiary on the Closing Date that is owing to any Credit Party shall be evidenced by the Intercompany Note, which shall be executed and delivered by Holdings, the Borrower and each Restricted Subsidiary on the Closing Date and shall have been pledged pursuant to the Pledge Agreement, and the Collateral Agent shall have received such Intercompany Note, together with undated instruments of transfer with respect thereto endorsed in blank; provided, however, that, if the Intercompany Note cannot be delivered to the Collateral Agent on or prior to the Closing Date notwithstanding the Borrower's use of commercially reasonable efforts to do so, delivery thereof shall not be a condition to closing, and in such case the Borrower agrees to deliver same to the Collateral Agent not later than 90 days following the Closing Date (or such later date as the Collateral Agent shall agree in its discretion).

(c) All documents and instruments, including UCC or other applicable personal property security financing statements and Intellectual Property Security Agreements (as defined in the Security Agreement), required by Applicable Law or reasonably requested by the Collateral Agent to be filed, registered or recorded to create the Liens intended to be created by the Security Documents on the Collateral owned by the Borrower and the Guarantors and perfect such Liens in the United States to the extent required by, and with the priority required by, the Security Documents shall have been filed, registered or recorded or delivered to the Collateral Agent in appropriate form for filing, registration or recording under the UCC and with the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

(d) The Collateral Agent shall have received a completed Perfection Certificate, dated as of the Closing Date and signed by an Authorized Officer of the Borrower, together with all attachments contemplated thereby.

6.3 Legal Opinions. The Administrative Agent shall have received the executed legal opinions of Simpson Thacher & Bartlett LLP, New York and California counsel to Holdings, the Borrower and its Subsidiaries, in form and substance reasonably satisfactory to the Administrative Agent.

6.4 Structure and Terms of the Transaction.

(a) The Existing Debt Refinancing shall have been consummated or shall be consummated substantially simultaneously with the initial Credit Event hereunder to occur on the Closing Date.

6.5 Closing Certificates. The Administrative Agent shall have received a certificate of each Person that is a Credit Party as of the Closing Date, dated the Closing Date, substantially in the form of Exhibit E, with appropriate insertions, executed by two Authorized Officers of such Credit Party, and attaching the documents referred to in Sections 6.6 and 6.7.

6.6 Corporate Proceedings. The Administrative Agent shall have received a copy of the resolutions, in form and substance reasonably satisfactory to the Administrative Agent, of the Board of Directors or other governing body, as applicable, of each Person that is a Credit Party as of the Closing Date (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 Borrower, the extensions of credit contemplated hereunder.

6.7 Corporate Documents. The Administrative Agent shall have received true and complete copies of the Organizational Documents of each Person that is a Credit Party as of the Closing Date.

6.8 Solvency Certificate. The Administrative Agent shall have received a certificate from the chief financial officer of the Borrower substantially in the form of Exhibit J.

6.9 Financial Statements. The Administrative Agent and the Joint Bookrunners shall have received the Historical Financial Statements.

6.10 PATRIOT ACT.

(a) The Administrative Agent and the Joint Bookrunners shall have received, at least three Business Days prior to the Closing Date, all documentation and other information about the Borrower and the Guarantors that shall have been reasonably requested by the Administrative Agent or the Joint Bookrunners in writing at least 10 Business Days prior to the Closing Date and that the Administrative Agent and the Joint Bookrunners reasonably determine is required by United States regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation the PATRIOT ACT.

(b) At least three days prior to the Closing Date, if the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, it shall deliver a Beneficial Ownership Certification in relation to such Borrower.

6.11 Fees and Expenses. All fees required to be paid on the Closing Date pursuant to agreements among Holdings, the Borrower and the Lead Arrangers and Joint Bookrunners and reasonable out-of-pocket expenses required to be paid on the Closing Date and with respect to expenses to the extent invoiced at least three Business Days prior to the Closing Date pursuant to agreements among Holdings, the Borrower and the Lead Arrangers and Joint Bookrunners (except as otherwise reasonably agreed by the Borrower), shall, upon the initial borrowings under the Credit Facilities, have been, or will be substantially simultaneously, paid (which amounts may be offset against the proceeds of the Credit Facility).

Without limiting the generality of the provisions of the last paragraph of Section 12.3, for purposes of determining compliance with the conditions specified in this Section 6, 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.

7.1 No Default; Representations and Warranties. The agreement of each Lender to make any Loan requested to be made by it on any date (excluding Mandatory Borrowings and Revolving Credit Loans made pursuant to Section 2.1(d)(ii) or pursuant to Section 3.4(a) which shall each be made without regard to the satisfaction of the condition set forth in this Section 7 and excluding borrowings made pursuant to Section 2.14, Section 2.15 and/or Section 2.17, which may be subject to different conditions precedent and representations, but only if so agreed by the Borrower and the applicable Lenders) and the obligation of the Letter of Credit Issuer to issue, amend, extend or renew Letters of Credit on any date is subject to the satisfaction of the condition precedent that at the time of each such Credit Event and also after giving effect thereto (a) no Default or Event of Default shall have occurred and be continuing at the time of and after giving effect to such Credit Event 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, and except where such representations and warranties are qualified by materiality, "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct in all respects). The acceptance of the benefits of each such Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that the conditions contained in this Section 7.1 have been met as of such date.

7.2 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of each Term Loan, each Revolving Credit Loan (other than any Mandatory Borrowing or Revolving Credit Loan made pursuant to Sections 2.1(d)(iv) or (v) or pursuant to Section 3.4(a)), each Additional/Replacement Revolving Credit Loan and each Extended Revolving Credit Loan and each Swingline Loan, the Administrative Agent shall have received a Notice of Borrowing (whether in writing or by telephone) 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).

SECTION 8. Representations, Warranties and Agreements. In order to induce the Lenders to enter into this Agreement, make the Loans and issue, renew, amend, extend or participate in Letters of Credit as provided for herein, each of Holdings (solely with respect to the representation and warranties applicable to it) and the Borrower makes the following representations and warranties to, and agreements with, the Lenders and the Letter of Credit Issuer, all of which shall survive the execution and delivery of this Agreement, the making of the Loans and the issuance, renewal, amendment or extension of the Letters of Credit:

8.1 Corporate Status. Holdings, the Borrower and each Restricted Subsidiary (a) is a duly organized and validly existing corporation or other entity and, to the extent such concept is applicable in the corresponding jurisdiction, is in good standing under the laws of the jurisdiction of its organization or formation and has the corporate 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 (to the extent such concept is applicable in the corresponding jurisdiction) in all jurisdictions where it is required to be so qualified, except, in the case of clauses (a) and (b), where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

8.2 Corporate Power and Authority; Enforceability. 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, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting the enforceability of creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law). Holdings, the Borrower and each of the Restricted Subsidiaries (a) is in compliance with all Applicable Laws and (b) has all requisite governmental licenses, authorizations, consents and approvals to operate its business as currently conducted except, in each case to the extent that failure to be in compliance therewith or to have all such licenses, authorizations, consents and approvals would not reasonably be expected to have a Material Adverse Effect.

8.3 No Violation. The execution, delivery and performance by any Credit Party of the Credit Documents to which it is a party and compliance with the terms and provisions hereof and thereof will not (a) contravene any material applicable provision of any material Applicable Law of any Governmental Authority, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or give rise to any right to accelerate or to require the prepayment, repurchase or redemption of any obligation under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of any of Holdings, the Borrower or any of the Restricted Subsidiaries (other than Liens created under the Credit Documents and the Liens created under the Second Lien Credit Documents) pursuant to, the terms of any indenture, loan agreement, lease agreement, mortgage or deed of trust or any other Contractual Obligation to which Holdings, the Borrower or any of their Restricted Subsidiaries is a party or by which they or any of their property or assets is bound, except, in the case of either of clause (a) or (b), to the extent that any such conflict, breach, contravention, default, creation or imposition would not reasonably be expected to result in a Material Adverse Effect or (c) violate any provision of the Organizational Documents of Holdings, the Borrower or any of their Restricted Subsidiaries.

8.4 Litigation. There are no actions, suits, investigations, claims, arbitrations or proceedings (including Environmental Claims) pending or, to the knowledge of Holdings or the Borrower, threatened, in either case with respect to Holdings, the Borrower or any of the Restricted Subsidiaries that (a) involve any of the Credit Documents or (b) would 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, Regulation U or Regulation X of the Board.

8.6 Governmental Approvals. No order, consent, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, any Governmental Authority is required to authorize or is required in connection with (a) the execution, delivery and performance of any Credit Document or (b) the legality, validity, binding effect or enforceability of any Credit Document, except, in the case of either clause (a) or (b), (i) such orders, consents, approvals, licenses, authorizations, validations, filings, recordings, registrations or exemptions as have been obtained or made and are in full force and effect, (ii) filings and recordings in respect of Liens created pursuant to the Security Documents and (iii) such orders, consents, approvals, licenses, authorizations, validations, filings, recordings, registrations or exemptions to the extent that failure to so receive would not reasonably be expected to result in a Material Adverse Effect.

8.7 Investment Company Act. None of the Credit Parties is an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

8.8 True and Complete Disclosure.

(a) The written factual information or written factual data (taken as a whole) heretofore or contemporaneously furnished by Holdings, the Borrower, any of their respective Subsidiaries or any of their respective authorized representatives in writing to any Agent or any Lender on or before the Closing Date (including all such information contained in the Confidential Information Memorandum (and all information incorporated by reference therein) and in the Credit Documents) for purposes of, or in connection with, this Agreement or any transaction contemplated does not contain any untrue statement of material fact and does not omit to state any material fact necessary to make such information and data (taken as a whole) not materially misleading at such time (after giving effect to all supplements so

furnished from time to time) in light of the circumstances under which such information or data was furnished; it being understood and agreed that for purposes of this Section 8.8(a), such factual information and data shall not include projections (including financial estimates, forecasts and other forward-looking information), pro forma financial information or information of a general economic or industry specific nature.

(b) The projections contained in the information and data referred to in Section 8.8(a) were prepared in good faith based upon assumptions believed by Holdings and the Borrower to be reasonable at the time made; it being recognized by the Agents and the Lenders that such projections are as to future events and are not to be viewed as facts, the projections are subject to significant uncertainties and contingencies, many of which are beyond the control of Holdings, the Borrower and the Restricted Subsidiaries, that no assurance can be given that any particular projections will be realized 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.

(c) As of the Closing Date, the information included in the Beneficial Ownership Certificate with respect to any Beneficial Owner (as defined in the Beneficial Ownership Regulation) of the Borrower, is true and correct in all material respects to the best of the Beneficial Owner's knowledge.

8.9 Financial Statements.

(a) The Historical Financial Statements present fairly in all material respects the financial position and results of operations of the Borrower and its consolidated Subsidiaries at the respective dates of such information and for the respective periods covered thereby and have been prepared in all material respects in accordance with GAAP consistently applied (except to the extent provided in the notes to such financing statements), and subject, in the case of the unaudited financial information, to changes resulting from audit, normal year-end audit adjustments and to the absence of footnotes and the inclusion of any explanatory note.

(b) Each Lender and each Agent hereby acknowledges and agrees that the Borrower and its Subsidiaries may be required to restate the Historical Financial Statements as the result of the implementation of changes in GAAP or the interpretation thereof, and that such restatements will not result in a Default under the Credit Documents under Section 11.2 (including any effect on any conditions required to be satisfied on the Closing Date) to the extent that the restatements do not reveal any material omission, misstatement or other material inaccuracy in the reported information from actual results for any relevant prior period.

8.10 Tax Returns and Payments, Etc. (a) Holdings, the Borrower and each of the Restricted Subsidiaries have filed all tax returns, domestic and foreign, required to be filed by them and have paid all taxes and assessments payable by them that have become due, other than those not yet delinquent or being diligently contested in good faith by appropriate proceedings and for which adequate reserves have been established on the applicable financial statements in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction and (b) each of Holdings, the Borrower and the Restricted Subsidiaries have paid, or have provided adequate reserves (in the good-faith judgment of the management of the Borrower) in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction for the payment of, all material U.S. federal, state, and foreign income taxes applicable for all prior fiscal years and for the current fiscal year to the Closing Date, except in the case of either of clauses (a) or (b), to the extent that the failure to be in compliance therewith would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

8.11 Compliance with ERISA. Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (a) each Pension Plan is in compliance with ERISA, the Code and any Applicable Law; (b) no Reportable Event has occurred (or is reasonably likely to occur); (c) no Multiemployer Plan is "insolvent" within the meaning of Section 4245 of ERISA (or is reasonably likely to be insolvent), and no written notice of any such insolvency has been given to any of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate; (d) none of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate has failed to make a required contribution to a Multiemployer Plan, whether or not waived (or is reasonably likely to fail to make such required contribution); (e) no Pension Plan is, or is expected to be, in "at-risk" status within the meaning of Section 430 of the Code or Section 303 of ERISA and no Multiemployer Plan is, or is expected to be, in "endangered or critical status" within the meaning of Section 432 of the Code or Section 305 of ERISA; (f) none of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate has incurred (or is reasonably likely to incur) any liability to or on account of a Pension Plan or Multiemployer Plan, as applicable, pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212(c) of ERISA or Section 4971 or 4975 of the Code or has been notified in writing that it will incur any liability under any of the foregoing Sections with respect to any Pension Plan or Multiemployer Plan; (g) no proceedings by the PBGC have been instituted (or are reasonably likely to be instituted) to terminate or to reorganize any Pension Plan or Multiemployer Plan or to appoint a trustee to administer any Pension Plan or Multiemployer Plan, and no written notice of any such proceedings has been given to any of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate; (h) the conditions for imposition of a Lien that could be imposed under the Code or ERISA on the assets of any of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate with respect to a Pension Plan do not exist (and are not reasonably likely to exist) nor has the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate been notified in writing that such a lien will be imposed on the assets of any of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate on account of any Pension Plan; and (i) each Foreign Plan is in compliance with Applicable Laws (including funding requirements under such Applicable Laws), and no proceedings have been instituted to terminate any Foreign Plan which would reasonably be expected to give rise to liability for the Borrower or any Restricted Subsidiary. No Pension Plan has an Unfunded Current Liability that would, individually or when taken together with any other liabilities incurred or reasonably likely to be incurred by the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate as referenced in this Section 8.11, be reasonably likely to have a Material Adverse Effect. With respect to Multiemployer Plans, the representations and warranties in this Section 8.11, other than any made with respect to (i) liability under Section 4201, 4204 or 4212(c) of ERISA, (ii) any contribution required to be made, or (iii) liability for termination of any such Multiemployer Plan under ERISA, are made to the best knowledge of the Borrower.

8.12 Subsidiaries. On the Closing Date, after giving effect to the Transactions, Holdings does not have any Subsidiaries other than the Subsidiaries listed on Schedule 8.12. Schedule 8.12 sets forth, as of the Closing Date, after giving effect to the Transactions, the name and the jurisdiction of organization of each Subsidiary and, as to each Subsidiary, the percentage of each class of Capital Stock owned by any Credit Party and the designation of such Subsidiary as a Guarantor, a Restricted Subsidiary, an Unrestricted Subsidiary, a Specified Subsidiary or an Immaterial Subsidiary. The Borrower does not own or hold, directly or indirectly, any Capital Stock of any Person other than such Subsidiaries and Investments permitted by Section 10.5.

8.13 Intellectual Property. The Borrower and each of the Restricted Subsidiaries owns, has good and marketable title to, or has a valid license or otherwise has the right to use, all Intellectual Property, that is used in, held for use in or that is otherwise necessary for the operation of their respective businesses as currently conducted, free and clear of all Liens (other than Liens permitted by Section 10.2), except where the failure to own, or have any such title, license or rights would not reasonably be expected to have a Material Adverse Effect. Except as would not reasonably be expected to have a Material

Adverse Effect, (i) to the Borrower's knowledge, the operation of the businesses conducted by each of the Borrower and the Restricted Subsidiaries, and the Intellectual Property now employed by any of the Credit Parties does not infringe upon, misappropriate, or otherwise violate any Intellectual Property rights owned by any other Person, and (ii) no material written claim has been received by the Borrower, or any of the Restricted Subsidiaries, and no litigation regarding the foregoing is pending or, to the Borrower's knowledge, threatened in writing, in either case against the Borrower or any of the Restricted Subsidiaries.

8.14 Environmental Laws.

(a) Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, (i) Holdings, the Borrower and each of the Restricted Subsidiaries are and have been in compliance with all Environmental Laws (including having obtained and complied with all permits required under Environmental Laws for their current operations); (ii) to the knowledge of Holdings or the Borrower, there are no facts, circumstances or conditions arising out of or relating to the operations of Holdings, the Borrower or any of the Restricted Subsidiaries or any currently or formerly owned, operated or leased Real Property that would reasonably be expected to result in Holdings, the Borrower or any of the Restricted Subsidiaries incurring liability under any Environmental Law; and (iii) none of Holdings, the Borrower or any of the Restricted Subsidiaries has become subject to any pending or, to the knowledge of Holdings or the Borrower, threatened Environmental Claim or, to the knowledge of Holdings or the Borrower, any other liability under any Environmental Law.

(b) None of the Borrower or any of the Restricted Subsidiaries has treated, stored, transported or Released Hazardous Materials at or from any currently or formerly owned, operated or leased Real Property in a manner that would reasonably be expected to have a Material Adverse Effect.

8.15 Properties, Assets and Rights.

(a) As of the Closing Date and as of the date of each Credit Event thereafter, the Borrower and each of the Restricted Subsidiaries has good and marketable title to, valid leasehold interest in, or easements, licenses or other limited property interests in, all properties (other than Intellectual Property) that are necessary for the operation of their respective businesses as currently conducted, except where the failure to have such good title or interest in such property would not reasonably be expected to have a Material Adverse Effect. None of such properties and assets is subject to any Lien, except for Liens permitted under Section 10.2.

(b) Set forth on Schedule 8.15 hereto is a complete and accurate list of all Real Property owned in fee by the Credit Parties on the Closing Date, showing as of the Closing Date the street address, county or other relevant jurisdiction, state and record owner thereof.

(c) All permits required to have been issued or appropriate to enable all Real Property of the Credit Parties to be lawfully occupied and used for all of the purposes for which they are currently occupied and used have been lawfully issued and are in full force and effect, other than those permits the failure of which to be issued or to so enable lawful occupation and use would not reasonably be expected to have a Material Adverse Effect.

8.16 Solvency. On the Closing Date after giving pro forma effect to the Transactions, the Credit Parties and their Subsidiaries on a consolidated basis are Solvent.

8.17 Material Adverse Change. Since the Closing Date there have been no events or developments that have had or would reasonably be expected to have a Material Adverse Effect.

8.18 Use of Proceeds. The proceeds of (a) the borrowings of the Initial Term Loans and the proceeds of borrowings under the Revolving Credit Facility in the amount of the Initial Revolving Borrowing Amount shall be used (i) on the Closing Date, together with cash on hand at the Borrower and its Subsidiaries and the proceeds of the borrowings of the Second Lien Initial Term Loans, to pay the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and (ii) to the extent any proceeds remain after the application described in clause (i), will be used on and after the Closing Date for other general corporate purposes of the Borrower and its Subsidiaries, including the financing of acquisitions, other Investments and Restricted Payments and other distributions on account of the Capital Stock of the Borrower (or any Parent Entity thereof), in each case permitted hereunder, and any other use not prohibited hereby and (b) borrowings of Revolving Credit Loans available under any Revolving Credit Facility, together with the proceeds of the borrowings of the Swingline Loans and the Letters of Credit, will be used for working capital requirements and other general corporate purposes of the Borrower and its Subsidiaries, including the financing of acquisitions, other Investments and Restricted Payments and other distributions on account of the Capital Stock of the Borrower (or any Parent Entity thereof), in each case permitted hereunder, and any other use not prohibited hereby.

8.19 Anti-Corruption Laws.

(a) The Borrower and each other Credit Party and their respective Restricted Subsidiaries are in compliance with the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), except to the extent that the failure to be in compliance would not reasonably be expected to result in a Material Adverse Effect.

(b) None of the Borrower or any other Credit Party will use the proceeds of the Loans or the Letters of Credit or otherwise make available such proceeds to any Person for the purposes of 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 or obtain any improper advantage, in violation of the FCPA, as amended.

8.20 Sanctioned Persons.

(a) None of the Borrower, any other Credit Party or any of their respective Restricted Subsidiaries is currently the target of any U.S. sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") of the U.S. Treasury Department or the U.S. Department of State.

(b) None of the Borrower or any other Credit Party will use the proceeds of the Loans or the Letters of Credit or otherwise make available such proceeds to any Person for use in any manner that will result in a violation by any Lender of any U.S. sanctions administered by OFAC or the U.S. Department of State.

8.21 PATRIOT ACT. Except to the extent as could not reasonably be expected to have a Material Adverse Effect, neither the Borrower nor any other Credit Party is in violation of any Applicable Laws relating to money laundering, including the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "PATRIOT ACT").

8.22 Labor Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (a) there are no strikes or other labor disputes against any of the Borrower or the Restricted Subsidiaries pending or, to the knowledge of the Borrower, threatened in writing and (b) none of the Borrower or the Restricted Subsidiaries have been in violation of the Fair Labor Standards Act or any other Applicable Laws dealing with wage and hour matters.

8.23 Subordination of Junior Financing. The Obligations are "Designated Senior Debt" (if applicable), "Senior Debt", "Senior Indebtedness", "Guarantor Senior Debt" or "Senior Secured Financing" (or any comparable term) under, and as defined in, any indenture or document governing any Junior Debt.

8.24 No Default. As of the date of any Credit Event after the Closing Date, no Default has occurred and is continuing.

SECTION 9. Affirmative Covenants. The Borrower (and, in the case of Section 9.14, Holdings) hereby covenants and agrees that, on the Closing Date and thereafter, until the Total Commitment and all Letters of Credit have terminated (unless such Letters of Credit have been Cash Collateralized on the terms and conditions set forth in Section 3.8) and the Loans and Unpaid Drawings, together with interest, fees and all other Obligations Incurred hereunder (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements and contingent indemnification obligations and other contingent obligations not then due and payable), are paid in full:

9.1 Information Covenants. The Borrower will furnish to the Administrative Agent for prompt further distribution to each Lender:

(a) Annual Financial Statements. As soon as available and in any event on or before the date that is 90 days after the end of each fiscal year (or, after an IPO, if later, such later time as may be permitted for the filing of a 10-K under the Exchange Act), the consolidated balance sheet of the Borrower and its consolidated Subsidiaries and, if different, the Borrower and its Restricted Subsidiaries, in each case as at the end of such fiscal year, and the related consolidated statement of income and cash flows for such fiscal year, setting forth for each fiscal year comparative consolidated figures for the preceding fiscal year (or, in lieu of such audited financial statements of the Borrower and the Restricted Subsidiaries, a detailed reconciliation, reflecting such financial information for the Borrower and the Restricted Subsidiaries, on the one hand, and the Borrower and its consolidated Subsidiaries, on the other hand), all in reasonable detail and prepared in all material respects in accordance with GAAP (except as otherwise disclosed in such financial statements) and, except with respect to any such reconciliation, reported on by independent registered public accountants of recognized national standing with an unmodified report by such independent registered public accountants without an emphasis of matter paragraph related to going concern as defined by Statement on Accounting Standards AU-C Section 570 "The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern" (or any similar statement under any amended or successor rule as may be adopted by the Auditing Standards Board from time to time) (other than (1) solely with respect to, or expressly resulting solely from, an upcoming maturity date under the documentation governing any Indebtedness, (2) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiaries or (3) any prospective breach of the Financial Performance Covenant (or in the case of any Term Loan Facility, any such breach)), and, for the avoidance of doubt, without modification as to the scope of audit, together in any event with a certificate of such accounting firm stating that in the course of its regular audit of the business of the Borrower and its consolidated Subsidiaries, which audit was conducted in accordance with generally accepted auditing standards, such accounting firm has obtained no knowledge of any Event of Default relating to the Financial Performance Covenant that has occurred and is continuing or, if in the opinion of such accounting firm such an Event of Default has occurred and is continuing, a statement as to the nature thereof. Notwithstanding the foregoing, the obligations in this Section 9.1(a) may be satisfied with respect to financial information of the Borrower and its consolidated Subsidiaries by furnishing (A) the applicable financial statements of Holdings (or any Parent Entity of Holdings), (B) the Borrower's or Holdings' (or

any Parent Entity thereof), as applicable, Form 10-K filed with the SEC or (C) following an election by the Borrower pursuant to the definition of "GAAP", the applicable financial statements shall be determined in accordance with IFRS; provided that, with respect to each of clauses (A) and (B), (i) to the extent such information relates to Holdings (or such Parent Entity), such information is accompanied by consolidating information that explains in reasonable detail the differences between the information relating to Holdings (or such Parent Entity), on the one hand, and the information relating to the Borrower and its consolidated Subsidiaries on a standalone basis, on the other hand and (ii) to the extent such information is in lieu of information required to be provided under the first sentence of this Section 9.1(a), such materials shall be reported on by an independent registered public accounting firm of recognized national standing, with an unmodified report by such independent registered public accountants without an emphasis of matter paragraph related to going concern as defined by Statement on Accounting Standards AU-C Section 570 "The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern" (or any similar statement under any amended or successor rule as may be adopted by the Auditing Standards Board from time to time) (other than (1) solely with respect to, or expressly resulting solely from, an upcoming maturity date under the documentation governing any Indebtedness, (2) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiaries or (3) any prospective breach of the Financial Performance Covenant (or in the case of any Term Loan Facility, any such breach)) (it being understood that there shall be no obligation to audit any such consolidating information), and, for the avoidance of doubt, without modification as to the scope of audit.

(b) Quarterly Financial Statements. Beginning with the fiscal quarter ending March 31, 2019, as soon as available and in any event on or before the date that is 45 days after the end of each of the first three quarterly accounting periods in each fiscal year of the Borrower (or, after an IPO, if later, such later time as may be permitted for the filing of a 10-Q under the Exchange Act), the consolidated balance sheet of the Borrower and its consolidated Subsidiaries and, if different, the Borrower and the Restricted Subsidiaries, in each case as at the end of such quarterly period and the related consolidated statement of income 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 the elapsed portion of the fiscal year ended with the last day of such quarterly period, and 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 prior fiscal year (or in lieu of such financial statements of the Borrower and the Restricted Subsidiaries, a detailed reconciliation, reflecting such financial information for the Borrower and the Restricted Subsidiaries, on the one hand, and the Borrower and its consolidated Subsidiaries on the other hand), all in reasonable detail and all of which shall be certified by an Authorized Officer of the Borrower as fairly presenting in all material respects the financial condition, results of operations and cash flows of the Borrower and its consolidated Subsidiaries (and, if applicable, the Borrower and the Restricted Subsidiaries) in all material respects accordance with GAAP (except as disclosed in the notes to such financing statements), subject to changes resulting from audit and normal year-end audit adjustments and to the absence of footnotes and the inclusion of any explanatory note. Notwithstanding the foregoing, the obligations in this Section 9.1(b) may be satisfied with respect to financial information of the Borrower and its consolidated Subsidiaries by furnishing (A) the applicable financial statements of Holdings (or any Parent Entity thereof), (B) the Borrower's or Holdings' (or any Parent Entity thereof), as applicable, Form 10-Q filed with the SEC or (C) following an election by the Borrower pursuant to the definition of "GAAP", the applicable financial statements shall be determined in accordance with IFRS; provided that, with respect to each of clauses (A) and (B), to the extent such information relates to Holdings (or any such Parent Entity), such information is

accompanied by consolidating information that explains in reasonable detail the differences between the information relating to Holdings (or such Parent Entity), on the one hand, and the information relating to the Borrower and its consolidated Subsidiaries on a standalone basis (and, if different, the Borrower and the Restricted Subsidiaries), on the other hand.

(c) Budget. Prior to an IPO, no later than five Business Days following the delivery by the Borrower of the financial statements required under Section 9.1(a), beginning at the time of the delivery of such financial statements for the fiscal year ending December 31, 2019, a detailed quarterly budget of the Borrower and its Restricted Subsidiaries in reasonable detail for the current fiscal year as customarily prepared by management of the Borrower for its internal use (but including, in any event, only a projected consolidated statement of income of the Borrower and its Restricted Subsidiaries for the current fiscal year and not a projected consolidated balance sheet or statement of projected cash flow) and setting forth the principal assumptions upon which such budget is based (provided that no such budget shall be required to be delivered for the fiscal year which began January 1, 2018 or the fiscal year which begins January 1, 2019). It is understood and agreed that any financial or business projections furnished by any Credit Party (i)(A) are subject to significant uncertainties and contingencies, which may be beyond the control of the Credit Parties, (B) no assurance is given by the Credit Parties that the results or forecast in any such projections will be realized and (C) the actual results may differ from the forecast results set forth in such projections and such differences may be material and (ii) are not a guarantee of performance.

(d) Officer's Certificates. No later than five Business Days following the delivery of the financial statements provided for in Sections 9.1(a) and 9.1(b), a certificate of an Authorized Officer of the Borrower to the effect that no Default or Event of Default exists or, if any Default or Event of Default does exist, specifying the nature and extent thereof, which certificate shall set forth (i) during any fiscal quarter during which the Financial Performance Covenant is applicable, the calculations required to establish whether the Borrower was in compliance with the provisions of the Financial Performance Covenant as at the end of such fiscal year or period, as the case may be, beginning with the fiscal period ending March 31, 2019, if required, (ii) a specification of any change in the identity of the Guarantors, the Restricted Subsidiaries, the Unrestricted Subsidiaries, the Specified Subsidiaries, the Immaterial Subsidiaries and the Foreign Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Guarantors, Restricted Subsidiaries, the Unrestricted Subsidiaries, the Specified Subsidiaries, the Immaterial Subsidiaries and the Foreign Subsidiaries, respectively, provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be, and (iii) the then applicable Applicable Margins and Commitment Fee Rate. At the time of the delivery of the financial statements provided for in Section 9.1(a) beginning with the fiscal year ended December 31, 2019, a certificate of an Authorized Officer of the Borrower setting forth in reasonable detail the calculation of Excess Cash Flow, the Available Amount and the Available Equity Amount as at the end of the fiscal year to which such financial statements relate.

(e) Notice of Certain Events. Promptly after an Authorized Officer of Holdings, the Borrower or any of its Restricted Subsidiaries obtains knowledge thereof, notice of the occurrence of (a) any event that constitutes a Default or an Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action Holdings or the Borrower proposes to take with respect thereto, and (b) any litigation or governmental proceeding pending against Holdings, the Borrower or any of its Restricted Subsidiaries that could reasonably be expected to result in a Material Adverse Effect.

(f) Other Information. (i) Promptly upon filing thereof, (x) copies of any annual, quarterly and other regular, material periodic and special reports (including on Form 10-K, 10-Q or 8-K) and registration statements which Holdings (or any Parent Entity), the Borrower or any Restricted Subsidiary files with the SEC or any analogous Governmental Authority in any relevant jurisdiction (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 for further delivery to the Lenders), exhibits to any registration statement and, if applicable, any registration statements on Form S-8 and other than any filing filed confidentiality with the SEC or any analogous Governmental Authority in any relevant jurisdiction) and (y) copies of all financial statements, proxy statements and material reports that Holdings, the Borrower or any of the Restricted Subsidiaries shall send to the holders of any publicly issued debt of Holdings, the Borrower and/or any of the Restricted Subsidiaries in their capacity as such holders (in each case to the extent not theretofore delivered to the Administrative Agent for further delivery to the Lenders pursuant to this Agreement) and (ii) with reasonable promptness, but subject to the limitations set forth in the last sentence of Section 9.2 and Section 13.16, such other information (financial or otherwise) as the Administrative Agent on its own behalf or on behalf of any Lender may reasonably request in writing from time to time.

Documents required to be delivered pursuant to Sections 9.1(a), 9.1(b) and 9.1(f)(i) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto, on the Borrower's website on the Internet at the website address listed on Schedule 13.2 or (ii) on which such documents are transmitted by electronic mail to the Administrative Agent; provided that: (A) upon written request by the Administrative Agent, the Borrower 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 (B) the Borrower 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. Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide paper copies of the certificates required by Section 9.1(d) to the Administrative Agent. 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 and Inspections. The Borrower will, and will cause each of the Restricted Subsidiaries to, maintain proper books of record and account, in which entries that are full, true and correct in all material respects and are in conformity with GAAP consistently applied shall be made of all material financial transactions and matters involving the assets and business of Holdings, the Borrower or such Restricted Subsidiary, as the case may be. The Borrower will, and will cause each of the Restricted Subsidiaries to, permit representatives and independent contractors of the Administrative Agent and the Required Lenders to visit and inspect any of its properties (to the extent it is within such Person's control to permit such inspection), to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at the reasonable expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower (and subject, in the case of any such meetings or advice from such independent accountants, to such accountants' customary policies and procedures); provided that, excluding any such visits and inspections during the continuation of an Event of Default, only the Administrative Agent on behalf of the Lenders may exercise rights of the Administrative Agent and the Required Lenders under this Section 9.2 and the Administrative Agent shall not exercise such rights more often than once during any calendar year absent the existence of an Event of Default at the Borrower's expense; and provided, further, that when an Event of Default exists, the Administrative Agent or the

Required Lenders (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and upon reasonable advance notice. The Administrative Agent and the Required Lenders shall give the Borrower the opportunity to participate in any discussions with the Borrower's independent public accountants. Notwithstanding anything to the contrary in Section 9.1 or this Section 9.2, none of Holdings, the Borrower or any Restricted Subsidiary will be required to disclose, permit the inspection, examination or making copies or abstracts of, 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 any Agent or any Lender (or their respective representatives or contractors) is prohibited by Applicable Law or any binding agreement or (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product.

9.3 Maintenance of Insurance.

(a) The Borrower will, and will cause each of the Restricted Subsidiaries to, at all times maintain in full force and effect, with insurance companies that the Borrower believes (in the good-faith judgment of the management of the Borrower) 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 Borrower believes (in the good-faith judgment of management of the Borrower) is reasonable and prudent in light of the size and nature of its business) and against at least such risks (and with such risk retentions) as are usually insured against in the same general area by companies engaged in businesses similar to those engaged by the Borrower and the Restricted Subsidiaries; and will furnish to the Administrative Agent for further delivery to the Lenders, upon written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried. The Collateral Agent, for the benefit of the Secured Parties, shall be the additional insured on any such liability insurance and the Collateral Agent, for the benefit of the Secured Parties, shall be the additional loss payee or additional mortgagee under any such casualty or property insurance, except in each case as the Collateral Agent and the Borrower may otherwise agree.

(b) If any buildings or improvements comprising of any Mortgaged Property are at any time located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a special flood hazard area with respect to which flood insurance has been made available under the Flood Insurance Laws, then the Borrower shall, or shall cause the applicable Credit Parties to, solely to the extent required by Applicable Law, (i) maintain, or cause to be maintained, with a financially sound and reputable insurer (determined at the time such insurance is obtained or renewed), flood insurance in an amount and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to the Flood Insurance Laws and (ii) deliver to the Collateral Agent evidence of such compliance in form reasonably acceptable to the Collateral Agent.

9.4 Payment of Taxes. The Borrower will pay and discharge, and will cause each of the Restricted Subsidiaries to pay and discharge, all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which such payments become overdue, and all lawful claims in respect of taxes imposed, assessed or levied that, if unpaid, would reasonably be expected to become a Lien upon any properties of the Borrower or any of the Restricted Subsidiaries, except to the extent that the failure to do so would not reasonably be expected to result in a Material Adverse Effect; provided that none of the Borrower or any of the Restricted Subsidiaries shall be required to pay any such tax, assessment, charge, levy or claim that is being diligently contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good-faith judgment of the management of the Borrower) with respect thereto in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction.

9.5 Consolidated Corporate Franchises. The Borrower will do, and will cause each of the Restricted Subsidiaries to do, or cause to be done, all things necessary to preserve and keep in full force and effect its existence, corporate rights, privileges and authority, except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect; provided, however, that the Borrower and the Restricted Subsidiaries may consummate any transaction permitted under Section 10.3, 10.4 or 10.5.

9.6 Compliance with Statutes. The Borrower 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, (i) the FCPA, (ii) applicable Sanctions and (iii) the PATRIOT ACT, and (b) maintain in effect all governmental approvals or authorizations required to conduct its business, except in the case of each of clauses (a) and (b), where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

9.7 ERISA. As soon as reasonably practicable after the Borrower or any of the Restricted Subsidiaries or any ERISA Affiliate knows or has reason to know of the occurrence of any of the following events that, individually or in the aggregate (including in the aggregate such events previously disclosed or exempt from disclosure hereunder, to the extent the liability therefor remains outstanding), would be reasonably likely to have a Material Adverse Effect, the Borrower will deliver to the Administrative Agent a certificate of an Authorized Officer or any other senior officer of the Borrower setting forth details as to such occurrence and the action, if any, that the Borrower, such Restricted Subsidiary or such ERISA Affiliate is required or proposes to take, together with any notices (required, proposed or otherwise) given to or filed with or by the Borrower, such Restricted Subsidiary, such ERISA Affiliate, the PBGC, or a Multiemployer Plan administrator (provided that if such notice is given by the Multiemployer Plan administrator, it is given to any of the Borrower or any of the Restricted Subsidiaries or any ERISA Affiliates thereof): (a) that a Reportable Event has occurred; (b) that there has been a failure to satisfy the minimum funding standard under Section 412 of the Code or Section 302 of ERISA or an application is to be made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including any required installment payments) or an extension of any amortization period under Section 412 of the Code with respect to a Pension Plan; (c) that a Pension Plan having an Unfunded Current Liability has been or is to be terminated under Title IV of ERISA (including the giving of written notice thereof); (d) that a Pension Plan has an Unfunded Current Liability that has or will result in a Lien under ERISA or the Code on the assets of any of Holdings, the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate; (e) that proceedings will be or have been instituted by the PBGC to terminate a Pension Plan having an Unfunded Current Liability (including the giving of written notice thereof); (f) that a proceeding has been instituted against the Borrower, a Restricted Subsidiary thereof or an ERISA Affiliate pursuant to Section 515 of ERISA to collect a delinquent contribution to a Multiemployer Plan; (g) that the PBGC has notified the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate of its intention to appoint a trustee to administer any Pension Plan; (h) that the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate has failed to make any required contribution or payment to a Multiemployer Plan; (i) that a determination has been made that any Pension Plan is in "at-risk" status within the meaning of Section 430 of the Code or Section 303 of ERISA or any Multiemployer Plan is in "endangered or critical status" within the meaning of Section 432 of the Code or Section 305 of ERISA; (j) that the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate has incurred (or has been notified in writing that it will incur) any liability (including any contingent or secondary liability) to or on account of a Pension Plan or Multiemployer Plan pursuant to Section 409, 502(i) 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212(c) of ERISA or Section 4971 or 4975 of the Code; (k) that a Multiemployer Plan is "insolvent" within the meaning of Section 4245 of ERISA; (l) that the termination of any Foreign Plan has occurred that gives rise to liability for Holdings, the Borrower or any Restricted Subsidiary; or (m) that any non-compliance with any funding requirements under Applicable Law for any Foreign Plan has occurred. Such certificate and notice shall be provided as soon as reasonably practicable after the Borrower, any Restricted Subsidiary or any ERISA Affiliate knows or has reason to know of the occurrence of any such event.

9.8 Good Repair. The Borrower will, and will cause each of the Restricted Subsidiaries to, ensure that its properties and equipment used or useful in its business in whomsoever's possession they may be to the extent that it is within the control of such party to cause same, are kept in good repair, working order and condition, normal wear and tear excepted, and that from time to time there are made in such properties and equipment all needful and proper repairs, renewals, replacements, extensions, additions, betterments and improvements thereto, to the extent and in the manner customary for companies in the industry in which the Borrower and the Restricted Subsidiaries conduct business and consistent with third party leases, except in each case to the extent the failure to do so would not be reasonably expected to have a Material Adverse Effect.

9.9 End of Fiscal Years; Fiscal Quarters. The Borrower will, for financial reporting purposes, cause (a) each of its, and each of the Restricted Subsidiaries', fiscal years to end on December 31 of each year and (b) each of its, and each of the Restricted Subsidiaries', fiscal quarters to end on dates consistent with such fiscal year-end and the Borrower's past practice; provided, however, that the Borrower may, upon written notice to, and consent by, the Administrative Agent, change the financial reporting convention specified above to any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Borrower 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.

9.10 Additional Guarantors and Grantors. Subject to any applicable limitations set forth in the Guarantee, the Security Agreement, the Pledge Agreement or any other Security Document, as applicable, the Borrower will cause (i) any direct or indirect Domestic Subsidiary of the Borrower (other than any Excluded Subsidiary) formed or otherwise purchased or acquired after the Closing Date (including pursuant to an Acquisition) and (ii) any Domestic Subsidiary of the Borrower that ceases to be an Excluded Subsidiary, to promptly execute and deliver to the Collateral Agent (A) a supplement to each of the Guarantee, the Security Agreement and the Pledge Agreement substantially in the form of Annex B, Exhibit 1 or Annex A, as applicable, to the respective agreement in order to become a Guarantor under the Guarantee, a grantor under the Security Agreement and a pledgor under the Pledge Agreement, (B) a counterpart signature page to the Intercompany Note and (C) a joinder agreement or such comparable documentation to each other applicable Security Document, substantially in the form annexed thereto, and to take all actions required thereunder to perfect the Liens created thereunder.

9.11 Pledges of Additional Stock and Evidence of Indebtedness.

(a) Subject to any applicable limitations set forth in the Security Documents, as applicable, the Borrower will pledge, and, if applicable, will cause each other Subsidiary Guarantor (or a Person required to become a Subsidiary Guarantor pursuant to Section 9.10) to pledge, to the Collateral Agent for the benefit of the Secured Parties, (i) all the Capital Stock (other than any Excluded Capital Stock) of each Subsidiary owned by the Borrower or any Subsidiary Guarantor (or Person required to become a Subsidiary Guarantor pursuant to Section 9.10), in each case, formed or otherwise purchased or acquired after the Closing Date, pursuant to a supplement to the Pledge Agreement substantially in the form of Annex A thereto and (ii) except with respect to intercompany Indebtedness, all evidences of Indebtedness for borrowed money in a principal amount in excess of $10,000,000 (individually) that are owing to the Borrower or any Subsidiary Guarantor (or Person required to become a Subsidiary Guarantor pursuant to Section 9.10) (which shall be evidenced by a promissory note), in each case pursuant to a supplement to the Pledge Agreement substantially in the form of Annex A thereto.

(b) The Borrower agrees that all Indebtedness of the Borrower and each of its Restricted Subsidiaries that is owing to any Credit Party (or a Person required to become a Subsidiary Guarantor pursuant to Section 9.10) shall be evidenced by the Intercompany Note, which promissory note shall be required to be pledged to the Collateral Agent, for the benefit of the Secured Parties, pursuant to the Pledge Agreement.

9.12 Use of Proceeds. The proceeds of borrowings of the Initial Term Loans and the proceeds of borrowings under the Revolving Credit Facility in the amount of the Initial Revolving Borrowing Amount shall be used (a) on the Closing Date, together with the proceeds from the borrowing of the Second Lien Initial Term Loans and cash on hand at the Borrower and its Subsidiaries to pay the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and (b) to the extent any proceeds remain after the application described in clause (a), on and after the Closing Date for other general corporate purposes of the Borrower and its Subsidiaries, including the financing of acquisitions, other Investments and Restricted Payments and other distributions on account of the Capital Stock of the Borrower (or any Parent Entity thereof), in each case permitted hereunder, and any other use not prohibited hereby. The proceeds of borrowings of the Revolving Credit Loans available under any Revolving Credit Facility, together with the proceeds of borrowings of the Swingline Loans and the Letters of Credit, will be used for working capital requirements and other general corporate purposes of the Borrower and its Subsidiaries, including the financing of acquisitions, other Investments and Restricted Payments and other distributions on account of the Capital Stock of the Borrower (or any Parent Entity thereof), in each case permitted hereunder, and any other use not prohibited hereby. The proceeds of borrowings of any Incremental Term Loan Facility, the proceeds of borrowings of any Revolving Credit Loans made pursuant to any Incremental Revolving Credit Commitment Increase and the proceeds of borrowings of any Additional/Replacement Revolving Credit Loans or Extended Revolving Credit Loans made pursuant to any Additional/Replacement Revolving Credit Commitments or Extended Revolving Credit Commitments, as applicable, may be used for working capital requirements and other general corporate purposes of the Borrower and its Subsidiaries including the financing of acquisitions, other Investments and Restricted Payments and other distributions on account of the Capital Stock of the Borrower (or any Parent Entity thereof), in each case permitted hereunder, and any other use not prohibited hereby.

9.13 Changes in Business. The Borrower and its 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 Borrower and its Restricted Subsidiaries, taken as a whole, on the Closing Date and other similar, incidental, ancillary, supportive, complementary, synergetic or related businesses or reasonable extensions thereof (and non-core incidental businesses acquired in connection with any Acquisition or Investment or other immaterial businesses).

9.14 Further Assurances.

(a) Subject to the limitations set forth in this Agreement and the Security Documents, Holdings and the Borrower will, and will cause each other Subsidiary Guarantor 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 and other similar 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 the validity and priority of the security interests created or intended to be created by the Security Documents, all at the expense of the Borrower and its Restricted Subsidiaries.

(b) Subject to any applicable limitations set forth in the Security Documents and in Sections 9.10 and 9.11, (i) if any Material Real Property is acquired by any Credit Party after the Closing Date or,

(ii) if any Credit Party that becomes a Credit Party after the Closing Date owns any Material Real Property, the Borrower will notify the Collateral Agent (who shall thereafter notify the Lenders) thereof and will, within 90 days after the acquisition of such Material Real Property or within 90 days of the date on which the applicable Credit Party became a Credit Party, as applicable, (or such longer period as may be agreed by the Collateral Agent in its sole discretion), cause such Material Real Property to be subjected to a Mortgage (provided, however, that, in the event any Material Real Property subject to a Mortgage under this Section 9.14 is located in a jurisdiction that imposes mortgage recording taxes or any similar fees or charges, such Mortgage shall only secure an amount equal to the Fair Market Value of such Material Real Property) and will take, and cause the Subsidiary Guarantors to take, such other actions as shall be necessary or reasonably requested by the Collateral Agent to grant and perfect a Lien on such Material Real Property consistent with the applicable requirements of the Security Documents, including actions described in Section 9.14(a) and Section 9.14(c), all at the expense of the Credit Parties.

(c) Any Mortgage delivered to the Collateral Agent in accordance with Sections 9.14(b) shall be accompanied by:

(i) a completed "Life-of-Loan" Federal Emergency Management Agency standard flood hazard determination with respect to each Mortgaged Property, and with respect to each Mortgaged Property that is: (x) in an area designated by the Federal Emergency Management Agency as being located in a special flood hazard area, and (y) contains a "Building" (as defined by the Flood Insurance Laws) within such special flood hazard area (a "Flood Hazard Property"), the Borrower shall deliver to the Collateral Agent (i) Borrower's written acknowledgment of receipt of written notification from the Collateral Agent as to the fact that such asset is a Flood Hazard Property and as to whether the community in which such Mortgaged Property is located is participating in the National Flood Insurance Program and (ii) evidence of flood insurance in accordance with Section 9.3(b) and otherwise in form and substance reasonably satisfactory to the Collateral Agent;

(ii) a policy or policies of title insurance or a marked unconditional commitment or binder thereof issued by a nationally recognized title insurance company insuring title to such Mortgaged Property is vested in such Credit Party for an amount not to exceed the Fair Market Value (determined at the time described in Section 9.14(b) above) and together with such endorsements as the Collateral Agent may reasonably request and which are available at commercially reasonable rates in the jurisdiction where the applicable Mortgaged Property is located;

(iii) unless the Collateral Agent shall have otherwise agreed either, but only to the extent already prepared and otherwise available, (A) a survey of the applicable Mortgaged Property for which all necessary fees (where applicable) have been paid (1) prepared by a surveyor reasonably acceptable to the Collateral Agent, (2) dated or re-certificated not earlier than three months prior to the date of such delivery or such other date as may be reasonably satisfactory to the Collateral Agent in its sole discretion, (3) for Mortgaged Property situated in the United States, certified to the Collateral Agent and the title insurance company issuing the title insurance policy for such Mortgaged Property pursuant to clause (ii), which certification shall be reasonably acceptable to the Collateral Agent and (4) for Mortgaged Property situated in the United States, complying with current "Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys", jointly established and adopted by American Land Title Association, the American Congress on Surveying and Mapping and the National Society of Professional Surveyors (except for such deviations as are acceptable to the Collateral Agent) or (B) coverage under the title insurance policy or policies referred to in clause (ii) above that does not contain a general exception for survey matters and which contains survey-related endorsements reasonably acceptable to the Collateral Agent; and

(iv) opinions of counsel to the Credit Party mortgagor with respect to the enforceability, perfection, due authorization, execution, and delivery of the applicable Mortgages and any related fixture filings in form and substance reasonably satisfactory to the Collateral Agent.

(d) Notwithstanding anything herein to the contrary, if the Collateral Agent and the Borrower reasonably determine in writing that the time or cost of creating or perfecting any Lien on any property (including the time and cost required to obtain the flood insurance required under Section 9.14(c)(i)) is excessive in relation to the benefits afforded to the Lenders thereby, then such property may be excluded from the Collateral for all purposes of the Credit Documents.

(e) Notwithstanding anything herein to the contrary, the Credit Parties shall not be required to take any actions outside the United States, to (i) create any security interest in assets titled or located outside the United States, or (ii) perfect or make enforceable any security interests in any Collateral.

(f) Notwithstanding anything herein to the contrary, the Collateral Agent in its discretion may grant extensions of time for the creation or perfection of security interests in, and Mortgages on, or obtaining of title insurance or taking other actions with respect to, particular assets (including extensions beyond the Closing Date) where it reasonably determines, in consultation with the Borrower and communicated in writing delivered to the Collateral Agent, that the creation or perfection of security interests and Mortgages on, or obtaining of title insurance or taking other actions, or any other compliance with the requirements of this definition cannot be accomplished without undue delay, burden or expense by the time or times at which it would otherwise be required by this Agreement or the Security Documents.

9.15 Designation of Subsidiaries. The Board of Directors of the Borrower may at any time designate any Restricted Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary; provided that immediately before and after such designation, no Event of Default under Section 11.1 or Section 11.5 shall have occurred and be continuing. The designation of any Subsidiary as an Unrestricted Subsidiary after the Closing Date shall constitute an Investment by the Borrower therein at the date of designation in an amount equal to the Fair Market Value of the Borrower's Investment therein. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute the Incurrence at the time of designation of any Investment, Indebtedness or Liens of such Subsidiary existing at such time. Upon any such designation of any Unrestricted Subsidiary as a Restricted Subsidiary (but without duplication of any amount reducing such Investment in such Unrestricted Subsidiary pursuant to the definition of "Investment" or the definition of "Available Amount"), the Borrower and/or the applicable Restricted Subsidiaries shall receive a credit against the applicable clause in Section 10.5 or Section 10.6 that was utilized for the Investment in such Unrestricted Subsidiary for all Returns in respect of such Investment.

9.16 Maintenance of Ratings. The Borrower will use commercially reasonable efforts to cause the public credit rating for the Initial Term Loan Facility issued by S&P and the public credit rating for the Initial Term Loan Facility issued by Moody's, and the Borrower's public corporate credit rating issued by S&P and public corporate credit rating issued by Moody's to each be maintained (but not to obtain or maintain a specific rating).

9.17 Post-Closing Obligations. To the extent not executed and delivered on the Closing Date, unless otherwise agreed by the Administrative Agent in its reasonable discretion, execute and deliver the documents and complete the tasks set forth on Schedule 9.17, in each case within the time limits specified on such schedule (or such later time as the Administrative Agent shall agree in its reasonable discretion).

SECTION 10. Negative Covenants. The Borrower (and, with respect to Section 10.9, Holdings) hereby covenants and agrees that on the Closing Date and thereafter, until the Total Commitment and all Letters of Credit have terminated (unless such Letters of Credit have been Cash Collateralized on terms and conditions set forth in Section 3.8) and the Loans and Unpaid Drawings, together with interest, fees and all other payment Obligations (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification or other contingent obligations not then due and payable), are paid in full:

10.1 Limitation on Indebtedness. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, Incur, contingently or otherwise, with respect to any Indebtedness, except:

(a) (i) Indebtedness arising under the Credit Documents, including pursuant to Sections 2.14 and 2.15, and (ii) any Credit Agreement Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness;

(b) (i) Indebtedness arising under the Second Lien Credit Documents (including any guarantees in respect thereof) in an aggregate principal amount not to exceed $150,000,000; and (ii) any Permitted Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness; provided that, notwithstanding any other provision herein to the contrary, no Person other than a Credit Party shall at any time be an obligor in respect of any such Indebtedness;

(c) (i) Indebtedness constituting reimbursement obligations in respect of any bankers' acceptance, bank guarantees, letters of credit, warehouse receipt or similar facilities entered into in the ordinary course of business or consistent with past practice (including in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance) and (ii) Indebtedness supported by Letters of Credit or other letters of credit under similar facilities in an amount not to exceed the Stated Amount of such Letters of Credit or stated amount of such other letters of credit under such similar facilities;

(d) Except as otherwise limited by clauses (a), (b), (h) and (u) of this Section 10.1, Guarantee Obligations Incurred by (i) any Restricted Subsidiary in respect of Indebtedness of the Borrower or any other Restricted Subsidiary that is permitted to be Incurred under this Agreement and (ii) the Borrower in respect of Indebtedness of any Restricted Subsidiary that is permitted to be Incurred under this Agreement; provided that, if the applicable Indebtedness is subordinated to the Obligations, any such Guarantee Obligations shall be subordinated to the Obligations;

(e) Guarantee Obligations Incurred in the ordinary course of business or consistent with past practice in respect of obligations to suppliers, customers, franchisees, lessors, licensees, sublicensees or distribution partners;

(f) (i) Indebtedness (including Financing Lease Obligations and other Indebtedness arising under mortgage financings and purchase money Indebtedness (including any industrial revenue bond, industrial development bond or similar financings)) the proceeds of which are used to finance (whether prior to or after) the acquisition, development, construction, repair, restoration, replacement, maintenance, upgrade, expansion or improvement of property (real or

personal), equipment or assets, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets or otherwise Incurred in respect of Capital Expenditures; provided that such Indebtedness is Incurred concurrently with or within 270 days after the completion of the applicable acquisition, development, construction, repair, restoration, replacement, maintenance, upgrade, expansion or improvement or the making of the applicable Capital Expenditure; provided, further, that, at the time of Incurrence thereof and after giving pro forma effect thereto and the use of the proceeds thereof, the aggregate principal amount of such Indebtedness then outstanding pursuant to clause (i) (when aggregated with the aggregate principal amount of Permitted Refinancing Indebtedness pursuant to clause (ii) in respect of such Indebtedness then outstanding) shall not, except as contemplated by the definition of "Permitted Refinancing Indebtedness", exceed an amount equal to (I) the greater of (x) $40,000,000 and (y) 25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date) minus (II) the aggregate amount of Indebtedness incurred pursuant to Section 10.1(g) and (ii) any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness;

(g) (i) Indebtedness constituting Financing Lease Obligations, other than Financing Lease Obligations in effect on the Closing Date (and set forth on Schedule 10.1) or Financing Lease Obligations entered into pursuant to Section 10.1(f); provided that, at the time of Incurrence thereof and after giving pro forma effect thereto and the use of the proceeds thereof, the aggregate principal amount of such Indebtedness then outstanding pursuant to clause (i) (when aggregated with the aggregate principal amount of Permitted Refinancing Indebtedness pursuant to clause (ii) in respect of such Indebtedness then outstanding) shall not, except as contemplated by the definition of "Permitted Refinancing Indebtedness", exceed an amount equal to (I) the greater of (x) $40,000,000 and (y) 25.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date) minus (II) the aggregate amount of Indebtedness incurred pursuant to Section 10.1(f); and (ii) any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness.

(h) Closing Date Indebtedness and any Permitted Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness;

(i) Indebtedness in respect of Hedging Agreements Incurred in the ordinary course of business or consistent with past practice and, in each case, at the time entered into, not for speculative purposes;

(j) (i) Indebtedness of a Person or Indebtedness attaching to assets of a Person that, in either case, becomes a Restricted Subsidiary (or is a Restricted Subsidiary that survives a merger, consolidation or amalgamation with such Person or any of its Subsidiaries) or Indebtedness attaching to assets that are acquired by the Borrower or any Restricted Subsidiary, in each case after the Closing Date as the result of an Acquisition or other Investment or Indebtedness of any Unrestricted Subsidiary that is redesignated as a Restricted Subsidiary; provided that

(A) subject to Section 1.10, after giving pro forma effect thereto, no Event of Default under Section 11.1 or 11.5 has occurred and is continuing;

(B) as of the date that any such Person becomes a Restricted Subsidiary (or is a Restricted Subsidiary that survives a merger, consolidation or amalgamation with such a Person or any of its Subsidiaries) or the date that any such assets are acquired by the Borrower or any Restricted Subsidiary and after giving pro forma effect thereto, the aggregate principal amount of Indebtedness then outstanding pursuant to this Section 10.1(j) does not exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the sum of (I) when aggregated with the aggregate principal amount of (1) Indebtedness Incurred pursuant to, and then outstanding under, Section 10.1(k)(i)(B)(I) and (2) Permitted Refinancing Indebtedness Incurred pursuant to clause (ii) of this Section 10.1(j) to Refinance Indebtedness Incurred pursuant to, and then outstanding in reliance on, this clause (I), the greater of (x) $24,000,000 and (y) 15.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date plus (II) subject to Section 1.10, an aggregate amount such that, after giving pro forma effect to the Incurrence of any such Indebtedness, to such Acquisition, Investment, any Specified Transaction or Specified Restructuring to be consummated in connection therewith, the Borrower and the Restricted Subsidiaries shall be in compliance on a pro forma basis, with either (X) a Consolidated EBITDA to Consolidated Interest Expense Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Specified Transaction and Specified Restructuring occurred on the first day of such Test Period, of either (x) not less than 2.00:1.00 or (y) not less than the Consolidated EBITDA to Consolidated Interest Expense Ratio of the Borrower and the Restricted Subsidiaries immediately prior to giving effect to such Incurrence and such other transactions or (Y) with a Consolidated Total Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Investment, Specified Transaction and Specified Restructuring had occurred on the first day of such Test Period of either (x) not greater than 5.50:1.00 or (y) not greater than the Consolidated Total Debt to Consolidated EBITDA Ratio immediately prior to giving pro forma effect to all such Incurrences and such other transactions;

(C) such Indebtedness existed at the time such Person became a Restricted Subsidiary or at the time such assets were acquired and, in each case, was not created in anticipation thereof;

(D) such Indebtedness is not guaranteed in any respect by Holdings, the Borrower or any Restricted Subsidiary (other than any such Person that so becomes a Restricted Subsidiary or is the survivor of a merger with such Person or any of its Subsidiaries) except to the extent permitted under Section 10.5 or Section 10.6;

(E) (x) the Capital Stock of such Person is pledged to the Collateral Agent to the extent required under Section 9.11 and (y) such Person executes a supplement to each of the Guarantee, the Security Agreement and the Pledge Agreement (or alternative guarantee and security arrangements in relation to the Obligations) and a counterpart signature page to the Intercompany Notes, in each case to the extent required under Section 9.10, 9.11 or 9.14(b), as applicable; provided that the requirements of this clause (E) shall not apply to any Indebtedness of the type that could have been Incurred under Section 10.1(f) or Section 10.1(g); and

(ii) any Permitted Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness;

(k) (i) Indebtedness of the Borrower or any Restricted Subsidiary Incurred to finance an Acquisition or other Investment; provided that,

(A) subject to Section 1.10, after giving pro forma effect thereto, no Event of Default under Section 11.1 or 11.5 has occurred and is continuing;

(B) as of the date of such Incurrence and after giving pro forma effect thereto and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding pursuant to this Section 10.1(k), does not exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the sum of (I) when aggregated with the aggregate principal amount of (1) Indebtedness Incurred pursuant to, and then outstanding under, Section 10.1(j)(i)(B)(I) and (2) Permitted Refinancing Indebtedness Incurred pursuant to clause (ii) of this Section 10.1(k) to Refinance Indebtedness Incurred pursuant to, and then outstanding in reliance on, this clause (I), the greater of (x) $24,000,000 and (y) 15.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date plus (II) subject to Section 1.10, an aggregate amount such that, after giving pro forma effect to the Incurrence of any such Indebtedness, to such Acquisition, Investment, any Specified Transaction or Specified Restructuring to be consummated in connection therewith, the Borrower and the Restricted Subsidiaries shall be in compliance on a pro forma basis with either (X) a Consolidated EBITDA to Consolidated Interest Expense Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Specified Transaction and Specified Restructuring occurred on the first day of such Test Period, of either (x) not less than 2.00:1.00 or (y) not less than the Consolidated EBITDA to Consolidated Interest Expense Ratio of the Borrower and the Restricted Subsidiaries immediately prior to giving effect to such Incurrence and such other transactions or (Y) with a Consolidated Total Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Investment, Specified Transaction and Specified Restructuring had occurred on the first day of such Test Period of either (x) not greater than 5.50:1.00 or (y) not greater than the Consolidated Total Debt to Consolidated EBITDA Ratio immediately prior to giving pro forma effect to all such Incurrences and such other transactions;

(C) if such Indebtedness is Incurred by a Restricted Subsidiary that is not a Subsidiary Guarantor, such Indebtedness shall not be guaranteed in any respect by Holdings, the Borrower or any other Subsidiary Guarantor except to the extent permitted under Section 10.5;

(D) (x) the Capital Stock of any Person acquired in such Acquisitions or other Investment (the "acquired Person") is pledged to the Collateral Agent to the extent required under Section 9.11 and (y) such acquired Person executes a supplement to each of the Guarantee, the Security Agreement and the Pledge Agreement and a counterpart signature page to the Intercompany Note (or alternative guarantee and security arrangements in relation to the Obligations), in each case, to the extent required under Section 9.10, 9.11 or 9.14(b), as applicable; and

(E) the terms of such Indebtedness shall be consistent with the requirements set forth in clause (a) and clause (b) and, if applicable, clause (f), of the proviso to the definition of "Permitted Additional Debt"; provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees);

(ii) any Permitted Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness;

(l) (i) unsecured Indebtedness in respect of obligations of the Borrower or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services; provided that such obligations are Incurred in connection with open accounts extended by suppliers on customary trade terms in the ordinary course of business or consistent with past practice and not in connection with the borrowing of money and (ii) unsecured Indebtedness in respect of intercompany obligations of the Borrower or any Restricted Subsidiary in respect of accounts payable Incurred in connection with goods sold or services rendered in the ordinary course of business or consistent with past practice and not in connection with the borrowing of money;

(m) Indebtedness arising from agreements of the Borrower or any Restricted Subsidiary providing for indemnification, adjustment of purchase price, earn-outs, deferred purchase price, payment obligations in respect of any non-compete, consulting or similar arrangement, contingent earnout obligations or similar obligations (including earn-outs), in each case entered into in connection with the Transactions, any Permitted Change of Control, Acquisitions, other Investments and the Disposition of any business, assets or Capital Stock permitted hereunder, other than Guarantee Obligations Incurred by any Person acquiring all or any portion of such business, assets or Capital Stock for the purpose of financing such acquisition, but including in connection with Guarantee Obligations, letters of credit, surety bonds on performance bonds securing the performance of the Borrower or any such Restricted Subsidiary pursuant to such agreements;

(n) Indebtedness in respect of contracts (including trade contracts and government contracts), statutory obligations, performance bonds, bid bonds, custom bonds, stay and appeal bonds, surety bonds, indemnity bonds, judgment bonds, performance and completion and return of money bonds and guarantees, financial assurances, bankers' acceptance facilities and similar obligations or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case not in connection with the borrowing of money, including those incurred to secure health, safety and environmental obligations;

(o) Indebtedness of the Borrower or any Restricted Subsidiary consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply agreements, in each case arising in the ordinary course of business or consistent with past practice and not in connection with the borrowing of money;

(p) (i) Indebtedness representing deferred compensation to officers, directors, managers, employees, consultants or independent contractors of Holdings (or any Parent Entity thereof or any Equityholding Vehicle), the Borrower and the Restricted Subsidiaries Incurred in the ordinary course of business and (ii) Indebtedness consisting of obligations of Holdings (or any Parent Entity thereof or any Equityholding Vehicle), the Borrower or the Restricted Subsidiaries under deferred compensation arrangements to their officers, directors, managers, employees, consultants or independent contractors or other similar arrangements Incurred by such Persons in connection with the Transactions, Permitted Change of Control, Acquisitions or any other Investment expressly permitted under Section 10.5 or Section 10.6;

(q) unsecured Indebtedness consisting of promissory notes issued by the Borrower or any Restricted Subsidiary to future, current or former officers, managers, consultants, directors, employees and independent contractors (or their respective Immediate Family Members) of Holdings, the Borrower, any of its Subsidiaries or any Parent Entity or Equityholding Vehicle, in each case, to finance the retirement, acquisition, repurchase or redemption of Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle to the extent such Parent Entity or any Equityholding Vehicle uses the proceeds to finance the purchase or redemption (directly or indirectly) of its Capital Stock) or the Capital Stock of the Borrower, in each case to the extent permitted by Section 10.6; provided that, any such Indebtedness shall reduce availability under Section 10.6 to the extent of any amounts incurred from time to time under this Section 10.1(q), whether or not outstanding, except in respect of amounts forgiven or cancelled without payment being made;

(r) Cash Management Obligations, Cash Management Services and other Indebtedness in respect of netting services, automatic clearing house arrangements, employees' credit or purchase cards, overdraft protections and similar arrangements and otherwise in connection with deposit accounts and repurchase agreements permitted under Section 10.5;

(s) additional senior, senior subordinated or subordinated Indebtedness of the Borrower and the Restricted Subsidiaries, and Permitted Refinancing Indebtedness thereof, in an aggregate principal amount, determined as of the date of the Incurrence of such Indebtedness and giving pro forma effect thereto and the use of the proceeds thereof, not to exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the sum of (i) when aggregated with the aggregate principal amount of Permitted Refinancing Indebtedness Incurred pursuant to this Section 10.1(s) to Refinance Indebtedness Incurred pursuant to, and then outstanding in reliance on, this clause (i), the greater of (x) $24,000,000 and (y) 15.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date plus (ii) an amount such that, after giving pro forma effect to the Incurrence of any such Indebtedness and any Specified Transaction or Specified Restructuring to be consummated in connection therewith, the Borrower and Restricted Subsidiaries shall be in compliance on a pro forma basis with either (x) a Consolidated EBITDA to Consolidated Interest Expense Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if

such Incurrence, acquisition, Specified Transaction and Specified Restructuring occurred on the first day of such Test Period, of not less than 2.00:1.00 or (y) a Consolidated Total Debt to Consolidated EBITDA Ratio of less than or equal to 5.50:1.00, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, acquisition, Specified Transaction and Specified Restructuring occurred on the first day of such Test Period; provided, that, at the time any such Indebtedness is Incurred and after giving pro forma effect to such Incurrence and any other transactions being consummated in connection therewith and the use of the proceeds thereof, the aggregate principal amount of all Indebtedness Incurred and then outstanding under this Section 10.1(s) by Non-Credit Parties, when aggregated with the aggregate principal amount of Permitted Refinancing Indebtedness Incurred pursuant to, and then outstanding under, this clause (s) to Refinance Indebtedness of Non-Credit Parties, shall not exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the greater of (x) $45,000,000 and (y) 28.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date); provided, further, that the terms of such Indebtedness shall be consistent with the requirements of clause (b) and, if applicable, clause (f) of the proviso of the definition of "Permitted Additional Debt"; provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees);

(t) (i) Indebtedness Incurred in connection with any Sale Leaseback and (ii) any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness;

(u) Indebtedness in respect of (i) Permitted Additional Debt (which Permitted Additional Debt may be Incurred under the Second Lien Credit Agreement in accordance with the terms thereof), the Net Cash Proceeds from which or, in the case of commitments, the new commitments of which, are required to be applied to (x) prepay the Term Loans and related amounts in the manner set forth in Section 5.2(a)(i) or (y) permanently reduce Revolving Credit Commitments, Extended Revolving Credit Commitments or Additional/Replacement Revolving Credit Commitments in the manner set forth in Section 5.2(e)(ii) (and any such Permitted Additional Debt shall be deemed to have been Incurred pursuant to this clause (i)), (ii) other Permitted Additional Debt (which Permitted Additional Debt may be Incurred or provided under the Second Lien Credit Agreement in accordance with the terms thereof); provided that, in the case of this clause (ii), at the time of Incurrence or provision thereof and after giving pro forma effect thereto and such other transactions being consummated in connection therewith and the use of the proceeds thereof, assuming that all commitments, if any, thereunder were fully drawn, the aggregate principal amount of (X) all such Indebtedness Incurred or provided under this Section 10.1(u)(ii) plus (Y) any Incremental Term Loans (other than those Incremental Term Loans Incurred under the proviso to Section 2.14(b)), any Incremental Revolving Credit Commitment Increases and any Additional/Replacement Revolving Credit Commitments (other than those Additional/Replacement Revolving Credit Commitments Incurred or provided under the proviso to Section 2.14(b)) that, in each case, have been Incurred or provided pursuant to Section 2.14(b)(A), shall not exceed the sum of (A) the Incremental Base Amount plus (B) an aggregate amount of Indebtedness, such that, after giving pro forma effect to such Incurrence (and after giving pro forma effect to any Specified Transaction or Specified Restructuring to be consummated in connection therewith and assuming that all Incremental Revolving Credit Commitment Increases and Additional/Replacement Revolving Credit Commitments then outstanding and Incurred under Section 2.14(b)(B) were fully drawn), the Borrower would be in

compliance with (I) in the case of the Incurrence of any secured Permitted Additional Debt under this clause (ii) that constitutes or is intended to constitute First Lien Obligations, a Consolidated First Lien Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the Incurrence of any such Permitted Additional Debt, calculated on a pro forma basis, as if such Incurrence (and any related transaction) had occurred on the first day of such Test Period, that is no greater than either (x) 4.50:1.00 or (y) if Incurred in connection with an Acquisition or other Investment, the Consolidated First Lien Debt to Consolidated EBITDA Ratio immediately prior to such Acquisition or other Investment, (II) in the case of the Incurrence of any secured Permitted Additional Debt under this clause (ii) that does not constitute or is not intended to constitute First Lien Obligations, a Consolidated Secured Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the Incurrence of any such Permitted Additional Debt, calculated on a pro forma basis, as if such Incurrence (and any related transaction) had occurred on the first day of such Test Period, that is no greater than either (x) 5.50:1.00 or (y) if Incurred in connection with an Acquisition or other Investment, the Consolidated Secured Debt to Consolidated EBITDA Ratio immediately prior to such Acquisition or other Investment or (III) in the case of the Incurrence of any unsecured Permitted Additional Debt under this clause (ii), a Consolidated Total Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the Incurrence of any such Permitted Additional Debt, calculated on a pro forma basis, as if such Incurrence (and any related transaction) had occurred on the first day of such Test Period, that is no greater than either (x) 5.50:1.00 or (y) if Incurred in connection with an Acquisition or other Investment, the Consolidated Total Debt to Consolidated EBITDA Ratio immediately prior to such Acquisition or other Investment; provided, further, that, in each case of this clause (ii), subject to Section 1.10, no Event of Default (or, in the case of the Incurrence or provision of Permitted Additional Debt in connection with an Acquisition or other Investment, no Event of Default under either Section 11.1 or 11.5) shall have occurred and be continuing at the time of the Incurrence or provision of any such Indebtedness or after giving pro forma effect thereto and (iii) any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness; provided that, without limitation of the requirements set forth in the definition of "Permitted Refinancing Indebtedness", such Permitted Refinancing Indebtedness shall be of the type described in the definition of "Permitted Additional Debt";

(v) Indebtedness of (i) Non-Credit Parties; provided that, at the time of the Incurrence thereof and after giving pro forma effect to such Incurrence and other transactions and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding in reliance on this Section 10.1(v) shall not exceed the greater of (x) $35,000,000 and (y) 21.875% of Consolidated EBITDA of the Borrower for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date) and (ii) of Non-Credit Parties Incurred from time to time pursuant to asset-based facilities or local working capital lines of credit to the extent non-recourse to the Credit Parties so long as (x) such Indebtedness is not secured by assets constituting Collateral and (y) the Credit Parties shall not guarantee such Indebtedness;

(w) Indebtedness in the amount equal to the sum of (i) 200% of any Excluded Contribution to the extent not counted for purposes of the Available Equity Amount or Cure Amount and (ii) the Available RP Capacity Amount; provided, that, the maturity date of such Indebtedness is not earlier than the Latest Maturity Date;

(x) Indebtedness of the Borrower and the Restricted Subsidiaries; provided that, at the time of the Incurrence thereof and after giving pro forma effect to such Incurrence and other

transactions and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding under this Section 10.1(x) shall not exceed the greater of (x) $80,000,000 and (y) 50% of Consolidated EBITDA of the Borrower for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date);

(y) (i) Indebtedness of the Borrower or any Restricted Subsidiary owing to the Borrower or any other Restricted Subsidiary; provided that any such Indebtedness owing by a Credit Party to a Subsidiary that is not a Subsidiary Guarantor (other than any Indebtedness (A) in respect of accounts payable incurred in connection with goods and services rendered in the ordinary course of business or consistent with past practice (and not in connection with the borrowing of money) or (B) in connection with cash management tax or accounting operations of the Borrower and its Restricted Subsidiaries) shall be evidenced by the Intercompany Note and (ii) Indebtedness in respect of shares of Disqualified Capital Stock of a Restricted Subsidiary issued to the Borrower or another Restricted Subsidiary; provided that any subsequent issuance or transfer of any Capital Stock or any other event that results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer (other than the incurrence of a lien permitted by Section 10.2) of any such shares of Disqualified Capital Stock (except to the Borrower or another of the Restricted Subsidiaries or any pledge of such Capital Stock constituting a lien permitted by Section 10.2 (but not foreclosure thereon)) shall be deemed in each case to be an issuance of such shares of Disqualified Capital Stock (to the extent such Disqualified Capital Stock is then outstanding) not permitted by this clause;

(z) Indebtedness in respect of commercial letters of credit obtained in the ordinary course of business or consistent with past practice;

(aa) 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 or consistent with past practice;

(bb) customer deposits and advance payments received in the ordinary course of business from customers for goods or services purchased in the ordinary course of business or consistent with past practice;

(cc) Indebtedness Incurred in connection with bankers' acceptances, discounted bills of exchange or the discounting or factoring of receivables for credit management purposes, in each case Incurred or undertaken in the ordinary course of business or consistent with past practice on arm's length commercial terms on a recourse basis;

(dd) Indebtedness of the Borrower or any Restricted Subsidiary undertaken in connection with cash management and related activities with respect to any Subsidiary or Joint Venture in the ordinary course of business or consistent with past practice;

(ee) Indebtedness arising solely as a result of the existence of any Lien (other than for Liens securing debt for borrowed money) permitted under Section 10.2;

(ff) Indebtedness of any Receivables Subsidiary arising under a Qualified Receivables Facility;

(gg) Indebtedness to the seller of any business or assets permitted to be acquired by the Borrower or any Restricted Subsidiary under this Agreement; provided that, at the time of the

Incurrence thereof and after giving pro forma effect to such Incurrence and other transactions and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding in reliance on this Section 10.1(gg) shall not exceed the greater of (x) $10,000,000 and (y) 6.25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(hh) obligations in respect of Disqualified Capital Stock; provided that, at the time of the Incurrence thereof and after giving pro forma effect to such Incurrence and other transactions and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding under this clause (hh) shall not exceed the greater of (x) $10,000,000 and (y) 6.25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(ii) unfunded pension fund and other employee benefit plan obligations and liabilities incurred in the ordinary course of business to the extent they do not result in an Event of Default under Section 11.6;

(jj) endorsement of instruments or other payment items for deposit in the ordinary course of business;

(kk) performance guarantees of the Borrower and its Restricted Subsidiaries primarily guaranteeing performance of contractual obligations of the Borrower or Restricted Subsidiaries to a third party and not primarily for the purpose of guaranteeing payment of Indebtedness;

(ll) obligations in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Subsidiary of the Borrower 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;

(mm) Indebtedness owing to any landlord in connection with the financing by such landlord of tenant improvements;

(nn) Indebtedness incurred by the Borrower or any Restricted Subsidiary to the extent that the Net Cash Proceeds are deposited with a trustee or other representative to satisfy any underlying Obligations under the Credit Documents;

(oo) Indebtedness attributable to (but not incurred to finance) the exercise of appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto, in each case with respect to any Acquisition (by merger, consolidation or amalgamation or otherwise) permitted under this Agreement; and

(pp) all customary premiums (if any), interest (including post-petition and capitalized interest), fees, expenses, charges and additional or contingent interest on obligations described in each of the clauses of this Section 10.1.

For purposes of determining compliance with this Section 10.1, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Indebtedness described in clauses (a) through (pp) above, the Borrower shall, in its sole discretion, classify and reclassify or later divide, classify or reclassify all or a portion of such item of Indebtedness (or any portion thereof and including as

between the Incremental Base Amount and the Incremental Ratio Debt Amount) in a manner that complies with this Section 10.1 and will only be required to include the amount and type of such Indebtedness in one or more of the above clauses; provided that all Indebtedness outstanding under the Credit Documents and any Credit Agreement Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness will be deemed to have been Incurred in reliance only on the exception set forth in Section 10.1(a) (but without limiting the right of the Borrower to classify and reclassify, or later divide, classify or reclassify, Indebtedness incurred under Section 2.14 or Section 10.1(u) as between the Incremental Base Amount and the Incremental Ratio Debt Amount); provided, further, that if the Consolidated First Lien Debt to Consolidated EBITDA Ratio for the incurrence of any such Indebtedness would be satisfied on a pro forma basis as of the end of any subsequent fiscal quarter after such incurrence, the reclassification described in this paragraph shall be deemed to have occurred automatically. The accrual of interest, the accretion of accreted value and the payment of interest in the form of additional Indebtedness shall not be deemed to be an Incurrence of Indebtedness for purposes of this Section 10.1.

At the time of Incurrence, the Borrower will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the paragraphs above. It is understood and agreed that any Indebtedness in the form of loans secured by Liens on the Collateral having a priority ranking equal to the priority of the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) shall be subject to the MFN Protection set forth in Section 2.14(c) (but subject to the MFN Exceptions to such MFN Protection) as if such Indebtedness were an Incremental Term Loan.

10.2 Limitation on Liens. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien that secures obligations under any Indebtedness upon any property or assets of any kind (real or personal, tangible or intangible) of the Borrower or any Restricted Subsidiary, whether now owned or hereafter acquired, except:

(a) Liens created pursuant to (i) the Credit Documents to secure the Obligations (including Liens permitted pursuant to Section 3.8) or permitted in respect of any Mortgaged Property by the terms of the applicable Mortgage, (ii) the Permitted Additional Debt Documents securing Permitted Additional Debt Obligations permitted to be Incurred under Section 10.1(u) (provided that such Liens do not extend to any assets that are not Collateral) and (iii) the documentation governing any Credit Agreement Refinancing Indebtedness (provided that such Liens do not extend to any assets that are not Collateral); provided that, (A) in the case of Liens described in subclause (ii) or (iii) above securing Permitted Additional Debt Obligations or Credit Agreement Refinancing Indebtedness that constitute, or are intended to constitute, First Lien Obligations, the applicable Permitted Additional Debt Secured Parties or parties to such Credit Agreement Refinancing Indebtedness (or a representative thereof on behalf of such holders) shall have entered into with the Collateral Agent a Customary Intercreditor Agreement which agreement shall provide that the Liens on the Collateral securing such Permitted Additional Debt Obligations or Credit Agreement Refinancing Indebtedness shall have the same priority ranking as the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) and (B) in the case of Liens described in subclause (ii) or (iii) above securing Permitted Additional Debt Obligations or Credit Agreement Refinancing Indebtedness that do not constitute, or are not intended to constitute, First Lien Obligations, the applicable Permitted Additional Debt Secured Parties or parties to such Credit Agreement Refinancing Indebtedness (or a representative thereof on behalf of such holders) shall have entered into the First Lien/Second Lien Intercreditor Agreement or another Customary Intercreditor Agreement with the Collateral Agent which agreement shall provide that the Liens on the Collateral securing such

Permitted Additional Debt Obligations or Credit Agreement Refinancing Indebtedness, as applicable, shall rank junior in priority to the Liens on the Collateral securing the Obligations and any other First Lien Obligations. Without any further consent of the Lenders, the Administrative Agent and the Collateral Agent shall be authorized to negotiate, execute and deliver on behalf of the Secured Parties any Customary Intercreditor Agreement or any amendment (or amendment and restatement) to the Security Documents or a Customary Intercreditor Agreement to the extent necessary to effect the provisions contemplated by this Section 10.2(a);

(b) Permitted Encumbrances;

(c) Liens securing Indebtedness permitted pursuant to Section 10.1(f) or Section 10.1(g) (including the interests of vendors and lessors under conditional sale and title retention agreements); provided that (i) such Liens attach concurrently with or within 270 days after the acquisition, lease, repair, replacement, restoration, construction, expansion or improvement (as applicable) of the property subject to such Liens or the making of the applicable Capital Expenditures, (ii) other than the property financed by such Indebtedness, such Liens do not at any time encumber any property, except for replacements thereof and accessions and additions to such property and ancillary rights thereto and the proceeds and the products thereof and customary security deposits, related contract rights and payment intangibles and other assets related thereto and (iii) with respect to Financing Lease Obligations, such Liens do not at any time extend to, or cover any assets (except for accessions and additions to such assets, replacements and products thereof and customary security deposits, related contract rights and payment intangibles), other than the assets subject to such Financing Lease Obligations and ancillary rights thereto; provided that individual financings of equipment provided by one lender may be cross collateralized to other financings of equipment provided by such lender;

(d) Liens on property and assets existing on the Closing Date or pursuant to agreements in existence on the Closing Date and listed on Schedule 10.2 or, to the extent not listed in such Schedule, such property or assets have a Fair Market Value that does not exceed $10,000,000 in the aggregate; provided that (i) such Lien does not extend to any other property or asset of the Borrower or any Restricted Subsidiary, other than (A) after acquired property that is affixed or incorporated into the property covered by such Lien or financed by Indebtedness or subject to a Lien securing Indebtedness, in each case, permitted by Section 10.1, the terms of which Indebtedness require or include a pledge of after-acquired property (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) and (B) the proceeds and products thereof and (ii) such Lien shall secure only those obligations that such Liens secured on the Closing Date and any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness permitted by Section 10.1;

(e) the modification, Refinancing, replacement, extension or renewal (or successive modifications, Refinancings, replacements, extensions or renewals) of any Lien permitted by clauses (c), (d), (f), (p), (t), (u), (bb) and (kk)of this Section 10.2 upon or in the same assets theretofore subject to such Lien other than (i) after-acquired property that is affixed or incorporated into the property covered by such Lien, (ii) in the case of Liens permitted by clauses (f), (t), (u), (bb) or (kk), after-acquired property subject to a Lien securing Indebtedness permitted under Section 10.1, the terms of which Indebtedness require or include a pledge of after-acquired property (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) and (iii) the proceeds and products thereof;

(f) Liens existing on the assets, or shares of Capital Stock, of any Person that becomes a Restricted Subsidiary (including by designation as a Restricted Subsidiary pursuant to Section 9.15), or existing on assets acquired, pursuant to an Acquisition or other Investment permitted under Section 10.5 or Section 10.6 to the extent the Liens on such assets secure Indebtedness permitted by Section 10.1(j); provided that such Liens attach at all times only to the same assets that such Liens attached to (other than (i) after-acquired property that is affixed or incorporated into the property covered by such Lien, (ii) after-acquired property subject to a Lien securing Indebtedness permitted under Section 10.1(j), the terms of which Indebtedness require or include a pledge of after-acquired property (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) and (iii) the proceeds and products thereof), and secure only, the same Indebtedness or obligations (or any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness permitted by Section 10.1) that such Liens secured, immediately prior to such Acquisition or such other Investment, as applicable;

(g) Liens arising out of any license, sublicense or cross-license (including of any Intellectual Property) permitted under Section 10.4;

(h) Liens securing Indebtedness or other obligations of the Borrower or a Restricted Subsidiary in favor of the Borrower or any Restricted Subsidiary;

(i) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business and (iii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right to set off) and which are within the general parameters customary in the banking industry;

(j) Liens (i) on advances of cash or Cash Equivalents in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 10.5 or Section 10.6 to be applied against the purchase price for such Investment (or to secure letters of credit, bank guarantee or similar instruments posted or issued in respect thereof), and (ii) consisting of an agreement to sell, transfer, lease or otherwise Dispose of any property in a transaction permitted under Section 10.4, in each case, solely to the extent such Investment or sale, Disposition, transfer or lease, as the case may be, would have been permitted on the date of the creation of such Lien;

(k) (i) Liens arising out of conditional sale, title retention (including any security or quasi-security arising under any retention of title, extended retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods or, in the case of an extended retention of title arrangement, receivables resulting from the sale of such goods supplied to the Borrower or any of the Restricted Subsidiaries in the ordinary course of trading and on the supplier’s standard or usual terms and not arising as a result of any default or omission by the Borrower or any of the Restricted Subsidiaries), consignment or similar arrangements for sale of property and bailee arrangements entered into by the Borrower or any of the Restricted Subsidiaries in the ordinary course of business permitted by this Agreement and (ii) Lien arising by operation of Applicable Law under Article 2 of the Uniform Commercial Code (or any similar provision under any other Applicable Law) in favor of a seller or buyer of goods;

(l) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.5; provided that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;

(m) Liens that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the Incurrence of Indebtedness, (B) relating to pooled deposit, automatic clearing house or sweep accounts of the Borrower or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Borrower and the Restricted Subsidiaries, (C) against credit balances of the Borrower or any Restricted Subsidiary with credit card issuers or credit card processor or amounts owing by credit card issuers or credit card processors to the Borrower or any Restricted Subsidiary to secure the obligations of the Borrower or any Restricted Subsidiary in respect of fees and chargebacks, or (D) relating to purchase orders and other agreements entered into with customers of the Borrower or any Restricted Subsidiary in the ordinary course of business or consistent with past practice; provided that, Liens permitted pursuant to this clause (m) may be first priority Liens and not subject to any Lien or security interest securing the Obligations;

(n) Liens (i) solely on any earnest money deposits of cash or Cash Equivalents made by the Borrower or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder or to secure any letter of credit, bank guarantee or similar instrument issued or posted in respect thereof and (ii) consisting of an agreement to Dispose of any property in a transaction permitted under Section 10.4;

(o) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto and Liens on deposits made or secured provided in the ordinary course of business or consistent with past practice to secure liability to insurance carriers;

(p) Liens on property subject to Sale Leasebacks and customary security deposits, related contract rights and payment intangibles related thereto;

(q) the prior rights of consignees and their lenders under consignment arrangements entered into in the ordinary course of business or consistent with past practice;

(r) agreements to subordinate any interest of the Borrower or any Restricted Subsidiary in any accounts receivable or other proceeds arising from inventory consigned by the Borrower or any Restricted Subsidiary pursuant to an agreement entered into in the ordinary course of business;

(s) (i) Liens on Capital Stock in Joint Ventures or similar arrangements securing obligations of such Joint Ventures or similar arrangements or pursuant to any Joint Ventures or similar agreements and (ii) to the extent constituting Liens, transfer restrictions, purchase options, rights of first refusal, tag or drag, put or call or similar rights of minority holders or Joint Ventures partners, in each case under partnership, limited liability coverage, Joint Venture or similar Organizational Documents;

(t) Liens with respect to property or assets of any Non-Credit Party securing Indebtedness or other obligations of a Non-Credit Party;

(u) Liens not otherwise permitted by this Section 10.2; provided that, at the time of the incurrence thereof and after giving pro forma effect thereto and the use of proceeds thereof,

the aggregate amount of Indebtedness and other obligations then outstanding and secured thereby (when aggregated with the principal amount of Indebtedness secured by Liens Incurred in reliance on, and then outstanding under, Section 10.2(e) above in respect of a Refinancing of Indebtedness previously secured under this Section 10.2(u)) does not exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the greater of (x) $50,000,000 and (y) 31.25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date such Lien is created, incurred, assumed or suffered to exist (measured as such date) based upon the Internal Financial Statements most recently available on or prior to such date; provided that, if such Liens are consensual Liens that are secured by Collateral (other than cash and Cash Equivalents), then the Borrower may elect to have the holders of the Indebtedness or other obligations secured thereby (or a representative or trustee on their behalf) enter into a Customary Intercreditor Agreement providing that such Liens on the Collateral (other than cash and Cash Equivalents) securing such Indebtedness or other obligations shall rank, at the option of the Borrower, either equal in priority (but without regard to the control of remedies) with, or junior to, the Liens on the Collateral (other than cash and Cash Equivalents) securing the Obligations. Without any further consent of the Lenders, the Administrative Agent and the Collateral Agent shall be authorized to negotiate, execute and deliver on behalf of the Secured Parties any Customary Intercreditor Agreement or any amendment (or amendment and restatement) to the Security Documents or a Customary Intercreditor Agreement to the extent necessary to effect the provisions contemplated by this Section 10.2(u);

(v) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts maintained in the ordinary course of business and, at the time of incurrence thereof, not for speculative purposes;

(w) Liens on cash and Cash Equivalents used to defease or to satisfy or discharge Indebtedness; provided such defeasance or satisfaction or discharge is permitted under this Agreement;

(x) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business or consistent with past practice;

(y) Liens securing commercial letters of credit permitted pursuant to Section 10.1(z);

(z) Liens on Capital Stock of an Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary;

(aa) Liens securing Hedging Agreements submitted for clearing in accordance with Applicable Law;

(bb) Liens securing Indebtedness permitted under Section 10.1; provided that, subject to Section 1.10, after giving pro forma effect to the Incurrence of any such Liens and the Incurrence of such Indebtedness and to any Acquisition, Investment, Specified Transaction or Specified Restructuring to be consummated in connection therewith, the Borrower and Restricted Subsidiaries shall be in compliance on a pro forma basis with (A) in the case of any Indebtedness that is secured by Liens on the Collateral that constitutes or is intended to constitute First Lien Obligations, a Consolidated First Lien Debt to Consolidated EBITDA Ratio that is no greater than 4.50:1.00, (B) in the case of any Indebtedness that is secured by Liens on the Collateral that

does not constitute or is not intended to constitute First Lien Obligations, a Consolidated Secured Debt to Consolidated EBITDA Ratio that is no greater than 5.50:1.00 and (C) in the case of any other Indebtedness secured by Liens on assets not constituting Collateral, a Consolidated Secured Debt to Consolidated EBITDA Ratio of no greater than 5.50:1.00, in each case as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Investment, and any Specified Transaction or Specified Restructuring to be consummated in connection therewith occurred on the first day of such Test Period; provided, further, that, if such Liens are consensual Liens that are secured by the Collateral (other than cash and Cash Equivalents), then the Borrower may elect to have the holders of the Indebtedness or other obligations secured thereby (or a representative or trustee on their behalf) enter into a Customary Intercreditor Agreement providing that the Liens on the Collateral (other than cash and Cash Equivalents) securing such Indebtedness or other obligations shall rank, at the option of the Borrower, either equal in priority (but without regard to the control of remedies) with, or junior to, the Liens on the Collateral (other than cash and Cash Equivalents) securing the Obligations. Without any further consent of the Lenders, the Administrative Agent and the Collateral Agent shall be authorized to negotiate, execute and deliver on behalf of the Secured Parties any Customary Intercreditor Agreement or any amendment (or amendment and restatement) to the Security Documents or a Customary Intercreditor Agreement to the extent necessary to effect the provisions contemplated by this Section 10.2(bb);

(cc) with respect to any Foreign Subsidiary, Liens arising mandatorily by legal requirements (and not as a result of under-capitalization of such Foreign Subsidiary);

(dd) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other Indebtedness permitted to be incurred hereunder (or the underwriters or arrangers thereof) or on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose;

(ee) Liens on vehicles or equipment of the Borrower or any of the Restricted Subsidiaries granted in the ordinary course of business;

(ff) Liens on accounts receivable and related assets, incurred in connection with a Qualified Receivables Facility;

(gg) Liens securing obligations in respect of any overdraft and related liabilities arising from treasury, depository and cash management services or any automated clearing house transfers of funds or in respect of any credit card or similar services incurred in the ordinary course of business or consistent with past practice;

(hh) Liens representing (i) any interest or title of a licensor, lessor or sublicensor or sublessor under any lease or license permitted by this Agreement, (ii) any Lien or restriction that the interest or title of such lessor, licensor, sublessor or sublicensor may be subject to, or (iii) the interest of a licensee, lessee, sublicensee or sublessee arising by virtue of being granted a license or lease permitted by this Agreement;

(ii) Liens granted pursuant to a security agreement between the Borrower or any Restricted Subsidiary and a licensee of Intellectual Property to secure the damages, if any, of such licensee resulting from the rejection of the license of such licensee in a bankruptcy, reorganization or similar proceeding with respect to the Borrower or such Restricted Subsidiary;

(jj) utility and similar deposits in the ordinary course of business;

(kk) Liens securing any Hedging Obligations under any Hedging Agreement so long as the Fair Market Value of the Collateral securing such Hedging Obligations does not exceed the greater of (x) $25,000,000 and (y) 15.625% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such Lien is created, incurred, assumed or suffered to exist (measured as such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(ll) Liens arising in connection with rights of dissenting equityholders pursuant to Applicable Law in respect of the Transactions, a Permitted Change of Control or any other Acquisition;

(mm) Liens arising solely by virtue of any statutory or common law provision or from customary contractual provisions (such as banks' general terms and conditions) relating to banker's liens, rights of set-off or similar rights;

(nn) Liens on cash and Cash Equivalents arising in connection with the defeasance, discharge or redemption of Indebtedness for no longer than 60 days prior to such defeasance, discharge or redemption, so long as such defeasance, discharge or redemption is not prohibited by the terms of this Agreement;

(oo) Liens securing Indebtedness permitted under Section 10.1(b); provided that such Liens are subordinated to the Liens on the Collateral securing the Obligations in accordance with, or are otherwise subject to, the terms of the First Lien/Second Lien Intercreditor Agreement or such other Customary Intercreditor Agreement which subordinates such Liens on the Collateral to the Liens on the Collateral securing the Obligations;

(pp) Liens securing rental payments under agreements for Financing Lease Obligations, which Financing Lease Obligations are permitted to be so secured;

(qq) customary Liens in favor of credit card companies pursuant to agreements therewith; and

(rr) Liens securing Indebtedness or other obligations in an amount not to exceed the amount permitted to be Incurred pursuant to Section 10.1(x).

For purposes of determining compliance with this Section 10.2, (A) Lien need not be incurred solely by reference to one category of Liens permitted by this Section 10.2 but are permitted to be incurred in part under any combination thereof and of any other available exemption, (B) in the event that Lien (or any portion thereof) meets the criteria of one or more of the categories of Liens permitted by this Section 10.2, the Borrower shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this Section 10.2 and (C) in the event that a portion of Indebtedness or other obligations secured by a Lien could be classified as secured in part pursuant to Section 10.2(bb) above (giving pro forma effect to the Incurrence of such portion of such Indebtedness or other obligations), the Borrower, in its sole discretion, may classify such portion of such Indebtedness (and any obligations in respect thereof) as having been secured pursuant to Section 10.2(bb) above and thereafter the remainder of the Indebtedness or other obligations as having been secured pursuant to one or more of the other clauses of this Section 10.2.

10.3 Limitation on Fundamental Changes. Except as expressly permitted by Section 10.4, 10.5 or 10.6, the Borrower will not and will not permit any of the Restricted Subsidiaries to, consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its business units, assets or other properties, except that:

(a) any Subsidiary of the Borrower or any other Person (other than Holdings) may be merged, amalgamated or consolidated with or into the Borrower or the Borrower may Dispose of all or substantially all of its business units, assets and other properties; provided that (i) the Borrower shall be the continuing or surviving Person or, in the case of a merger, amalgamation or consolidation where the Borrower is not the continuing or surviving Person, the Person formed by or surviving any such merger, amalgamation or consolidation (if other than the Borrower) or in connection with a Disposition of all or substantially all of the Borrower's assets, the transferee of such assets or properties, shall, in each case, be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia or any territory thereof (the Borrower or such Person, as the case may be, being herein referred to as the "Successor Borrower"), (ii) the Successor Borrower (if other than the Borrower) shall expressly assume all the obligations of the Borrower under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, and (iii) if such merger, amalgamation, consolidation or Disposition involves the Borrower and a Person that, prior to the consummation of such merger, amalgamation, consolidation, or Disposition, is not a Restricted Subsidiary of the Borrower (A) subject to Section 1.10, no Event of Default under Section 11.1 or Section 11.5 has occurred and is continuing on the date of such merger, amalgamation, consolidation or Disposition or would result from the consummation of such merger, amalgamation, consolidation or Disposition, (B) each Guarantor, unless it is the other party to such merger, amalgamation, consolidation or Disposition or unless the Successor Borrower is the Borrower, shall have confirmed by a supplement to the Guarantee that its Guarantee shall apply to the Successor Borrower's obligations under this Agreement, (C) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation, consolidation or Disposition or unless the Successor Borrower is the Borrower, shall have by a supplement to the Credit Documents confirmed that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, (D) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation, consolidation or Disposition or unless the Successor Borrower is the Borrower, shall have by an amendment to or restatement of the Mortgage confirmed that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, (E) the Borrower shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation, consolidation or Disposition and any supplements to the Credit Documents preserve the enforceability of the Guarantee and the perfection of the Liens on the Collateral under the Security Documents, (F) if reasonably requested by the Administrative Agent, the Borrower shall be required to deliver to the Administrative Agent an opinion of counsel to the effect that such merger, amalgamation, consolidation or Disposition does not breach or result in a default under this Agreement or any other Credit Document and (G) such merger, amalgamation, consolidation or Disposition shall comply with all the conditions set forth in the definition of the term "Permitted Acquisition" or is otherwise permitted under Section 10.5 or Section 10.6; provided, further, that, if the foregoing are satisfied, the Successor Borrower (if other than the Borrower) will succeed to, and be substituted for, the Borrower under this Agreement (provided, further, that, in the event of a Disposition of all or substantially all of the Borrower's assets or property to a Successor Borrower (which is not the Borrower) as set forth above and notwithstanding anything to the contrary in Section 13.6(a), if the original Borrower retains any assets or property other than immaterial assets or property after such Disposition, such original Borrower shall remain obligated as a co-Borrower along with the Successor Borrower hereunder);

(b) any Subsidiary of the Borrower or any other Person (other than Holdings) may be merged, amalgamated or consolidated with or into any one or more Restricted Subsidiaries of the Borrower or any Restricted Subsidiary may Dispose of all or substantially all of its business units, assets and other properties; provided that, (i) in the case of any merger, amalgamation, consolidation or Disposition involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or the transferee of such assets or (B) the Borrower shall take all steps necessary to cause the Person formed by or surviving any such merger, amalgamation, consolidation or the transferee of such assets and properties (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation, consolidation or Disposition involving one or more Subsidiary Guarantors, if the surviving Person formed by or surviving such merger, amalgamation or consolidation or the transferee of such assets and properties is a Non-Credit Party, then any Indebtedness of any Subsidiary Guarantor assumed by such surviving Person or the transferee of such assets and properties shall be deemed an Incurrence of Indebtedness upon completion of such transaction and such transaction shall be permitted only if such Incurrence is permitted under Section 10.1 of this Agreement (without giving effect to Section 10.1(j) and (iii) if such merger, amalgamation, consolidation or Disposition involves a Restricted Subsidiary and a Person that, prior to the consummation of such merger, amalgamation, consolidation or Disposition, is not a Restricted Subsidiary of the Borrower, (A) subject to Section 1.10, no Event of Default under Section 11.1 or Section 11.5 has occurred and is continuing on the date of such merger, amalgamation, consolidation or Disposition or would result from the consummation of such merger, amalgamation, consolidation or Disposition, (B) the Borrower shall have delivered to the Administrative Agent a certificate of an Authorized Officer stating that such merger, amalgamation, consolidation or Disposition and such supplements to any Credit Document preserve the enforceability of the Guarantees and the perfection and priority of the Liens under the Security Documents and (C) such merger, amalgamation, consolidation or Disposition shall comply with all the conditions set forth in the definition of the term “Permitted Acquisition” or is otherwise permitted under Section 10.4, Section 10.5 or Section 10.6;

(c) any Restricted Subsidiary may (i) merge, amalgamate or consolidate with or into any other Restricted Subsidiary and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the Borrower or any other Restricted Subsidiary of the Borrower;

(d) the Transactions may be consummated;

(e) any Restricted Subsidiary may liquidate or dissolve or change its legal form if (x) the Borrower determines in good faith that such liquidation or dissolution or change of legal form is in the best interests of the Borrower and is not materially disadvantageous to the Lenders and (y) any assets or business not otherwise Disposed of or transferred in accordance with Section 10.4, Section 10.5 or Section 10.6, or, in the case of any such business, discontinued, shall be transferred to, or otherwise owned or conducted by, the Borrower or another Restricted Subsidiary after giving effect to such liquidation or dissolution or change of legal form; and

(f) the Borrower and the Restricted Subsidiaries may consummate a merger, dissolution, liquidation, consolidation, amalgamation or Disposition, the purpose of which is to (i) effect a Disposition permitted pursuant to Section 10.4 (other than 10.4(h)), (ii) reorganize or reincorporate any such Person in the United States, any state thereof, the District of Columbia or any territory thereof, (iii) effect any Holdings Termination Event in accordance with

Section 1.11(h) or (iv) convert into a Person organized or existing under the laws of the jurisdiction of organization of such Person or another jurisdiction of the United States, any state thereof, the District of Columbia or any territory thereof; provided that, with respect to any of the actions described in clauses (ii) and (iv) above, the Borrower or applicable Restricted Subsidiary shall have complied with Section 4.2 of the Security Agreement.

10.4 Limitation on Sale of Assets. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, (i) convey, sell, lease, assign, transfer, license or otherwise dispose of any of its property, business or assets (including receivables and including pursuant to a Sale Leaseback and including any disposition of property or assets to a Divided LLC pursuant to an LLC Division), whether now owned or hereafter acquired (each, a "Disposition") (other than any such Disposition resulting from a Recovery Event), or (ii) sell to any Person (other than to the Borrower or a Restricted Subsidiary) any shares owned by it of any of their respective Restricted Subsidiaries' Capital Stock, except that:

(a) the Borrower and the Restricted Subsidiaries may sell, lease, assign, transfer, license, abandon, allow the expiration or lapse of, or otherwise Dispose of, the following: (i) obsolete, worn-out, damaged, uneconomic, no longer commercially desirable, used or surplus assets, rights and properties and other assets, rights and properties that are held for sale or no longer used, useful or necessary for the operation of the Borrower's and its Subsidiaries' business, (ii) inventory, equipment, service agreements, product sales, securities and goods held for sale or other immaterial assets in the ordinary course of business, (iii) cash, Cash Equivalents and Investment Grade Securities in the ordinary course of business, (iv) books of business, client lists or related goodwill in connection with the departure of related employees or producers in the ordinary course of business and (v) any such other assets or Capital Stock to the extent that the aggregate Fair Market Value of such assets sold in any single transaction or series of related transactions does not exceed the greater of (x) $5,000,000 and (y) 3.125% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such assets are Disposed (measured as of the date such assets are Disposed) based upon the Internal Financial Statements most recently available on or prior to such date;

(b) the Borrower and the Restricted Subsidiaries may (i) enter into non-exclusive licenses, sublicenses or cross-licenses of Intellectual Property including in connection with a research and development agreement in which the other party receives a license to Intellectual Property that results from such agreement, (ii) exclusively license, sublicense or cross-license Intellectual Property if done in the ordinary course of business or consistent with past practice of the Borrower and its Restricted Subsidiaries, (iii) Dispose of Intellectual Property under a research and development agreement in which the other party receives a license to Intellectual Property that results from such agreement and (iv) assign, lease, sublease, license or sublicense any real or personal property or terminate or allow to lapse any such assignment, lease, sublease, license or sublicense, other than any Intellectual Property, but including in connection with the closure or discontinuation of operations at any Grocery Store, in the ordinary course of business or consistent with past practice;

(c) the Borrower and the Restricted Subsidiaries may sell, transfer or otherwise Dispose of other assets for Fair Market Value; provided that (i) with respect to any Disposition pursuant to this Section 10.4(c) for a purchase price in excess of the greater of (x) $24,000,000 and (y) 15.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such assets are Disposed (measured as of the date such assets are Disposed) based upon the Internal Financial Statements most recently available on or prior to such date, not less than 75% of the aggregate consideration therefor from

such Disposition, together with all other Dispositions made since the Closing Date under this Section 10.4(c) (on a cumulative basis), received by the Borrower and its Restricted Subsidiaries shall be in the form of cash or Cash Equivalents; provided that, for purposes of determining what constitutes cash under this clause (i), (A) any liabilities (as shown on the Borrower's or such Restricted Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto or if accrued or incurred subsequent to the date of such balance sheets, such liabilities would have been shown on the Borrower's or such Restricted Subsidiary's balance sheet or in the footnotes thereto as if such accrual or incurrence had taken place on or prior to the date of such balance sheet, as determined in good faith by the Borrower) of the Borrower or such Restricted Subsidiary, other than liabilities that are by their terms subordinated to the payment in cash of the Obligations, that are assumed by the transferee with respect to the applicable Disposition and for which the Borrower and all of the Restricted Subsidiaries shall have been validly released by all applicable creditors in writing shall be deemed to be cash or Cash Equivalents, (B) any securities, notes or other obligations received by the Borrower or such Restricted Subsidiary from such transferee that are converted by the Borrower or such Restricted Subsidiary into cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received) within 180 days following the closing of the applicable Disposition shall be deemed to be cash or Cash Equivalents and (C) any Designated Non-Cash Consideration received by the Borrower or such Restricted Subsidiary in respect of the applicable Disposition having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (C) that is outstanding at the time such Designated Non-Cash Consideration is received, not in excess of the greater of (x) $20,000,000 and (y) 12.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such assets are Disposed (measured as of the date such assets are Disposed) based upon the Internal Financial Statements most recently available on or prior to such date, 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 or Cash Equivalents, (ii) any non-cash proceeds received in the form of Indebtedness or Capital Stock are pledged to the Collateral Agent to the extent required under Section 9.11, and (iii) to the extent applicable, the Net Cash Proceeds thereof are promptly offered to prepay the Term Loans to the extent required by Section 5.2(a)(i);

(d) the Borrower and the Restricted Subsidiaries may (i) Dispose of, discount, forgive or write off accounts receivable, notes receivable or other current assets in the ordinary course of business or convert accounts receivable to notes receivable or make other Dispositions of accounts receivable in connection with the compromise or collection thereof and (ii) sell or transfer accounts receivable so long as the Net Cash Proceeds of any sale or transfer pursuant to this clause (ii) are offered to prepay the Term Loans pursuant to Section 5.2(a)(i);

(e) the Borrower and the Restricted Subsidiaries may Dispose of properties, rights or assets (including the Disposition or issuance of Capital Stock) to the Borrower or to a Restricted Subsidiary; provided that, if the transferor of such property, right or asset is the Borrower or a Subsidiary Guarantor and the transferee thereof is a Restricted Subsidiary that is not a Subsidiary Guarantor, then the Indebtedness of such transferor assumed by such transferee shall be deemed an Incurrence of Indebtedness upon completion of such transaction and such transaction shall be permitted only if such Incurrence is permitted under Section 10.1 (without giving effect to Section 10.1(j));

(f) the Borrower and the Restricted Subsidiaries may Dispose of property (including like-kind exchanges) to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are promptly applied to the purchase price of such replacement property;

(g) the Borrower and the Restricted Subsidiaries may sell, transfer and otherwise Dispose 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;

(h) the Borrower and the Restricted Subsidiaries may effect any transaction permitted by Section 10.3, 10.5 or 10.6 and may create, incur, assume or suffer to exist Liens permitted by Section 10.2;

(i) the Borrower and the Restricted Subsidiary may transfer property subject to Recovery Events, including foreclosures, condemnation, expropriation, forced disposition, eminent domain or any similar action with respect to assets;

(j) the Borrower and the Restricted Subsidiaries may make Dispositions listed on Schedule 10.4 and Dispositions of (i) non-core or obsolete assets acquired in connection with Acquisitions or other Investments that are not used or useful in, or are surplus to, the business of the Borrower and the Restricted Subsidiaries, (ii) other assets acquired in connection with Acquisitions or other Investments permitted under this Agreement for Fair Market Value; provided that any such Dispositions referred to in this clause (ii) shall be made or contractually committed to be made within 365 days of the date such assets were acquired by the Borrower or such Restricted Subsidiary or (iii) made in connection with the approval of any applicable antitrust authority or otherwise necessary or advisable in the good faith determination of the Borrower to consummate any Acquisition under this Agreement;

(k) the Borrower and the Restricted Subsidiaries may unwind or terminate any Hedging Agreement or Cash Management Agreement and allow for the expiration of any options agreement with respect to any Real Property or personal property;

(l) the Borrower and the Restricted Subsidiaries may make Dispositions of residential Real Property and related assets in connection with relocation activities for officers, managers, consultants, directors, employees or independent contractors (or their Immediate Family Members) of Holdings (or any Parent Entity thereof or any Equityholding Vehicle), the Borrower and the Restricted Subsidiaries;

(m) the Borrower and the Restricted Subsidiaries may issue directors' qualifying shares and shares issued to foreign nationals, in each case as required by Applicable Laws;

(n) the Borrower and the Restricted Subsidiaries may enter into any netting arrangement of accounts receivable between or among the Borrower and its Restricted Subsidiaries or among Restricted Subsidiaries of the Borrower made in the ordinary course of business;

(o) the Borrower and the Restricted Subsidiaries may allow the lapse of, abandon, cancel or cease to maintain or cease to enforce Intellectual Property rights that are no longer (i) used, useful or necessary for the on-going business of the Borrower and its Restricted Subsidiaries, (ii) economically practicable or commercially reasonable to maintain or (iii) in the best interest of or material for the operation of the Borrower's and the Restricted Subsidiaries' businesses (including by allowing any registrations or any applications for registration thereof to lapse), in each case in the ordinary course of business or consistent with past practice in the reasonable business judgment of the Borrower;

(p) the Borrower and the Restricted Subsidiaries may surrender, terminate or waive any contract rights or surrender, waive, settle, modify, compromise or release any contract rights, litigation claims or any other claims of any kind (including in tort) in the ordinary course of business;

(q) the Borrower and the Restricted Subsidiaries may make Dispositions or issuances of the Capital Stock in, Indebtedness of, or other securities issued by, an Unrestricted Subsidiary;

(r) the Borrower and the Restricted Subsidiaries may effect Sale Leasebacks;

(s) the Borrower may issue Qualified Capital Stock and, to the extent permitted by Section 10.1, Disqualified Capital Stock;

(t) the Borrower and the Restricted Subsidiaries may make Dispositions (including those of the type otherwise described herein) after the Closing Date in an aggregate amount not to exceed the greater of (x) $5,000,000 and (y) 3.125% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior the date such assets are Disposed (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(u) 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;

(v) sales or transfers of accounts receivable, or participations therein and related assets, in connection with any Qualified Receivables Facility;

(w) sales or dispositions of Capital Stock of any Foreign Subsidiary in order to qualify members of the governing body of such Subsidiary if required by Applicable Law;

(x) samples, including time-limited evaluation software, provided to customers or prospective customers;

(y) de minimis amounts of equipment provided to employees;

(z) the Borrower and any Restricted Subsidiary may (i) terminate or otherwise collapse its cost sharing agreements with the Borrower or any Subsidiary and settle any crossing payments in connection therewith, (ii) convert any intercompany Indebtedness to Capital Stock, (iii) transfer any intercompany Indebtedness to the Borrower or any Restricted Subsidiary (subject to applicable subordination terms if Indebtedness of a Credit Party is transferred to a non-Credit Party), (iv) settle, discount, write off, forgive or cancel any intercompany Indebtedness or other obligation owing by Holdings, the Borrower 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 Borrower 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;

(aa) the Borrower and the Restricted Subsidiaries may surrender or waive contractual rights and settle or waive contractual or litigation claims in the ordinary course of business or consistent with past practice;

(bb) the Borrower and the Restricted Subsidiaries may make nominal issuances of Capital Stock of Foreign Subsidiaries in an aggregate amount not to exceed 2.00% of all issued and outstanding Capital Stock of such Foreign Subsidiary on a fully-diluted basis;

(cc) the Borrower and the Restricted Subsidiaries may undertake or consummate any IPO Reorganization Transactions and any transaction related thereto or contemplated thereby and any Tax Restructuring; and

(dd) the Borrower and the Restricted Subsidiaries may make Dispositions of any asset between or among the Borrower and/or its Restricted Subsidiaries as a substantially concurrent interim Disposition in connection with a Disposition otherwise permitted pursuant to clauses (a) through (dd) above.

10.5 Limitation on Investments. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, make any Investment, except (each of the following exceptions, the "Permitted Investments"):

(a) extensions of trade credit, asset purchases (including purchases of inventory, Intellectual Property, supplies, materials or equipment or other similar assets), the lease or sublease of any asset and the licensing or sublicensing or contribution of Intellectual Property pursuant to joint marketing arrangements with other Persons, in each case in the ordinary course of business or consistent with past practice;

(b) Investments in assets constituting, or at the time of making such Investments were, cash or Cash Equivalents;

(c) loans and advances to officers, managers, directors, employees, consultants and independent contractors of Holdings (or any Parent Entity thereof), the Borrower or any of its Restricted Subsidiaries (i) to finance the purchase of Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle); provided that the amount of such loans and advances used to acquire such Capital Stock shall be contributed to the Borrower in cash as common equity, (ii) for reasonable and customary business related travel expenses, entertainment expenses, moving expenses and similar expenses or payroll expenses, in each case incurred in the ordinary course of business or consistent with past practice, and (iii) for additional purposes not contemplated by subclause (i) or (ii) above; provided that, after giving pro forma effect to the making of any such loan or advance, the aggregate principal amount of all loans and advances outstanding under this Section 10.5(c)(iii) shall not exceed the greater of (x) $20,000,000 and (y) 12.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such Investment is made (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(d) Investments (i) existing on the Closing Date or (ii) contemplated on the Closing Date or made pursuant to binding agreements in effect on the Closing Date to the extent listed on Schedule 10.5 and (iii) in the case of each of clauses (i) and (ii), any modification, replacement, renewal, extension or reinvestment thereof, so long as the aggregate amount of all Investments pursuant to this Section 10.5(d) is not increased at any time above the amount of such

Investments or binding agreements existing or contemplated on the Closing Date, except pursuant to the terms of such Investment or binding agreements existing or contemplated as of the Closing Date (including as a result of the accrual or accretion of original issue discount or the issuance of payment-in-kind obligations) or as otherwise permitted by this Section 10.5 or Section 10.6;

(e) Investments in Hedging Agreements permitted by Section 10.1(i) and Cash Management Agreements permitted by Section 10.1;

(f) Investments acquired by the Borrower or any of the Restricted Subsidiaries (i) in exchange for any other Investment or accounts receivable held by the Borrower or any such Restricted Subsidiary in connection with or as a result of any bankruptcy, workout, reorganization or recapitalization suppliers, trade creditors or customers or in settlement of delinquent obligations and disputes with, or judgments against, or other disputes with, customers, trade creditors or suppliers, (ii) in satisfaction of judgments against other Persons, (iii) as a result of the foreclosure by the Borrower or any of the Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment or (iv) in compromise or resolution of (A) obligations of trade creditors, suppliers or customers that were incurred in the ordinary course of business or consistent with past practice of the Borrower or any Restricted Subsidiary, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor, supplier or customer, or (B) litigation, arbitration or other disputes;

(g) Investments to the extent that the payment for such Investments is made solely with the Capital Stock (other than Disqualified Capital Stock) of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) or the Borrower;

(h) Investments constituting non-cash proceeds of sales, transfers and other Dispositions of assets to the extent permitted by Sections 10.3 and 10.4 (other than clause (h));

(i) (i) Investments by or among the Borrower or any Restricted Subsidiary in the Borrower or any other Restricted Subsidiary (including guarantees of obligations of the Borrower or any Restricted Subsidiary and any prepayments, repurchases, redemptions, defeasances, acquisitions and other similar payments of any Indebtedness of any such Person not prohibited by Section 10.7) and (ii) Investments by the Borrower or any Restricted Subsidiary in any Unrestricted Subsidiary or Joint Venture as valued at the Fair Market Value of such Investment at the time each such Investment is made; provided that the aggregate amount of such Investment (as so valued) shall not exceed the greater of (x) $50,000,000 and (y) 31.25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such Investment is made (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(j) Investments consisting of advances, loans, rebates and extensions of credit in the nature of accounts receivable, notes receivable security deposits and prepayments (including prepayments of expenses) arising and trade credit granted in the ordinary course of business or consistent with past practice, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors and other deposits, prepayments and other credits to suppliers in the ordinary course of business or consistent with past practice;

(k) the Borrower may make a loan to Holdings (or any Parent Entity thereof or any Equityholding Vehicle) that could otherwise be made as a Restricted Payment (other than a

Restricted Investment) to Holdings (or any Parent Entity thereof or any Equityholding Vehicle) under Section 10.6, so long as the amount of such loan is deducted from the amount available to be made as a Restricted Payment under the applicable clause of Section 10.6;

(l) Investments in the ordinary course of business consisting of UCC Article 3 endorsements for collection or deposit and UCC Article 4 customary trade arrangements with customers;

(m) advances of payroll payments to employees, consultants or independent contractors or other advances of salaries or compensation to officers, managers, employees, consultants or independent contractors, in each case in the ordinary course of business;

(n) Guarantees by the Borrower or any Restricted Subsidiary of leases or subleases (other than Financing Lease Obligations), Contractual Obligations or of other obligations that do not constitute Indebtedness, in each case entered into in the ordinary course of business or consistent with past practice;

(o) Investments made to acquire, purchase, repurchase, redeem, acquire or retire Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) or the Borrower owned by any employee equity ownership plan or key employee equity ownership plan of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) or the Borrower;

(p) Investments constituting Permitted Acquisitions;

(q) any additional Investments (including Investments in Minority Investments, Investments in Unrestricted Subsidiaries and Investments in Joint Ventures or similar entities that do not constitute Restricted Subsidiaries), as valued at the Fair Market Value of such Investment at the time each such Investment is made; provided that the aggregate amount of such Investment (as so valued) shall not cause the aggregate amount of all such Investments made pursuant to this Section 10.5(q) measured at the time such Investment is made, to exceed, after giving pro forma effect to such Investment, the sum of (i) the greater of (x) $70,000,000 and (y) 43.75% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior the date such Investment is made (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date, (ii) the Available Equity Amount at such time and (iii) the Available Amount at such time; provided, however, that if any Investment pursuant to this Section 10.5(q) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary or 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 Borrower or a Restricted Subsidiary, in each case, after such date, such Investment shall thereafter be deemed to have been made pursuant to Section 10.5(i)(i) above and shall cease to have been made pursuant to this Section 10.5(q) for so long as such Person continues to be a Restricted Subsidiary;

(r) Investments arising as a result of Sale Leasebacks;

(s) Investments held by any Person acquired by the Borrower or a Restricted Subsidiary after the Closing Date or of any Person merged, consolidated or amalgamated with or into the Borrower or merged, consolidated or amalgamated with or into a Restricted Subsidiary in accordance with Section 10.3 after the Closing Date to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger, consolidation or amalgamation and were in existence on the date of such acquisition, merger, consolidation or amalgamation;

(t) Investments consisting of Indebtedness, fundamental changes, Dispositions, Restricted Payments (other than Restricted Investments) and debt payments permitted under Sections 10.1, 10.3 (but only any lettered paragraphs thereof), 10.4 (other than 10.4(e) or 10.4(h) (as such Section 10.4(h) relates to Section 10.5)), 10.6 (other than 10.6(c)(i)) and 10.7;

(u) the forgiveness, capitalization or conversion to Qualified Capital Stock of any Indebtedness owed by the Borrower or any Restricted Subsidiary and permitted by Section 10.1;

(v) Restricted Subsidiaries of the Borrower may be established or created if the Borrower and such Restricted Subsidiary comply with the requirements of Sections 9.10, 9.11 and 9.14, if applicable; provided that, in each case, to the extent such new Restricted Subsidiary is created solely for the purpose of consummating a transaction pursuant to an acquisition permitted by this Section 10.5, and such new Restricted Subsidiary at no time holds any assets or liabilities other than any merger consideration contributed to it contemporaneously with the closing of such transactions, such new Restricted Subsidiary shall not be required to take the actions set forth in Sections 9.10, 9.11 and 9.14 until the respective acquisition is consummated (at which time the surviving entity of the respective transaction shall be required to so comply in accordance with the provisions thereof);

(w) Investments consisting of earnest money deposits required in connection with purchase agreements or other Acquisitions or similar Investments;

(x) Investments consisting of loans and advances to Holdings (or any Parent Entity or any Equityholding Vehicle) and its Subsidiaries in connection with the reimbursement of expenses incurred on behalf of the Borrower and its Restricted Subsidiaries in the ordinary course of business;

(y) Investment Grade Securities maturing no more than 24 months from the date of acquisition;

(z) contributions in connection with compensation arrangements to a “rabbi” trust for the benefit of employees, directors, partners, members, consultants, independent contractors or other service providers or other grantor trust subject to claims of creditors in the case of a bankruptcy of the Borrower or any of its Restricted Subsidiaries;

(aa) non-cash or non-Cash Equivalent Investments in connection with tax planning and reorganization activities; provided that, after giving pro forma effect to any such activities, the Liens on the Collateral securing the Obligations would not be materially impaired;

(bb) to the extent that they constitute Investments, purchases and acquisitions of inventory, supplies, materials or equipment or purchases, acquisitions, licenses, contributions or leases of other assets, Intellectual Property, or other rights, in each case in the ordinary course of business;

(cc) (i) loans and advances to customers in the ordinary course of business in respect of payment of insurance premiums, (ii) loans and advances to independent operators of Grocery Stores to provide funding for the ordinary course obligations of such independent operators and

(iii) guarantees in respect of obligations of independent operators of Grocery Stores in an aggregate amount under clauses (ii) and (iii) of this clause (cc) not to exceed the greater of $40,000,000 and 25.0% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior the date such Investment is made (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(dd) any Investment made in connection with the Transactions and any transactions in connection with the Existing Debt Refinancing;

(ee) Investments consisting of purchases and acquisitions of assets or services in the ordinary course of business;

(ff) Investments in the ordinary course of business consisting or consistent with past practice of endorsements for collection or deposit and customary trade arrangements with customers, vendors, suppliers, licensors, sublicensors, licensees and sublicensees;

(gg) Capital Expenditures permitted or not restricted under this Agreement;

(hh) deposits in the ordinary course of business to secure the performance of Non-Financing Lease Obligations or utility contracts, or in connection with obligations in respect of tenders, statutory obligations, surety, stay and appeal bonds, bids, licenses, leases, government contracts, trade contracts, performance and return-of-money bonds, completion guarantees and other similar obligations (exclusive of obligations for the payment of borrowed money) incurred in the ordinary course of business or consistent with past practice;

(ii) Investments made in the ordinary course of business in connection with (i) obtaining, maintaining or renewing client and customer contracts and (ii) loans or advances made to, and guarantees with respect to obligations of, independent operators, distributors, suppliers, licensors, sublicensors, licensees and sublicensees.

(jj) additional Investments so long as, subject to Section 1.10, after giving pro forma effect to such Investment, the Borrower and the Restricted Subsidiaries would be in compliance, on a pro forma basis, with a Consolidated Total Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of the making of such Investment, as if such Investment and any other transactions being consummated in connection therewith occurred on the first day of such Test Period, of no greater than 4.95:1.00;

(kk) Investments in a Similar Business having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this Section 10.5(jj) that are at that time outstanding, not to exceed the greater of (x) $20,000,000 and (y) 12.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date of such Investment (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date; provided, however, that if any Investment pursuant to this Section 10.5(jj) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary or 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 Borrower or a Restricted Subsidiary, in each case, after such date, such investment shall thereafter be deemed to have been made pursuant to Section 10.5(i) above and shall cease to have been made pursuant to this Section 10.5(jj) for so long as such Person continues to be a Restricted Subsidiary;

(ll) to the extent not required to be applied to prepay the Term Loans in accordance with Section 5.2(a)(i), Investments made in accordance with clause (v) of the definition of "Net Cash Proceeds" with the proceeds received in connection with a Recovery Prepayment Event;

(mm) Investments resulting from pledges and deposits permitted by Sections 10.2(a)(i), 10.2(b) (with respect to clause (d) of the definition of "Permitted Encumbrances") and 10.1(n);

(nn) any Investment in any Subsidiary or any Joint Venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business or consistent with past practice;

(oo) Investments in deposit accounts and securities accounts in the ordinary course of business;

(pp) Investments solely to the extent such Investments reflect an increase in the value of Investments otherwise permitted under this Section 10.5;

(qq) the acquisition of additional Capital Stock of Restricted Subsidiaries from minority equityholders (it being understood that to the extent that any Restricted Subsidiary that is not a Credit Party is acquiring Capital Stock from minority equityholders, then this clause (pp) shall not in and of itself create, or increase the capacity under, any basket for Investments by Credit Parties in any Restricted Subsidiary that is not a Credit Party);

(rr) Investments in Capital Stock in any Subsidiary resulting from any sale, transfer or other Disposition by the Borrower or any Subsidiary permitted by Section 10.4, including as a result of any contribution from any Parent Entity or distribution to any Subsidiary of such Capital Stock;

(ss) Term Loans repurchased by the Borrower or a Restricted Subsidiary pursuant to and subject to immediate cancellation in accordance with this Agreement;

(tt) Guarantee obligations of the Borrower or any Restricted Subsidiary in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Restricted Subsidiary of the Borrower 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;

(uu) Investments in any Receivables Subsidiary that, in the good faith determination of the Borrower are necessary or advisable to effect any Qualified Receivables Facility or any repurchase obligation in connection therewith;

(vv) Additional Investments in an aggregate amount not to exceed the portion, if any, of the Restricted Payment Amount, on the relevant date of determination that the Borrower elects to apply pursuant to this clause (uu);

(ww) Acquisitions by the Borrower of obligations of one or more directors, officers, employees, member or management or consultants of Holdings, the Borrower or its Subsidiaries in connection with such Person's acquisition of Capital Stock of any Parent Entity or Equityholding Vehicle, so long as no cash is actually advanced by the Borrower or any of its Subsidiaries to such Person in connection with the acquisition of any such obligations;

(xx) Investments in the Borrower or any Restricted Subsidiary in connection with any Tax Restructuring; provided that, after giving effect to any such activities, the value of the Collateral, taken as a whole, and the value of the Guarantees, taken as a whole, would not be adversely impaired in any material respect; and

(yy) the Borrower and the Restricted Subsidiaries may undertake or consummate any IPO Reorganization Transaction and any transactions related thereto or contemplated thereby.

For purposes of determining compliance with this Section 10.5, (A) Investments need not be incurred solely by reference to one category of Investments permitted by this Section 10.5 but are permitted to be made in part under any combination thereof and of any other available exemption, (B) in the event that any Investment (or any portion thereof) meets the criteria of one or more of the categories of Investments permitted by this Section 10.5, the Borrower shall, in its sole discretion, classify or reclassify such Investment (or any portion thereof) in any manner that complies with the definition thereof and (C) in the event that a portion of any Investment could be classified as having been made pursuant to Section 10.5(ii) above (giving pro forma effect to the making of such Investment), the Borrower, in its sole discretion, may classify such portion of such Investment as having been made pursuant to Section 10.5(ii) above and thereafter the remainder of such Investment or as having been made pursuant to one or more of the other clauses of this Section 10.5.

10.6 Limitation on Restricted Payments. The Borrower will not pay any dividends (other than dividends payable solely in the Qualified Capital Stock of the Borrower) or return any capital to its equity holders or make any other distribution, payment or delivery of property or cash to its equity holders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any shares of any class of its Capital Stock or the Capital Stock of any Parent Entity or any Equityholding Vehicle now or hereafter outstanding (or any options or warrants or equity appreciation or similar rights issued with respect to any of its Capital Stock), or set aside any funds for any of the foregoing purposes (but excluding, in each case, the payment of compensation in the ordinary course of business to equity holders of any such Capital Stock who are employees of the Borrower or any Restricted Subsidiary), or permit the Borrower or any of the Restricted Subsidiaries to purchase or otherwise acquire for consideration (other than in connection with an Investment permitted by Section 10.5) any shares of any class of the Capital Stock of any Parent Entity of the Borrower or any Equityholding Vehicle or the Capital Stock of the Borrower, now or hereafter outstanding (or any options or warrants or equity appreciation or similar rights issued with respect to any of the Capital Stock of any Parent Entity of the Borrower or any Equityholding Vehicle or the Capital Stock of the Borrower) or make any Restricted Investment (all of the foregoing, "Restricted Payments"); provided that:

(a) (i) the Borrower may (or may pay Restricted Payments to permit any Parent Entity thereof or any Equityholding Vehicle to) redeem, repurchase, discharge, defease, retire or otherwise acquire in whole or in part any Capital Stock ("Treasury Capital Stock") of the Borrower or any Restricted Subsidiary or any Capital Stock of any Parent Entity or Equityholding Vehicle, in exchange for another class of Capital Stock or rights to acquire its Capital Stock or with proceeds from equity contributions or sales or issuances (other than to the Borrower or a Restricted Subsidiary) of Capital Stock of the Borrower or any Parent Entity or Equityholding Vehicle to the extent contributed to the Borrower (in each case other than Disqualified Capital Stock, "Refunding Capital Stock") made within 120 days of such contribution or sale or issuance of Refunding Capital Stock, (ii) if immediately prior to the retirement of Treasury Capital Stock, the declaration and payment of dividends or distributions thereon was permitted under

Section 10.6(aa), the declaration and payment of dividends and distributions 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 Parent Entity or Equityholding Vehicle) in an aggregate amount per year no greater than the aggregate amount of dividends and distributions per annum that were declarable and payable on such Treasury Capital Stock immediately prior to such retirement and (iii) the Borrower and any Restricted Subsidiary may pay Restricted Payments payable solely in the Capital Stock (other than Disqualified Capital Stock not otherwise permitted by Section 10.1) of such Person;

(b) so long as no Event of Default under Section 11.1 or 11.5 has occurred and is continuing or would result therefrom, the Borrower may redeem, discharge, defease, retire, repurchase or otherwise acquire (and the Borrower may declare and pay Restricted Payments to any Parent Entity thereof or any Equityholding Vehicle, the proceeds of which are used to so redeem, discharge, defease, retire, repurchase or otherwise acquire) shares of its Capital Stock (or any options or warrants or equity appreciation or similar rights issued with respect to any of such Capital Stock) (or to allow any of the Borrower's Parent Entities or any Equityholding Vehicle to so redeem, discharge, defease, retire, repurchase or otherwise acquire their Capital Stock (or any options or warrants or equity appreciation or similar rights issued with respect to any of its Capital Stock)) held by future, current or former officers, managers, consultants, directors, employees and independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) of any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower and the Subsidiaries of the Borrower, upon the death, disability, retirement or termination of employment of any such Person or otherwise in accordance with any equity option or equity appreciation or similar rights plan, any management, director and/or employee equity ownership or incentive plan, equity subscription plan or subscription agreement, employment termination agreement or any other employment agreements or equity holders' agreement (including, for the avoidance of doubt, any principal or interest payable on any Indebtedness Incurred by the Borrower or any Parent Entity or Equityholding Vehicle in connection with any such redemption, acquisition, retirement or repurchase); provided that, except with respect to non-discretionary repurchases, acquisitions, retirements or redemptions pursuant to the terms of any equity option or equity appreciation rights plan, any management, director and/or employee equity ownership or incentive plan, equity subscription plan or subscription agreement, employment termination agreement or any other employment agreement or equity holders' agreement, the aggregate amount of all cash paid in respect of all such shares of Capital Stock (or any options or warrants or equity appreciation or similar rights issued with respect to any of such Capital Stock) so redeemed, discharged, defeased, retired, repurchased or otherwise acquired, does not exceed the sum of (i) $30,000,000 in any calendar year (which shall increase to $75,000,000 in any calendar year following the consummation of an IPO); notwithstanding the foregoing, 100.0% of the unused amount of payments in respect of this Section 10.6(b)(i) (before giving pro forma effect to any carry forward), may be carried forward to succeeding calendar years and utilized to make payments pursuant to this Section 10.6(b) plus (ii) all proceeds obtained by any Parent Entity or any Equityholding Vehicle (and contributed to the Borrower) or the Borrower after the Closing Date from the sale of such Capital Stock to other future, current or former officers, managers, consultants, employees, directors and independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) in connection with any plan or agreement referred to above in this clause (b) plus (iii) all Net Cash Proceeds obtained from any key-man life insurance policies received by the Borrower (or any Parent Entity or Equityholding Vehicle to the extent contributed to the Borrower) after the Closing Date less (iv) the amount of any previous Restricted Payments made pursuant to clauses (ii) and (iii) of this Section 10.6(b); and provided, further, that, the cancellation of Indebtedness owing to the Borrower or any Restricted Subsidiary from any future, current or former employees, officers,

managers, directors, consultants or independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) of any Parent Entity of the Borrower, any Equityholding Vehicle, Holdings or any of the Restricted Subsidiaries in connection with a redemption, acquisition, retirement or repurchase of its Capital Stock will not be deemed to constitute a Restricted Payment for purposes of this Agreement; provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(b) shall reduce the amounts available pursuant to this Section 10.6(b);

(c) (i) to the extent constituting Restricted Payments (other than Restricted Investments), the Borrower and any Restricted Subsidiary may make Investments permitted by Section 10.5 and (ii) each Restricted Subsidiary may make Restricted Payments to the Borrower and to Restricted Subsidiaries (and, in the case of a Restricted Payment by a non-wholly owned Restricted Subsidiary, to the Borrower and any Restricted Subsidiary and to each other owner of Capital Stock of such Restricted Subsidiary based on their relative ownership interests);

(d) to the extent constituting Restricted Payments, the Borrower and any Restricted Subsidiary may enter into and consummate transactions expressly permitted by any provision of Section 10.3 and 10.4 (other than 10.4(h)), and the Borrower may pay Restricted Payments to any Parent Entity thereof or any Equityholding Vehicle as and when necessary to enable such Parent Entity or Equityholding Vehicle to effect the transactions permitted by such section;

(e) the Borrower may redeem, discharge, defease, retire, repurchase or otherwise acquire Capital Stock of any Parent Entity or any Equityholding Vehicle of the Borrower or the Borrower, as applicable, upon exercise of equity options or warrants to the extent such Capital Stock represents all or a portion of the exercise price of such options or warrants, and the Borrower may pay Restricted Payments to a Parent Entity or Equityholding Vehicle thereof as and when necessary to enable such Parent Entity or Equityholding Vehicle to effect such repurchases;

(f) in addition to the foregoing Restricted Payments (i) the Borrower may make additional Restricted Payments, so long as (x) no Event of Default shall have occurred and be continuing or would result therefrom and (y) after giving pro forma effect to such Restricted Payment, the Borrower would be in compliance, on a pro forma basis, with a Consolidated Total Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the date of payment of such Restricted Payment, as if such Restricted Payment and any other transactions being consummated in connection therewith occurred on the first day of such Test Period, of no greater than 4.45:1.00, (ii) the Borrower may make additional Restricted Payments in an aggregate amount not to exceed an amount equal to the Available Amount at the time such Restricted Payment is paid, so long as no Event of Default shall have occurred and be continuing or would result therefrom, (iii) the Borrower may make additional Restricted Payments in an aggregate amount not to exceed an amount equal to the Available Equity Amount at the time such Restricted Payment is paid and (iv) so long as no Event of Default shall have occurred and be continuing or would result therefrom, the Borrower may make additional Restricted Payments in an aggregate amount not to exceed the portion, if any, of the Restricted Payment Amount, on the relevant date of determination, that the Borrower elects to apply pursuant to this clause (iv); provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(f) shall reduce the amounts available pursuant to this Section 10.6(f);

(g) the Borrower may make and pay Restricted Payments:

(i) the proceeds of which shall be used to pay (or to make Restricted Payments to allow any Parent Entity of the Borrower to pay) any consolidated, combined or similar type of foreign, federal, state, provincial and local income tax liability (including any interest or penalties related thereto) in respect of taxable income of the Borrower and its Subsidiaries, but not in excess of the Tax liability that the Borrower would incur if it filed tax returns as the parent of a consolidated, combined or similar type of group for itself and its Subsidiaries (and net of any payment already made and to be made by the Borrower to a taxing authority to satisfy such Tax liability); provided that a Restricted Payment attributable to any taxes attributable to an Unrestricted Subsidiary shall be permitted only to the extent such Unrestricted Subsidiary distributed cash to the Borrower or its Restricted Subsidiaries;

(ii) the proceeds of which shall be used to pay (or to make Restricted Payments to allow any Parent Entity of the Borrower or any Equityholding Vehicle to pay) its operating expenses incurred in the ordinary course (including related to maintenance of organizational existence and auditing and other accounting matters), general administrative costs and other overhead costs and expenses (including administrative, legal, accounting, professional and similar fees and expenses provided by third parties, including the Borrower's proportionate share of such amount relating to such Parent Entity being a Public Company), plus any indemnification claims made by future, current and former employees, managers, consultants, independent contractors, directors or officers of any Parent Entity of the Borrower or any Equityholding Vehicle;

(iii) the proceeds of which shall be used to pay (or to make Restricted Payments to allow any Parent Entity of the Borrower or any Equityholding Vehicle to pay) franchise, excise and similar taxes and other fees, taxes and expenses, in each case, required to maintain its (or any of its Parent Entities' or Equityholding Vehicles') corporate or other legal or organizational existence;

(iv) the proceeds of which shall be used to make Investments contemplated by Section 10.5(c);

(v) the proceeds of which shall be used to pay (or to make Restricted Payments to allow any Parent Entity of the Borrower or any Equityholding Vehicle to pay) fees and expenses (other than to Affiliates of the Borrower) related to any successful or unsuccessful equity issuance or offering or Incurrence of Indebtedness, Refinancing, Permitted Change of Control, Disposition or acquisition or Investment transaction permitted by this Agreement;

(vi) to the extent not constituting a Restricted Investment, the proceeds of which shall be used to finance Investments that would otherwise be permitted to be made pursuant to Section 10.5 or as a Restricted Investment pursuant to Section 10.6 if made by the Borrower or a Restricted Subsidiary; provided that (i) such Restricted Payment shall be made substantially concurrently with the closing of such Investment, (ii) such Parent Entity shall, immediately following the closing thereof, cause (A) all property acquired (whether assets or Capital Stock) to be contributed to the capital of the Borrower or one of the Restricted Subsidiaries or (B) the merger, consolidation or amalgamation of the Person formed or acquired with or into the Borrower or one of the Restricted Subsidiaries (to the extent not prohibited by Section 10.3) in order to consummate such

Investment and (iii) such Parent Entity and its Affiliates (other than the Borrower or a Restricted Subsidiary) receives no consideration or other payment in connection with such transaction except to the extent the Borrower or a Restricted Subsidiary could have otherwise given such consideration or made such payment in compliance with this Agreement;

(vii) the proceeds of which shall be used to pay customary salary, bonus, severance and other benefits payable to or provided on behalf of, future, current or former directors, officers, managers, employees, consultants or independent contractors of any Parent Entity of the Borrower or any Equityholding Vehicle to the extent such salaries, bonuses and other benefits are attributable to the ownership or operation of the Borrower and its Restricted Subsidiaries including the Borrower's proportionate share of such amount relating to such Parent Entity being a Public Company; and

(viii) 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 Borrower or any Parent Entity of the Borrower or Equityholding Vehicle.

(h) the Borrower may (or may make Restricted Payments to allow any Parent Entity or any Equityholding Vehicle to) (i) pay cash in lieu of fractional shares in connection with any Restricted Payment (including in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Borrower, or any Parent Entity of the Borrower or any Equityholding Vehicle), share split, reverse share split or combination thereof, or any Permitted Change of Control, Acquisition or other Investment and (ii) honor any conversion request by a holder of convertible Indebtedness and make cash payments in lieu of fractional shares in connection with any such conversion and may make payments on convertible Indebtedness in accordance with its terms;

(i) the Borrower may pay (or may make Restricted Payments to allow any Parent Entity or any Equityholding Vehicle to pay) Restricted Payments in an amount equal to withholding or similar taxes payable or expected to be payable by any future, current or former employee, director, manager, consultant or independent contractor (or any of their respective Immediate Family Members) of any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower or any Subsidiary of the Borrower in connection with the exercise or vesting of Capital Stock or other equity awards or any repurchases, redemptions, acquisitions, retirements or withholdings of Capital Stock in connection with any exercise of Capital Stock or other equity options or warrants or the vesting of Capital Stock or other equity awards if such Capital Stock represent all or a portion of the exercise price of, or withholding obligation with respect to, such options or, warrants or other Capital Stock or equity awards;

(j) the Borrower may make payments (or make Restricted Payments to allow any Parent Entity or any Equityholding Vehicle to make such payments) described in Sections 10.11(c), (e), (h), (i), (j), (l), (v) and (x) (subject to the conditions set out therein);

(k) the Borrower may make Restricted Payments and distributions within sixty (60) days after the date of declaration thereof, if at the date of declaration of such payment, such payment would have complied with the other provisions of this Section 10.6;

(l) so long as no Event of Default is continuing or would result therefrom, after an IPO, the Borrower may make Restricted Payments to any Parent Entity of the Borrower or any

Equityholding Vehicle so that such Parent Entity or Equityholding Vehicle can make Restricted Payments to its equity holders in an aggregate per annum amount not exceeding 6.0% of the Net Cash Proceeds of such IPO; provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(l) shall reduce the amounts available pursuant to this Section 10.6(l);

(m) the Borrower and any Restricted Subsidiary may pay and make any Restricted Payment (i) in connection with the Transactions including (A) the 2018 Dividend, (B) the payment of Transaction Expenses and (C) to holders of equity, restricted equity units or similar equity awards, (ii) in connection with any Permitted Change of Control or any Acquisition or other Investment, (iii) to dissenting equityholders in connection with, or as a result of, their exercise of appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto (including any accrued interest), (iv) in connection with working capital adjustments or purchase price adjustments in connection with any Permitted Change of Control or any Acquisition or other Investment, (v) in connection with the satisfaction of indemnity and other similar obligations in connection with any Acquisition or other Investment, (vi) in addition to Restricted Payments described in clause (m)(i) above, to any employee, officer, manager, director, consultant, independent contractor and other holders of options that are subject to vesting, as such options vest or upon acceleration of such options in connection with Restricted Payments that were declared on or prior to the Closing Date (including with respect to the 2018 Dividend and to any dividends or other distributions declared in 2016), or (vii) necessary to consummate the funding of amounts owed to Affiliates (including those made by any Parent Entity) of the Borrower or any Equityholding Vehicle to permit payment by such Parent Entity or Equityholding Vehicle;

(n) the Borrower may make payments made to optionholders or holders of profits interests of the Borrower or any Parent Entity or any Equityholding Vehicle in connection with, or as a result of, any distribution being made to equityholders of the Borrower or any Parent Entity or any Equityholding Vehicle (to the extent such distribution is otherwise permitted hereunder), which payments are being made to compensate such optionholders or holders of profits interests as though they were equityholders at the time of, and entitled to share in, such distribution (it being understood that no such payment may be made to an optionholder or holder of profits interests pursuant to this clause to the extent such payment would not have been permitted to be made to such optionholder or holder of profits interests if it were a shareholder pursuant to any other paragraph of this Section 10.6, and any payment hereunder shall reduce payments available under such other paragraph);

(o) the Borrower may pay Restricted Payments to pay for the redemption, discharge, defeasance, retirement, repurchase or other acquisition, in each case for nominal value, of Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) or the Borrower from a former investor of a business acquired in an Acquisition or other Investment or a current or former employee, officer, director, manager or consultant of a business acquired in an Acquisition or other Investment (or their Controlled Investment Affiliates or Immediate Family Members), which Capital Stock was issued as part of an earn-out or similar arrangement in the acquisition of such business, and which redemption, acquisition, retirement or repurchase relates the failure of such earn-out to fully vest;

(p) the Borrower may make distributions, by Restricted Payment or otherwise, or other transfer or Disposition of shares of Capital Stock of Unrestricted Subsidiaries (other than Unrestricted Subsidiaries the primary assets of which are Cash Equivalents); and

(q) the Borrower may make payments or distributions to satisfy dissenters' rights pursuant to or in connection with an Acquisition, merger, consolidation, amalgamation or transfer of assets that complies with Section 10.3;

(r) the Borrower may make Restricted Payments constituting "interest" or like payments on Disqualified Capital Stock, to the extent such Disqualified Capital Stock constitutes Indebtedness, was Incurred in compliance with Section 10.1 and such Restricted Payments are included in the calculation of Consolidated Interest Expense;

(s) the Borrower may make Restricted Payments in an aggregate amount that (i) does not exceed the aggregate amount of Excluded Contributions received since the Closing Date (not otherwise building Available Equity Amount or constituting a Cure Amount or used to incur Indebtedness) and (ii) without duplication of clause (i) above, in an amount equal to the Net Cash Proceeds from any Disposition in respect of property or assets acquired after the Closing Date, to the extent such property or assets was financed with Excluded Contributions; provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(s) shall reduce the amounts available pursuant to this Section 10.6(s);

(t) the Borrower may make distributions or payments of Receivables Fees and purchases of receivables in connection with any Qualified Receivables Facility or any repurchase obligation in connection therewith;

(u) the Restricted Subsidiaries may make Restricted Payments in connection with the acquisition of additional Capital Stock in any Restricted Subsidiary from minority equityholders;

(v) so long as no Event of Default is continuing or would result therefrom, after an IPO, the Borrower may make Restricted Payments to any Parent Entity of the Borrower or any Equityholding Vehicle so that such Parent Entity or Equityholding Vehicle can make Restricted Payments to its equity holders in an aggregate per annum amount not exceeding 7.0% of the Market Capitalization; provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(v) shall reduce the amounts available pursuant to this Section 10.6(v);

(w) the Borrower may make any Restricted Payments to a Parent Entity for nominal value per right, of any rights granted to all holders of Capital Stock of the Borrower (or any Parent Entity of the Borrower) pursuant to any equityholders' rights plan adopted for the purpose of protecting equityholders from unfair takeover practices;

(x) the Borrower may make and pay (or make Restricted Payments to allow any Parent Entity or Equityholding Vehicle to make and pay) Restricted Payments in connection with or required in order to consummate a Permitted Change of Control and/or to pay any fees and expenses incurred in connection therewith, including any Permitted Change of Control Costs;

(y) the Borrower may make redemptions, acquisitions, retirements or repurchases of Capital Stock of any Parent Entity of the Borrower or of any Equityholding Vehicle of the Borrower, as applicable, deemed to occur upon the exercise of stock options or warrants; and

(z) the Borrower may declare and make Restricted Payments (i) to holders of any class or series of Preferred Stock (other than Disqualified Capital Stock) issued by the Borrower or any of the Restricted Subsidiaries after the Closing Date, (ii) Restricted Payments to a Parent

Entity of the Borrower, the proceeds of which will be used to fund the payment of dividends or distributions to holders of any class or series of Preferred Stock (other than Disqualified Capital Stock) of such Parent Entity issued after the Closing Date; provided that the amount of dividends and distributions paid pursuant to this clause (ii) shall not exceed the aggregate amount of cash actually contributed to the Borrower from the sale of such Preferred Stock or (iii) on Refunding Capital Stock that is Preferred Stock in excess of the dividends and distributions declarable and payable thereon pursuant to Section 10.6(a).

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the assets or securities proposed to be transferred or issued by the Borrower or any Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. For the avoidance of doubt, this Section 10.6 shall not restrict the making of any AHYDO Catch Up Payment with respect to, and required by the terms of, any Indebtedness of the Borrower or any of the Restricted Subsidiaries permitted to be incurred under the terms of this Agreement. Indebtedness Incurred under Section 10.1(q) shall reduce availability under this Section 10.6 in an amount equal to the aggregate principal amount incurred from time to time under Section 10.1(q), whether or not outstanding, except in respect of amounts forgiven or cancelled without payment being made.

For purposes of determining compliance with this Section 10.6, (A) Restricted Payments need not be incurred solely by reference to one category of Restricted Payments permitted by this Section 10.6 but are permitted to be made in part under any combination thereof and of any other available exemption, (B) in the event that any Restricted Payment (or any portion thereof) meets the criteria of one or more of the categories of Restricted Payments permitted by this Section 10.6, the Borrower shall, in its sole discretion, classify or reclassify such Restricted Payment (or any portion thereof) in any manner that complies with the definition thereof and (C) in the event that a portion of any Restricted Payment could be classified as having been made pursuant to Section 10.6(f)(i) above (giving pro forma effect to the making of such Restricted Payment), the Borrower, in its sole discretion, may classify such portion of such Restricted Payments as having been made pursuant to Section 10.6(f)(i) above and thereafter the remainder of such Restricted Payment or as having been made pursuant to one or more of the other clauses of this Section 10.6.

10.7 Limitations on Debt Payments and Amendments.

(a) The Borrower will not, and will not permit any of the Restricted Subsidiaries to, prepay, repurchase, redeem or otherwise defease or make similar payments in respect of any Material Junior Debt (any such payments, "Junior Debt Payments") on or prior to the date that occurs earlier than six months prior to the stated maturity date thereof (it being understood that payments of regularly scheduled interest, fees, expenses, indemnification obligations and, so long as no Event of Default under Section 11.1 or Section 11.5 is continuing or would result therefrom, AHYDO Catch Up Payments shall be permitted); provided, however, the Borrower or any Restricted Subsidiary may prepay, repurchase, redeem, defease, acquire or otherwise make payments on any such Indebtedness (i) with the proceeds of any Permitted Refinancing Indebtedness in respect of such Indebtedness, (ii) by converting or exchanging any such Indebtedness to Capital Stock of Holdings or any of its Parent Entities and (iii) (A) so long as (x) no Event of Default has occurred and is continuing or would result therefrom and (y) after giving pro forma effect to such prepayment, repurchase, redemption, defeasance, acquisition or other payment, the Borrower would be in compliance, on a pro forma basis, with a Consolidated Total Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the date of any such payment, as if such prepayment, repurchase, redemption, defeasance, acquisition or other payment and any other transactions being consummated in connection therewith occurred on the first day of such Test Period, of no greater than 4.70:1.00 after giving pro forma effect thereto, (B) in an aggregate amount not to exceed the Available Amount at the time of such prepayment, repurchase, redemption,

defeasance, acquisition or other payment, so long as (x) no Event of Default has occurred and is continuing or would result therefrom, (C) in an aggregate amount not to exceed the Available Equity Amount at the time of such prepayment, redemption, repurchase, defeasance, acquisition or other payment, (D) in an aggregate amount not to exceed the portion, if any, of the Restricted Payment Amount, on the relevant date of determination that the Borrower elects to apply pursuant to this clause (D), (E) any purchase, repurchase, redemption, defeasance or other acquisition or similar payment of Junior Debt Incurred pursuant to Section 10.1(j) (other than Indebtedness Incurred (I) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Borrower or a Restricted Subsidiary or (II) otherwise in connection with or contemplation of such acquisition), so long as such purchase, repurchase, redemption, defeasance or other acquisition or similar payment is made or deposited with a trustee or other similar representative of the holders of such Junior Debt contemporaneously with, or substantially simultaneously with, the closing of the Acquisition under which such Junior Debt is Incurred, (F) any mandatory redemption, repurchase, retirement, termination or cancellation of Disqualified Capital Stock (to the extent such Disqualified Capital Stock constitutes Indebtedness and was Incurred in compliance with Section 10.1, and (G) the payment, redemption, repurchase, retirement, termination or cancellation of Indebtedness within 60 days of the date of the Redemption Notice if, at the date of any payment, redemption, repurchase, retirement, termination or cancellation notice in respect thereof (the "Redemption Notice"), such payment, redemption, repurchase, retirement termination or cancellation would have complied with another provision of this Section 10.7(a); provided that such payment, redemption, repurchase, retirement termination or cancellation shall reduce capacity under such other provision.

Notwithstanding the foregoing and for the avoidance of doubt, nothing in this Section 10.7 shall prohibit substantially concurrent transfers of credit positions in connection with intercompany debt restructurings so long as such Indebtedness is permitted by Section 10.1 after giving pro forma effect to such transfer.

(b) The Borrower will not, and will not permit any of the Restricted Subsidiaries to, waive, amend or modify any term or condition in any Junior Debt Documentation to the extent that any such waiver, amendment or modification, taken as a whole, would be materially adverse to the interests of the Lenders.

For purposes of determining compliance with this Section 10.7, (A) Junior Debt Payments need not be made solely by reference to one category of Junior Debt Payments permitted by this Section 10.7 but are permitted to be made in part under any combination thereof and of any other available exemption, (B) in the event that any Junior Debt Payment (or any portion thereof) meets the criteria of one or more of the categories of Junior Debt Payments permitted by this Section 10.7, the Borrower shall, in its sole discretion, classify or reclassify such Junior Debt Payment (or any portion thereof) in any manner that complies the definition thereof and (C) in the event that a portion of any Junior Debt Payment could be classified as having been made pursuant to Section 10.7(a)(iii) above (giving pro forma effect to the making of such Junior Debt Payment), the Borrower, in its sole discretion, may classify such portion of such Junior Debt Payments as having been made pursuant to Section 10.7(a)(iii) above and thereafter the remainder of such Junior Debt Payment or as having been made pursuant to one or more of the other clauses of this Section 10.7.

10.8 Negative Pledge Clauses. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, enter into or permit to exist any Contractual Obligation (other than this Agreement, any other Credit Document, any Permitted Additional Debt Documents related to any secured Permitted Additional Debt, any document governing any secured Credit Agreement Refinancing Indebtedness and/or the Second Lien Credit Documents and any documentation governing any Permitted

Refinancing Indebtedness Incurred to Refinance any such Indebtedness) that limits the ability of the Borrower or any Guarantor to create, incur, assume or suffer to exist Liens on property of such Person for the benefit of the Secured Parties with respect to the Obligations or under the Credit Documents; provided that the foregoing shall not apply to Contractual Obligations that in any material respect:

(i) (x) exist on the Closing Date and (to the extent not otherwise permitted by this Section 10.8) are listed on Schedule 10.8 hereto and (y) to the extent Contractual Obligations permitted by clause (x) are set forth in an agreement evidencing Indebtedness or other obligations, are set forth in any agreement evidencing any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness or obligation so long as such Permitted Refinancing Indebtedness does not materially expand the scope of such Contractual Obligation (as determined in good faith by the Borrower),

(ii) are binding on a Restricted Subsidiary at the time such Restricted Subsidiary first becomes a Restricted Subsidiary of the Borrower, so long as such Contractual Obligations were not entered into solely in contemplation of such Person becoming a Restricted Subsidiary of the Borrower,

(iii) represent Indebtedness of a Restricted Subsidiary of the Borrower that is not a Credit Party to the extent such Indebtedness is permitted by Section 10.1,

(iv) arise pursuant to agreements entered into with respect to any sale, transfer, lease, license or other Disposition permitted by Section 10.4, including customary restrictions with respect to a Subsidiary of the Borrower pursuant to an agreement that has been entered into for the sale, transfer, lease, license, or other Disposition of the Capital Stock of such Subsidiary, and applicable solely to assets under such sale, transfer, lease, license or other Disposition,

(v) are customary provisions in Joint Venture agreements, partnership agreements, limited liability company organizational governance document, and other similar agreements applicable to partnerships, limited liability companies, Joint Ventures and similar Persons permitted by Section 10.5 or Section 10.6 and applicable solely to such Persons or the transfer of ownership therein,

(vi) are negative pledges and restrictions on Liens in favor of any holder of Indebtedness permitted under Section 10.1, but solely to the extent any negative pledge relates to the property financed by or the subject of such Indebtedness,

(vii) are customary restrictions on leases, subleases, service agreements, product sales, licenses and sublicenses (including with respect to Intellectual Property) or asset sale agreements otherwise permitted hereby so long as such restrictions relate to the assets subject thereto,

(viii) comprise restrictions imposed by any agreement relating to secured Indebtedness permitted pursuant to Section 10.1 to the extent that such restrictions apply only to the specific property or assets securing such Indebtedness,

(ix) are customary provisions restricting subletting or assignment or transfers of any lease governing a leasehold interest of the Borrower or any Restricted Subsidiary,

(x) are customary provisions restricting assignment of any agreement (or the assets subject thereto) entered into in the ordinary course of business,

(xi) are restrictions on cash or other deposits or net worth imposed (including by customers) under agreements entered into in the ordinary course of business,

(xii) are imposed by Applicable Law,

(xiii) are customary net worth provisions contained in real property leases entered into by Subsidiaries of the Borrower, so long as the Borrower has determined in good faith that such net worth provisions could not reasonably be expected to impair the ability of the Borrower and its Subsidiaries to meet their ongoing obligation;

(xiv) comprise restrictions imposed by any agreement governing Indebtedness entered into after the Closing Date and permitted under Section 10.1 that are, taken as a whole, in the good-faith judgment of the Borrower, no more restrictive with respect to the Borrower or any Restricted Subsidiary than customary market terms for Indebtedness of such type (and, in any event, are no more restrictive than the restrictions contained in this Agreement), so long as the Borrower shall have determined in good faith that such restrictions will not materially impair its obligation or ability to make any payments required hereunder,

(xv) arise in connection with purchase money obligations for property acquired in the ordinary course of business or Financing Lease Obligations;

(xvi) arise in connection with any agreement or other instrument of a Person or relating to Indebtedness or Capital Stock of a Person, which Person is acquired by or merged, consolidated or amalgamated with or into the Borrower or any of its Restricted Subsidiaries, or any other transaction is entered into with any such Acquisition, merger, consolidation or amalgamation, in existence at the time of such Acquisition or at the time it merges, consolidates or amalgamates with or into the Borrower or any of its Restricted Subsidiaries or assumed in connection with the acquisition of assets from such Person (but, in any such case, 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 so acquired and its Subsidiaries, or the property or assets of the Person so acquired and its Subsidiaries or the property or assets so acquired or redesignated;

(xvii) are restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase, sale or other agreement to which the Borrower or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business; provided that such agreement prohibits the encumbrance of solely the property or assets of the Borrower or such Restricted Subsidiary that are the subject to such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Borrower or such Restricted Subsidiary or the assets or property of another Restricted Subsidiary;

(xviii) are provisions restricting the granting of a security interest in Intellectual Property contained in licenses or sublicenses by the Borrower and its Restricted Subsidiaries of such Intellectual Property, which licenses and sublicenses were entered into in the ordinary course of business (in which case such restriction shall relate only to such Intellectual Property);

(xix) arise in connection with cash or other deposits imposed by agreement permitted under Section 10.2, Section 10.5 or Section 10.6 entered into in the ordinary course of business or consistent with past practice;

(xx) restrictions with respect to a Restricted Subsidiary that was previously an Unrestricted Subsidiary pursuant to or by reason of an agreement that such Restricted Subsidiary is a party to or entered into before the date on which such Subsidiary became a Restricted Subsidiary; provided that such agreement was not entered into in anticipation of an Unrestricted Subsidiary becoming a Restricted Subsidiary and any such or restriction does not extend to any assets or property of the Borrower or any other Restricted Subsidiary other than the assets and property of such Subsidiary;

(xxi) restrictions created in connection with any Qualified Receivables Facility that, in the good faith determination of the Borrower, are necessary or advisable to effect such Qualified Receivables Facility; and

(xxii) are any encumbrances or restrictions 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 (xxi) of this Section 10.8; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good-faith judgment of the Borrower, 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.

10.9 Passive Holding Company; Etc.

(a) Holdings will not conduct, transact or otherwise engage in any material business or material operations other than (i) the ownership and/or acquisition of the Capital Stock (other than Disqualified Capital Stock) of the Borrower, (ii) the maintenance of its legal existence, including the ability to incur fees, costs and expenses relating to such maintenance, (iii) to the extent applicable, participating in tax, accounting and other administrative matters as a member of the consolidated group of Holdings and the Borrower, (iv) the performance of its obligations under and in connection with the Credit Documents, the Second Lien Credit Documents and any documents relating to other Indebtedness permitted under Section 10.1, (v) any public offering of its Capital Stock or any other issuance or registration of its Capital Stock for sale or resale not prohibited by Section 10, including the costs, fees and expenses related thereto, (vi) any transaction that Holdings is permitted to enter into or consummate under this Section 10 and any transaction between Holdings and the Borrower or any Restricted Subsidiary permitted under this Section 10, including (a) making any dividend or distribution or other transaction similar to a Restricted Payment (other than a Restricted Investment) not prohibited by Section 10.6 (or the making of a loan to its Parent Entities or any Equityholding Vehicle in lieu of any such Restricted Payment (other than Restricted Investments) or distribution or other transaction similar to a Restricted Payment (other than Restricted Investments)) or holding any cash received in connection with Restricted Payments (other than Restricted Investments) made by the Borrower in accordance with Section 10.6 pending application thereof by Holdings in the manner contemplated by Section 10.6 (including the redemption in whole or in part of any of its Capital Stock (other than Disqualified Capital Stock) in exchange for another class of Capital Stock (other than Disqualified Capital Stock) or rights to acquire its Capital Stock (other than Disqualified Capital Stock) or with proceeds from substantially concurrent equity contributions or issuances of new shares of its Capital Stock (other than Disqualified Capital Stock)), (b) making any Investment to the extent (1) payment therefor is made solely with the Capital Stock of Holdings (other than Disqualified Capital Stock), the proceeds of Restricted Payments (other than a Restricted Investment) received from the Borrower and/or proceeds of the issuance of, or contribution in respect of the, Capital Stock (other than Disqualified Capital Stock) of Holdings and (2) any property (including Capital Stock) acquired in connection therewith is contributed to the Borrower or a Subsidiary Guarantor (or, if otherwise permitted by Section 10.5 or Section 10.6, a Restricted Subsidiary)

or the Person formed or acquired in connection therewith is merged with the Borrower or a Restricted Subsidiary and (c) the (w) provision of guarantees in the ordinary course of business in respect of obligations of the Borrower or any of its Subsidiaries to suppliers, customers, franchisees, lessors, licensees, sublicensees or distribution partners; provided, for the avoidance of doubt, that such guarantees shall not be in respect of debt for borrowed money, (x) Incurrence of Indebtedness of Holdings contemplated by Sections 10.1(p) and 10.1(q), (y) Incurrence of guarantees and the performance of its other obligations in respect of Indebtedness Incurred pursuant to Sections 10.1(a), 10.1(b), 10.1(k) and 10.1(s) and Permitted Additional Debt Incurred pursuant to Section 10.1(u) and (z) granting of Liens to the extent the Indebtedness contemplated by subclause (y) is permitted to be secured under Sections 10.2(a), 10.2(u), 10.2(bb) and 10.2(oo), (vii) incurring fees, costs and expenses relating to overhead and general operating including professional fees for legal, tax and accounting issues and paying taxes, (viii) providing indemnification to officers and directors and as otherwise permitted in Section 10, (ix) activities related or incidental to such consummation of the Transactions or any Permitted Change of Control, (x) organizational activities incidental to any Permitted Change of Control, Acquisitions or other Investments consummated by the Borrower, including the formation of acquisition vehicle entities and intercompany loans and/or investments incidental to any such Permitted Change of Control, Acquisitions or other Investments in each case consummated substantially contemporaneously with the consummation of the applicable Acquisitions or other Investments; provided that in no event shall any such activities include the incurrence of a Lien on any of the assets of Holdings, (xi) the making of any loan to any officers or directors contemplated by Section 10.5 or Section 10.6, the making of any Investment in the Borrower or any Subsidiary Guarantor or, to the extent otherwise allowed under Section 10.5 or Section 10.6, a Restricted Subsidiary, (xii) the ownership and/or acquisition of the Capital Stock of any IPO Shell Company, including payment of Restricted Payments and other amounts in respect of its Capital Stock (xiii) the performance of its obligations and the guarantee of any obligations in connection with the Transactions; (xiv) a Permitted Change of Control and (xv) activities incidental to the businesses or activities described in clauses (i) to (xiv) of this Section 10.9(a).

(b) Except in connection with the Transactions and any Permitted Change of Control, Holdings will not consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its assets and other properties, except that Holdings may merge, amalgamate or consolidate with or into any other Person (other than the Borrower) or, in connection with an IPO, liquidate into the issuing entity, or otherwise Dispose of all or substantially all of its assets and property; provided that (i) Holdings shall be the continuing or surviving Person or, in the case of a merger, amalgamation or consolidation where Holdings is not the continuing or surviving Person or where Holdings has been liquidated, or in connection with a Disposition of all or substantially all of its assets, the Person formed by or surviving any such merger, amalgamation or consolidation or the Person into which Holdings has been liquidated or to which Holdings has transferred such assets shall, in each case, be a Person organized or existing under the laws of the United States, any state thereof, the District of Columbia or any territory thereof (Holdings or such Person, as the case may be, being herein referred to as the "Successor Holdings"), (ii) the Successor Holdings (if other than Holdings) shall expressly assume all the obligations of Holdings under this Agreement and the other applicable Credit Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, (iii) each Subsidiary Guarantor, unless it is the other party to such merger, amalgamation, consolidation, liquidation or Disposition or unless the Successor Holdings is Holdings, shall have by a supplement to the Guarantee confirmed that its Guarantee shall apply to the Successor Holdings' obligations under this Agreement, (iv) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation, consolidation, liquidation or Disposition or unless the Successor Holdings is Holdings, shall have by a supplement to the applicable Credit Documents confirmed that its obligations thereunder shall apply to the Successor Holdings' obligations under this Agreement, (v) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation, consolidation, liquidation or Disposition or

unless the Successor Holdings is Holdings, shall have by an amendment to or restatement of the applicable Mortgage confirmed that its obligations thereunder shall apply to the Successor Holdings' obligations under this Agreement, (vi) Holdings shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation, consolidation, liquidation or Disposition and any supplements to the Credit Documents preserve the enforceability of the Guarantee and the perfection of the Liens on the Collateral under the Security Documents, (vii) the Successor Holdings shall, immediately following such merger, amalgamation, consolidation, liquidation or Disposition, directly or indirectly, own all Subsidiaries owned by Holdings immediately prior to such merger, amalgamation, consolidation, liquidation or Disposition and (viii) if reasonably requested by the Administrative Agent, an opinion of counsel shall be required to be provided to the effect that such merger, amalgamation, consolidation, liquidation, or Disposition does not breach or result in a default under this Agreement or any other Credit Document; provided, further, that if the foregoing are satisfied, the Successor Holdings (if other than Holdings) will succeed to, and be substituted for, Holdings under this Agreement.

10.10 Consolidated First Lien Debt to Consolidated EBITDA Ratio. Solely with respect to the Revolving Credit Facility and subject to the following proviso, beginning with the Test Period ending March 31, 2019, the Borrower will not permit the Consolidated First Lien Debt to Consolidated EBITDA Ratio as of the last day of any Test Period to be greater than 7.00:1.00; provided, however, that the Borrower shall be required to be in compliance with this Section 10.10 with respect to any Test Period only if the sum of (A) the aggregate principal amount of all Revolving Credit Loans and Swingline Loans plus (B) the aggregate Letter of Credit Obligations (other than (i) those Cash Collateralized in an amount equal to the Stated Amount thereof or otherwise backstopped on terms reasonably acceptable to the Administrative Agent and the applicable Letter of Credit Issuer and (ii) without duplication of amounts described in clause (i) above, Letter of Credit Obligations, the aggregate Stated Amount of which do not exceed the greater of (x) $10,000,000 and (y) the Stated Amount of Existing Letters of Credit outstanding on the Closing Date), in each case outstanding on the last day of such Test Period, exceeds 35.0% of the amount of the Total Revolving Credit Commitment in effect on such date, and, provided, further, that if the lenders under any Additional/Replacement Revolving Credit Commitments have agreed not to have the benefit of this Section 10.10, the Additional/Replacement Revolving Credit Loans made, and letters of credit issued, under such Additional/Replacement Revolving Credit Facility shall be disregarded for purposes of the 35% calculations above.

10.11 Transactions with Affiliates. The Borrower shall not, and shall not permit any of the Restricted Subsidiaries to, enter into any transaction with any Affiliate of the Borrower involving aggregate payments or consideration in excess of the greater of (x) $10,000,000 and (y) 6.25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such transaction occurs (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date except:

(a) such transactions that are made on terms, when taken as a whole, not materially less favorable to the Borrower or such Restricted Subsidiary as would be obtainable by the Borrower or such Restricted Subsidiary at the time in a comparable arm's-length transaction with a Person that is not an Affiliate,

(b) (i) if such transaction is among Holdings, the Borrower and one or more Subsidiary Guarantors or any Restricted Subsidiary or any entity that becomes a Restricted Subsidiary as a result of such transaction or (ii) any merger, consolidation or amalgamation of the Borrower or any Parent Entity of the Borrower, provided that such Parent Entity shall have no material liabilities and no material assets other than cash, Cash Equivalents and the Capital Stock of the Borrower and such merger, consolidation or amalgamation is otherwise in compliance with the terms of this Agreement and effected for a bona fide business purpose,

(c) the payment of Transaction Expenses (including the payment of all fees, expenses, bonuses and awards) and the consummation of the Transactions and the payment of Permitted Change of Control Costs (including the payment of all fees, expenses, bonuses and awards) and the consummation of any Permitted Change of Control,

(d) the issuance of Capital Stock of any Parent Entity, any Equityholding Vehicle or the Borrower to the management of such Parent Entity, the Borrower or any of its Subsidiaries pursuant to arrangements described in clause (m) below,

(e) the payment of indemnities and other similar amounts and reasonable expenses incurred by the Permitted Holders and their respective Affiliates in connection with (i) the management or monitoring of, or the provision of other services rendered to, any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower or any of its Subsidiaries, (ii) monitoring, consulting, management, transaction, advisory or similar fees payable to the Permitted Holders or any other direct or indirect holder of the Equity Interests of the Parent Entity of the Borrower in an aggregate amount in any fiscal year not to exceed the sum of (1) the greater of (A) $5,000,000 and (B) 3.125% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such transaction occurs (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date plus (2) reasonable out-of-pocket costs and expenses in connection therewith and unpaid amounts accrued for prior periods plus (3) any deferred fees (to the extent such fees were within such amount in clause (1) above originally) and (iii) the present value of all amounts payable pursuant to any agreement described in clause (ii) in connection with the termination of any agreements to pay such fees,

(f) equity issuances, repurchases, retirements, redemptions or other acquisitions or retirements of Capital Stock by any Parent Entity of the Borrower, any Equityholding Vehicle or the Borrower permitted under Section 10.6 and any actions by the Borrower and its Restricted Subsidiaries to permit the same,

(g) loans, guarantees and other transactions by any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower and the Restricted Subsidiaries to the extent permitted under Section 10 (other than by reliance on this Section 10.11),

(h) the entry into, performance under, and making of any payments in respect of any employment, compensation and severance arrangements and health, disability and similar insurance or benefit plans or supplemental executive retirement benefit plans or arrangements between any Parent Entity of the Borrower, the Borrower and the Restricted Subsidiaries and their respective future, current or former directors, officers, managers, employees, consultants or independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) (including management and/or employee benefit plans or agreements, equity/option plans, management equity plans, subscription agreements or similar agreements pertaining to the repurchase of Capital Stock pursuant to put/call rights or similar rights with current or former employees, officers, managers, directors, consultants or independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) and equity option or incentive plans and other compensation arrangements) in the ordinary course of business or as otherwise approved by the Board of Directors of any Parent Entity of the Borrower or the Borrower,

(i) the payment of customary fees, compensation and reasonable out-of-pocket costs and expenses to, and benefits, indemnities and reimbursements and employment and severance

arrangements provided on behalf of, or for the benefit of, future, current or former, directors, managers, consultants, officers, employees and independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) of any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower and the Restricted Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Borrower and the Restricted Subsidiaries,

(j) transactions pursuant to permitted agreements in existence on the Closing Date and set forth on Schedule 10.11 or any amendment thereto to the extent such an amendment is not adverse, taken as a whole, to the interests of the Lenders in any material respect as compared to the applicable agreement in effect on the Closing Date (as determined in the good-faith judgment of the Borrower),

(k) Restricted Payments permitted under Section 10.6, and Investments permitted under Section 10.5,

(l) payments (including reimbursement of out-of-pocket fees and expenses) by the Borrower and any Restricted Subsidiaries to the Permitted Holders and any of their respective Affiliates made for any financial advisory, financing, underwriting or placement services or in respect of other investment banking activities (including in connection with acquisitions or Dispositions, whether or not consummated), which payments are approved by the majority of the members of the Board of Directors or a majority of the disinterested members of the Board of Directors of any Parent Entity of the Borrower or Holdings in good faith,

(m) any issuance or transfer of Capital Stock, or other payments, awards or grants in cash, securities, Capital Stock or otherwise pursuant to, or the funding of, employment arrangements, equity options and equity ownership plans approved by the Board of Directors of any Parent Entity of the Borrower, any Equityholding Vehicle or the Borrower, as the case may be and the granting and performing of customary registration rights,

(n) the issuance and sale or transfer of any Qualified Capital Stock and any purchase by any Parent Entity of the Borrower of the Qualified Capital Stock of the Borrower; provided that, to the extent required by Section 9.11, any Capital Stock of the Borrower so purchased shall be pledged to the Collateral Agent for the benefit of the Secured Parties pursuant to the Pledge Agreement,

(o) transactions with wholly owned Subsidiaries for the purchase or sale of goods, products, parts and services entered into in the ordinary course of business in a manner consistent with prudent business practice followed by companies in the industry of the Borrower and its Subsidiaries,

(p) transactions with customers, clients, suppliers, Joint Venture partners or purchasers or sellers of goods or services, in each case in the ordinary course of business or that are consistent with past practice,

(q) any contribution by any Parent Entity or Equityholding Vehicle to the capital of the Borrower,

(r) transactions with Joint Ventures for the purchase or sale of goods, equipment and services entered into in the ordinary course of business and in a manner consistent with prudent business practice followed by companies in the industry of the Borrower and its Subsidiaries,

(s) any transaction between or among Holdings, the Borrower or any Restricted Subsidiary and any Affiliate of Holdings, the Borrower or a Joint Venture or similar Person that would constitute an Affiliate transaction solely because Holdings, the Borrower or a Restricted Subsidiary owns Capital Stock in or otherwise controls such Affiliate, Joint Venture or similar Person or due to the fact that a director of such Joint Venture or similar Person is also a director of the Borrower or any Restricted Subsidiary (or any Parent Entity);

(t) Affiliate repurchases of the Loans or Commitments or Second Lien Term Loans or commitments under any documentation governing any second lien obligations to the extent permitted under this Agreement and the holding of such Loans or Commitments or Second Lien Term Loans and the payments and other transactions contemplated under this Agreement in respect thereof;

(u) customary transactions effected as part of any Qualified Receivables Facility that are otherwise permitted under this Agreement;

(v) the entering into, and payments by, any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower and the Restricted Subsidiaries pursuant to tax sharing agreements among any such Parent Entity, any Equityholding Vehicle, the Borrower and the Restricted Subsidiaries on customary terms; provided that payments by Borrower and the Restricted Subsidiaries under any such tax sharing agreements shall not exceed the excess (if any) of the amount they would pay on a standalone basis over the amount they actually pay to Governmental Authorities;

(w) transactions in which the Borrower or any Restricted Subsidiary, as the case may be, delivers to the Administrative Agent a letter from an independent financial advisor stating that such transaction is fair to the Borrower or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (a) of this Section 10.11;

(x) payments, loans, advances or guarantees (or cancellation of loans, advances or guarantees) to future, current or former employees, directors or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members) of the Borrower, any of the Restricted Subsidiaries or any Parent Entity or Equityholding Vehicle and employment agreements, equity option plans and other compensatory arrangements with any such employees, directors or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members) which, in each case, are approved by the Borrower in good faith;

(y) (i) Investments by any of the Permitted Holders in securities of any Parent Entity, the Borrower or any Restricted Subsidiary (and payment of out-of-pocket expenses incurred by such Permitted Holders in connection therewith) so long as the Investment is being offered generally to other investors on the same or more favorable terms and (ii) payments to Permitted Holders in respect of securities or loans of the Borrower or any of the Restricted Subsidiaries contemplated in the foregoing subclause (i) or that were acquired from Persons other than any Parent Entity, the Borrower or any Restricted Subsidiary, in each case, in accordance with the terms of such securities or loans;

(z) pledges of Capital Stock of Unrestricted Subsidiaries;

(aa) 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 not entered into in contemplation of such designation) and transactions entered into by an Unrestricted Subsidiary with an Affiliate prior to the redesignation of any such Unrestricted Subsidiary as a Restricted Subsidiary (and not entered into in contemplation of such designation);

(bb) the existence of, and performance under, customary obligations under the terms of any equityholders agreement, principal investors agreement (including any registration rights or purchase agreement related thereto) to which any Parent Entity, Equityholding Vehicle, the Borrower or any Restricted Subsidiary is a party as of the Closing Date (as such agreement may be amended or otherwise modified from time to time) and any similar agreements relating to the Capital Stock of any of the foregoing which the relevant parties may enter into after the Closing Date (except to the extent the performance of such obligations is otherwise prohibited under the terms of this Agreement);

(cc) any lease entered into between the Borrower or any Restricted Subsidiary, as lessee, and any Affiliate of the Borrower, as lessor, which is approved by the Borrower in good faith;

(dd) intellectual property licenses entered into in the ordinary course of business;

(ee) payments to and from, and transactions with, any Joint Ventures or Unrestricted Subsidiaries entered into in the ordinary course of business or consistent with past practice (including, without limitation, any cash management activities related thereto);

(ff) transactions undertaken in good faith (as certified by a responsible financial or accounting officer of the Borrower in an Officer's Certificate) for the purpose of improving the consolidated tax efficiency of the Borrower and its Subsidiaries and not for the purpose of circumventing any covenant set forth in this Agreement;

(gg) equity repurchases, retirements, redemptions or other acquisitions or retirements of Capital Stock by any Parent Entity of the Borrower, any Equityholding Vehicle or the Borrower permitted under Section 10.6 and any actions by the Borrower and its Restricted Subsidiaries to permit the same; and

(hh) the payment of Permitted Change of Control Costs (including the payment of all fees, expenses, bonuses and awards) and the consummation of any Permitted Change of Control.

SECTION 11. Events of Default. Upon the occurrence of any of the following specified events (each an "Event of Default"):

11.1 Payments. The Borrower shall (a) default in the payment when due of any principal of the Loans or (b) default, and such default shall continue (i) for five or more Business Days, in the payment when due of any interest on the Loans or (ii) for ten or more Business Days, in the payment when due of any fees or any other amounts owing hereunder or under any other Credit Document (other than any amount referred to in clause 11.1(a) or clause 11.1(b)(i)); or

11.2 Representations, Etc. Any representation, warranty or statement made or deemed made by any Credit Party herein or in any other Credit Document or any certificate, statement, report or other document 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 such representation, warranty or statement, if capable of being cured, remains incorrect in such respect for 30 days after receipt by the Borrower of written notice thereof by the Administrative Agent; 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 (with respect to the existence of the Borrower only) or Section 10; provided that with respect to Section 10.10, (i) an Event of Default (a "Financial Performance Covenant Event of Default") shall not occur until the expiration of the 15th Business Day subsequent to the date the certificate calculating compliance with Section 10.10 as of the last day of any fiscal quarter is required to be delivered pursuant to Section 9.1(d) (without giving pro forma effect to any grace period for such delivery) with respect to such fiscal quarter or fiscal year, as applicable, and (ii) any default under Section 10.10 shall not constitute an Event of Default with respect to any Loans or Commitments hereunder, other than the Revolving Credit Loans and the Revolving Credit Commitments, until the date on which the Revolving Credit Loans (if any) have been accelerated, and the Revolving Credit Commitments have been terminated, in each case, by the Required Revolving Credit Lenders (provided that if Revolving Credit Lenders under any Incremental Facility have agreed not to have the benefit of the covenant set forth in Section 10.10, such Revolving Credit Lenders and such Incremental Facility shall be disregarded for purposes of determining the "Required Revolving Credit Lenders" under this paragraph), or (b) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1, Section 11.2 and clause (a) of this Section 11.3) contained in this Agreement or any other Credit Document and such default shall continue unremedied for a period of at least 30 days after receipt of written notice by the Borrower from the Administrative Agent or the Required Lenders; or

11.4 Default Under Other Agreements. (a) The Borrower or any of the Restricted Subsidiaries shall (i) fail to make any required payment with respect to any Indebtedness (other than any Indebtedness described in Section 11.1) in excess of $35,000,000 beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created or (ii) fail to observe or perform 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 (other than, (i) with respect to Indebtedness consisting of any Hedging Agreements, termination events or equivalent events pursuant to the terms of such Hedging Agreements and (ii) secured Indebtedness that becomes due solely as a result of the sale, transfer or other Disposition (including as a result of Recovery Event) of the property or assets securing such Indebtedness), 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 prior to its stated maturity; provided that such failure remains unremedied or has not been waived (including in the form of an amendment) by the holders of such Indebtedness 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 prior to the stated maturity thereof other than by (x) a regularly scheduled required prepayment or (y) as a mandatory prepayment or redemption; provided that this clause (b) shall not apply to (A) Indebtedness outstanding under any Hedging Agreements that becomes due pursuant to a termination event or equivalent event under the terms of such Hedging Agreements, (B) secured Indebtedness that becomes due as a result of a Disposition or a Recovery Event with respect to the property or assets securing such Indebtedness or (C) Indebtedness that is convertible into Capital Stock and converts to Capital Stock in accordance with its terms; or

11.5 Bankruptcy, Etc. Holdings, the Borrower or any Specified Subsidiary shall commence a voluntary case, proceeding or action concerning itself under the Bankruptcy Code; or an involuntary case, proceeding or action is commenced against Holdings, the Borrower or any Specified Subsidiary under the Bankruptcy Code and the petition is not dismissed within 60 days after commencement of the case, proceeding or action; or Holdings, the Borrower or any Specified Subsidiary commences any other

proceeding or action under any other Debtor Relief Law of any jurisdiction whether now or hereafter in effect relating to Holdings, the Borrower or any Specified Subsidiary; or a custodian (as defined in the Bankruptcy Code), receiver, receiver manager, trustee or similar person is appointed for, or takes charge of, all or substantially all of the property of Holdings, the Borrower or any Specified Subsidiary; or there is commenced against Holdings, the Borrower or any Specified Subsidiary under any other Debtor Relief Law any such proceeding or action that remains undismissed for a period of 60 days; or any order of relief or other order approving any such case or proceeding or action is entered; or Holdings, the Borrower or any Specified Subsidiary suffers any appointment of any custodian, receiver, receiver manager, trustee 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 Borrower or any Specified Subsidiary makes a general assignment for the benefit of creditors; or

11.6 ERISA. (a) With respect to any Pension Plan, the failure by Holdings, the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate to satisfy the minimum funding standard required for any plan year or part thereof, whether or not waived, under Section 412 of the Code; with respect to any Multiemployer Plan, the failure to make any required contribution or payment; 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 or any Multiemployer Plan is in "endangered or critical status" within the meaning of Section 432 of the Code or Section 305 of ERISA; any Pension Plan is or shall have been terminated or is the subject of termination proceedings by the PBGC under Title IV of ERISA (including the giving of written notice thereof); a determination that a Multiemployer Plan is "insolvent" within the meaning of Section 4245 of ERISA; with respect to any Multiemployer Plan, notification by the administrator of such Multiemployer Plan that the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate has incurred or will be assessed Withdrawal Liability to such Multiemployer Plan; the PBGC provides written notice of its intent to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan in a manner that results in a liability under Title IV of ERISA to the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate; an event shall have occurred or a condition shall exist entitling the PBGC to provide written notice of its intent to terminate any Pension Plan; the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate has incurred or is reasonably likely to incur a liability to or on account of a Pension Plan or Multiemployer Plan under Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069 or 4212(c) of ERISA or Section 4971 or 4975 of the Code (including the receipt by Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate of written notice thereof); any termination of a Foreign Plan has occurred that gives rise to liability for Holdings, the Borrower or any Restricted Subsidiary; or any non-compliance with the funding requirements under Applicable Law for any Foreign Plan has occurred; (b) there could result from any event or events set forth in clause (a) of this Section 11.6 the imposition of a Lien, the granting of a security interest, or a liability, or the reasonable likelihood of incurring a Lien, security interest or liability; and (c) such Lien, security interest or liability will or would be reasonably likely to have a Material Adverse Effect; or

11.7 Guarantee. The Guarantee or any material provision thereof shall cease to be in full force or effect or any Guarantor thereunder or any Credit Party shall deny or disaffirm in writing any Guarantor's obligations under the Guarantee; or

11.8 Security Document. Any Security Document or any material provision thereof 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 Administrative Agent, the Collateral Agent or any Lender), or any grantor, pledgor or mortgagor thereunder or any Credit Party shall deny or disaffirm in writing any grantor's, pledgor's or mortgagor's obligations under such Security Document; or

11.9 Judgments. One or more judgments or decrees shall be entered against Holdings, the Borrower or any of the Restricted Subsidiaries for the payment of money in an aggregate amount in

excess of $35,000,000 for all such judgments and decrees for Holdings, the Borrower and the Restricted Subsidiaries (to the extent not paid or fully covered by insurance provided by a carrier not disputing coverage) and any such judgments or decrees shall not have been satisfied, vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or

11.10 Change of Control. A Change of Control shall occur; provided that a Permitted Change of Control shall not constitute an Event of Default with respect to any Loans or Commitments hereunder except the Revolving Credit Loans and the Revolving Credit Commitments;

then, and in any such event, and at any time thereafter, if any Event of Default shall then be continuing, the Administrative Agent shall, upon the written request of the Required Lenders, by written notice to the Borrower, take any or all of the following actions: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, (ii) require that the Letter of Credit Obligations be Cash Collateralized as provided in Section 3.8(b) and (iii) declare the principal of and any accrued interest and fees in respect of all Loans and all Obligations owing hereunder and thereunder 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 the Borrower without prejudice to the rights of any Agent or any Lender to enforce its claims against the Borrower, except as otherwise specifically provided for in this Agreement (provided that, if an Event of Default specified in Section 11.5 with respect to the Borrower shall occur, no written notice by the Administrative Agent shall be required and the Commitments shall automatically terminate and all amounts in respect of all Loans and all Obligations shall automatically become forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower).

Notwithstanding the foregoing, during any period during which solely a Financial Performance Covenant Event of Default has occurred and is continuing, the Administrative Agent may with the consent of, and shall at the request of, the Required Revolving Credit Lenders take any of the foregoing actions described in the immediately preceding paragraph solely as they relate to the Revolving Credit Lenders (versus the Lenders), the Revolving Credit Commitments (versus the Commitments), the Revolving Credit Loans and the Swingline Loans (versus the Loans), and the Letters of Credit.

11.11 Borrower's Right to Cure.

(a) Financial Performance Covenant. Notwithstanding anything to the contrary contained in this Section 11, in the event that the Borrower reasonably expects to fail (or has failed) to comply with the requirements of the Financial Performance Covenant as of the end of any Test Period, at any time during the last fiscal quarter of such Test Period through and until the expiration of the 15th Business Day subsequent to the date the financial statements are required to be delivered pursuant to Section 9.1(a) or Section 9.1(b) with respect to such fiscal quarter (the "Cure Deadline"), the Borrower (or any Parent Entity thereof) shall have the right to issue Capital Stock (other than Disqualified Capital Stock) for cash or otherwise receive cash contributions to (or, in the case of any Parent Entity of Holdings, receive equity interests in Holdings for its cash contributions to) the Capital Stock (other than Disqualified Capital Stock) of the Borrower (collectively, the "Cure Right"), and upon the receipt by the Borrower of the net proceeds of such issuance or contribution (the "Cure Amount") pursuant to the exercise by the Borrower of such Cure Right; provided such Cure Amount is received by the Borrower on or before the applicable Cure Deadline, compliance with the Financial Performance Covenant for such Test Period shall be recalculated giving pro forma effect to the following pro forma adjustments:

(i) Consolidated EBITDA shall be increased with respect to such applicable fiscal quarter with respect to which such Cure Amount is received by the Borrower and any Test Period that includes such fiscal quarter, solely for the purpose of determining whether an Event of

Default has occurred and is continuing as a result of a violation of the Financial Performance Covenant and, subject to clause (c) below, not for any other purpose under this Agreement, by an amount equal to the Cure Amount and any prepayment of Indebtedness with the Cure Amount shall be disregarded for purposes of measuring the Financial Performance Covenant for such Test Period;

(ii) if, after giving pro forma effect to such increase in Consolidated EBITDA, the Borrower shall then be in compliance with the requirements of the Financial Performance Covenant, the Borrower shall be deemed to have satisfied the requirements of the Financial Performance Covenant 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 the Financial Performance Covenant that had occurred shall be deemed cured for purposes of this Agreement; and

(iii) Consolidated First Lien Debt in the Test Period for which the Cure Amount is deemed applied shall be decreased solely to the extent proceeds of the Cure Amount are applied to prepay any Indebtedness (provided that any such Indebtedness so prepaid shall be a permanent repayment of such Indebtedness and termination of commitments thereunder) included in the calculation of Consolidated First Lien Debt;

provided that the Borrower shall have notified the Administrative Agent in writing of the exercise of such Cure Right within five Business Days of the receipt of the Cure Amounts.

(b) Limitation on Exercise of Cure Right. Notwithstanding anything herein to the contrary, (i) in each four fiscal-quarter period there shall be no more than two fiscal quarters with respect to which the Cure Right is exercised, (ii) there shall be no more than five exercises of Cure Right in the aggregate, (iii) the Cure Amount shall be no greater than the amount required for purposes of complying with the Financial Performance Covenant as of the end of such fiscal quarter (such amount, the "Necessary Cure Amount"); provided that, if the Cure Right is exercised prior to the date financial statements are required to be delivered for such fiscal quarter then the Cure Amount shall be equal to the amount reasonably determined by the Borrower in good faith that is required for purposes of complying with the Financial Performance Covenant for such fiscal quarter (such amount, the "Expected Cure Amount"), (iv) subject to clause (c) below, all Cure Amounts shall be disregarded for purposes of determining the Applicable Margin, any baskets, with respect to the covenants contained in the Credit Documents, any "Incurrence" based financial ratio or the usage of the Available Amount or the Available Equity Amount and (v) no borrowing shall be made under the Revolving Credit Facility (or Letters of Credit issued, increased or extended) following a breach of the Financial Performance Covenant until the Cure Amount has actually been received by the Borrower.

(c) Expected Cure Amount. Notwithstanding anything herein to the contrary, to the extent that the Expected Cure Amount is (i) greater than the Necessary Cure Amount, then such difference may be used for the purposes of determining any baskets (other than any previously contributed Cure Amounts), with respect to the covenants contained in the Credit Documents, the Available Amount or the Available Equity Amount and (ii) less than the Necessary Cure Amount, then not later than the applicable Cure Deadline, the Borrower must receive the cash proceeds of the Cure Amount or a cash capital contribution to Holdings, which cash proceeds received by Borrower shall be equal to the shortfall between such Expected Cure Amount and such Necessary Cure Amount.

SECTION 12. The Administrative Agent and the Collateral Agent.

12.1 Appointment.

(a) Each Lender hereby irrevocably designates and appoints Morgan Stanley Senior Funding, Inc. (together with any successor Administrative Agent pursuant to Section 12.11) as Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents, and each such Lender 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. 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.

(b) Each Lender hereby appoints Morgan Stanley Senior Funding, Inc. (together with any successor Collateral Agent pursuant to Section 12.11) as the Collateral Agent hereunder and authorizes the Collateral Agent to (i) take such action on its behalf and to exercise all rights, powers and remedies and perform the duties as are expressly delegated to the Collateral Agent under such Credit Documents and (ii) exercise such powers as are reasonably incidental thereto. For purposes of the exculpatory, liability-limiting, indemnification and other similar provisions of this Section 12, references to the "Administrative Agent" shall be deemed to include the Collateral Agent in its capacity as such. Each Lender hereby appoints the Collateral Agent to enter into, and sign for and on behalf of the Lenders as Secured Parties, the Security Documents for the benefit of the Lenders and the Secured Parties.

(c) Each Lead Arranger and each Joint Bookrunner, 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 Limited Duties. Under the Credit Documents, the Administrative Agent (i) is acting solely on behalf of the Lenders (except to the limited extent provided in Section 2.5(e)), with duties that are entirely administrative in nature, notwithstanding the use of the defined term "Administrative Agent", the terms "agent", "administrative agent" and "collateral agent" and similar terms in any Credit Document to refer to the Administrative Agent, which terms are used for title purposes only, (ii) is not assuming any obligation under any Credit Document other than as expressly set forth therein or any role as agent, fiduciary or trustee of or for any Lender or any other Secured Party and (iii) shall have no implied functions, responsibilities, duties, obligations or other liabilities under any Credit Document, and each Lender hereby waives and agrees not to assert any claim against the Administrative Agent based on the roles, duties and legal relationships expressly disclaimed in clauses (i) through (iii) above.

12.3 Binding Effect. Each Lender agrees that (i) any action taken by the Administrative Agent or the Required Lenders (or, if expressly required hereby, a greater proportion of the Lenders) or the Required Revolving Credit Lenders in accordance with the provisions of the Credit Documents, (ii) any action taken by the Administrative Agent in reliance upon the instructions of Required Lenders (or, where so required, such greater proportion) or the Required Revolving Credit Lenders and (iii) the exercise by the Administrative Agent or the Required Lenders (or, where so required, such greater proportion) or the Required Revolving Credit Lenders of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Secured Parties.

12.4 Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement and the other Credit Documents by or through agents or attorneys-in-fact, or through their respective Related Parties, and shall be entitled to advice of counsel concerning all matters pertaining to

such duties. The exculpatory provisions of this Section 12 shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

12.5 Exculpatory Provisions. Neither the Administrative Agent nor any of its respective officers, directors, employees, agents, attorneys-in-fact or Affiliates shall (a) be liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Credit Document, including, for the avoidance of doubt, any action taken by it in good faith in connection with the entry into, or any amendment of, or any action taken in connection with, any Customary Intercreditor Agreement contemplated by the terms hereof (except for its or such Person's own gross negligence or willful misconduct as determined in a final and non-appealable decision of a court of competent jurisdiction), (b) be responsible for or have any duty to ascertain or inquire into (i) any recitals, statements, representations or warranties contained in this Agreement or any other Credit Document or in any certificate, report, statement, agreement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Credit Document, (ii) the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document, (iii) the creation, perfection priority of any Lien purported to be created by the Credit Documents, (iv) any failure of the Borrower, any Guarantor or any other Credit Party to perform its obligations hereunder or thereunder or the occurrence of any Default or (v) the value or the sufficiency of any Collateral, (c) be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (d) have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Credit Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Credit Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Credit Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law and (e) except as expressly set forth herein and in the other Credit Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not 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 the Borrower. The Administrative Agent shall have no responsibility or liability for monitoring or enforcing the list of Disqualified Lenders or for any assignment or participation to a Disqualified Lender.

12.6 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex, electronic mail message or teletype message, statement, order or other document or conversation believed by it to be genuine 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 the Borrower), independent accountants and other experts selected by the Administrative 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 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 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.

12.7 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received written notice from a Lender or the Borrower 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 written notice, the Administrative Agent 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).

12.8 Non-Reliance on Administrative Agent and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor any of its 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 hereinafter taken, including any review of the affairs of the Borrower, any Guarantor or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties, 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 the Borrower, any Guarantor and any 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 or any other Lender or any of their Related Parties, 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 the Borrower, any 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, the Administrative Agent shall not 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 the Borrower, any Guarantor or any other Credit Party that may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

12.9 Indemnification. The Lenders agree to indemnify the Administrative Agent in its capacity as such (to the extent required to be reimbursed by the Borrower and not so reimbursed by the Borrower, and without limiting the obligation of the Borrower 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 the Administrative 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 under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct as determined in a final and non-appealable decision of a court of competent jurisdiction. The agreements in this Section 12.9 shall survive the payment of the Loans and all other amounts payable hereunder.

12.10 Agent in Its Individual Capacity. Each of Morgan Stanley Senior Funding, Inc. and its Affiliates may make loans to, and accept deposits from, and generally engage in any kind of business with the Borrower, any Guarantor and any other Credit Party as though Morgan Stanley Senior Funding, Inc. was not the Administrative Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, Morgan Stanley Senior Funding, Inc. 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 the Administrative Agent, and the terms "Lender" and "Lenders" shall include Morgan Stanley Senior Funding, Inc. in its individual capacity.

12.11 Successor Agent. The Administrative Agent and/or the Collateral Agent may resign as the Administrative Agent and/or Collateral Agent, as the case may be, upon 30 days' prior written notice to the Lenders, the Letter of Credit Issuer, the other Agents and the Borrower. If the Administrative Agent and/or Collateral Agent becomes a Defaulting Lender or is in material breach of its obligations under the Credit Documents as an Administrative Agent and/or Collateral Agent, as the case may be, then such Administrative Agent or Collateral Agent, as the case may be, may be removed as the Administrative Agent or Collateral Agent, as the case may be, at the reasonable request of the Borrower and the Required Lenders. If the Administrative Agent and/or Collateral Agent shall resign or be removed as the Administrative Agent and/or the Collateral Agent under this Agreement and the other Credit Documents, then (a) the Required Lenders shall appoint from among the Lenders a successor for the Lenders within 30 days, or (b) in the case of a resignation, the Administrative Agent and/or the Collateral Agent may, on behalf of the Lenders, appoint a successor Administrative Agent and/or the Collateral Agent, as applicable, selected from among the Lenders. In either case, the successor shall be approved by the Borrower (which approval shall not be unreasonably withheld and shall not be required if an Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing), whereupon such successor shall succeed to the rights, powers and duties of the Administrative Agent and/or the Collateral Agent, and the term "Administrative Agent", and/or "Collateral Agent", as applicable, shall mean such successor effective upon such appointment and approval, and the former Administrative Agent's and/or Collateral Agent's rights, powers and duties as the Administrative Agent and/or the Collateral Agent shall be terminated without any other or further act or deed on the part of such former Administrative Agent and/or Collateral Agent or any of the parties to this Agreement or any Lenders or other holders of the Loans. If no successor has accepted appointment as Administrative Agent and/or the Collateral Agent by the date which is thirty (30) days following the retiring Administrative Agent's and/or Collateral Agent's notice of resignation, as the case may be, (x) the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Lenders shall perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor as provided for above and (y) the retiring Collateral Agent's resignation shall nevertheless thereupon become effective at such time as a successor Collateral Agent shall have been appointed, and such successor Collateral Agent shall have accepted such appointment, in accordance with the terms of this

Section 12.11 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 reasonably request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents. After any retiring or removed Administrative Agent's and/or the Collateral Agent's resignation or removal as the Administrative Agent and/or Collateral Agent, the provisions of this Section 12 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent and/or Collateral Agent under this Agreement and the other Credit Documents.

Any resignation or replacement by Morgan Stanley Senior Funding, Inc. as Administrative Agent pursuant to this Section shall also constitute its resignation or replacement as Letter of Credit Issuer and Swingline Lender. If Morgan Stanley Senior Funding, Inc. resigns or is replaced as Letter of Credit Issuer, it shall retain all the rights, powers, privileges and duties of the Letter of Credit Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation or replacement as Letter of Credit Issuer and all Letter of Credit Obligations with respect thereto, including the right to require the Lenders to make Revolving Credit Loans or fund risk participations in Unpaid Drawings pursuant to Sections 3.3 and 3.4. At the time such resignation or replacement shall become effective, the Borrower shall pay to Morgan Stanley Senior Funding, Inc. all accrued and unpaid fees pursuant to Sections 4.1(b) and 4.1(d). After such resignation or replacement, Morgan Stanley Senior Funding, Inc. shall not be required to issue additional Letters of Credit or amend or renew existing Letters of Credit or provide any additional Swingline Loans. If Morgan Stanley Senior Funding, Inc. resigns as Swingline Lender, it shall retain all the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Revolving Credit Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.1(d)(ii). Upon the appointment by the Borrower of a successor Letter of Credit Issuer or Swingline Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (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 or Swingline Lender, as applicable, (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 Morgan Stanley Senior Funding, Inc. to effectively assume the obligations of Morgan Stanley Senior Funding, Inc. with respect to such Letters of Credit.

12.12 Withholding Tax. To the extent the Administrative Agent reasonably believes that it is required by any Applicable Law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding tax. Without limiting or expanding the obligations of the Credit Parties under Section 5.4, if the United States 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 (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 which rendered the exemption from, or reduction of, withholding tax ineffective, or for any other reason), such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as tax or otherwise, including penalties and interest, together with all expenses incurred, including legal expenses, allocated staff costs and any out-of-pocket expenses. The agreements in this Section 12.12 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder. The Administrative Agent shall be entitled to set off any amounts owing to it under Section 12.12 against any amounts otherwise payable to the applicable Lender.

12.13 Duties as Collateral Agent and as Paying Agent. Without limiting the generality of Section 12.1 above, the Collateral Agent shall have the sole and exclusive right and authority (to the exclusion of the Lenders each Hedge Bank and each Cash Management Bank), and is hereby authorized, to (i) act as the disbursing and collecting agent for the Secured Parties with respect to all payments and collections arising in connection with the Credit Documents (including in any proceeding described in Section 11.5 or any other proceedings under any other Debtor Relief Laws, and each Person making any payment in connection with any Credit Document to any Secured Party is hereby authorized to make such payment to the Collateral Agent, (ii) file and prove claims and file other documents necessary or desirable to allow the claims of the Secured Parties with respect to any Obligation in any proceeding described in Section 11.5 or any other proceedings under any other Debtor Relief Laws (but not to vote, consent or otherwise act on behalf of such Secured Party), (iii) act as collateral agent for each Secured Party for purposes of the perfection of all Liens created by such agreements and all other purposes stated therein, (iv) manage, supervise and otherwise deal with the Collateral, (v) take such other action as is necessary or desirable to maintain the perfection and priority of the Liens created or purported to be created by the Credit Documents, (vi) except as may be otherwise specified in any Credit Document, exercise all remedies given to the Collateral Agent and the other Secured Parties with respect to the Collateral, whether under the Credit Documents, applicable requirements of law or otherwise, (vii) negotiate the form of any Mortgage and (viii) execute any amendment, consent or waiver under the Security Documents on behalf of the Secured Parties, to the extent consented to in accordance with Section 13.1 and the terms thereof; provided, however, that the Collateral Agent hereby appoints, authorizes and directs each Lender to act as collateral sub-agent for the Collateral Agent and the other Secured Parties for purposes of the perfection of all Liens with respect to the Collateral, including any deposit account maintained by a Credit Party with, and cash and Cash Equivalents held by such Secured Party and may further authorize and direct the Secured Parties to take further actions as collateral sub-agents for purposes of enforcing such Liens or otherwise to transfer the Collateral subject thereto to the Collateral Agent, and each Secured Party hereby agrees to take such further actions to the extent, and only to the extent, so authorized and directed.

12.14 Authorization to Release Liens and Guarantees. The Administrative Agent and the Collateral Agent are hereby irrevocably authorized by each of the Lenders to effect any release or subordination of Liens or the Guarantees contemplated by Section 13.17 without further action or consent by the Lenders.

12.15 Intercreditor Agreements. The Collateral Agent is hereby authorized to enter into any Customary Intercreditor Agreement to the extent contemplated by the terms hereof, and the parties hereto acknowledge that such Customary Intercreditor Agreement is binding upon them. Each Lender (a) hereby agrees that it will be bound by and will take no actions contrary to the provisions of the Customary Intercreditor Agreement and (b) hereby authorizes and instructs the Collateral Agent to enter into the Customary Intercreditor Agreement and to subject the Liens on the Collateral securing the Obligations to the provisions thereof. In addition, each Lender hereby authorizes the Collateral Agent to enter into (i) any amendments to any Customary Intercreditor Agreement, and (ii) any other intercreditor arrangements, in the case of clauses (i), and (ii) to the extent required to give effect to the establishment of intercreditor rights and privileges as contemplated and required by Section 10.2 of this Agreement.

Each Lender acknowledges and agrees that (i) Morgan Stanley Senior Funding, Inc. (or one or more of its affiliates) is acting as "Second Priority Representative" under the First Lien/Second Lien Intercreditor Agreement and (ii) any of the Agents (including Morgan Stanley Senior Funding, Inc.) (or one or more of their respective Affiliates) may (but are not obligated to) act as the "Representative" or like term for the holders of Credit Agreement Refinancing Indebtedness under the security agreements with respect thereto and/or under the First Lien/Second Lien Intercreditor Agreement or other Customary Intercreditor Agreement. Each Lender waives any conflict of interest, now contemplated or arising hereafter, in connection therewith and agrees not to assert against any Agent or any of its affiliates any claims, causes of action, damages or liabilities of whatever kind or nature relating thereto.

12.16 Secured Cash Management Agreements and Secured Hedge Agreements. Except as otherwise expressly set forth herein or in any Guarantee or any Security Document, no Cash Management Bank or Hedge Bank that obtains the benefits of any Guarantee or any Collateral by virtue of the provisions hereof or of any Guarantee or any Security 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 Section 12 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 Cash Management Agreements and Secured Hedging 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.

12.17 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, Letter of Credit Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Letter of Credit Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, Letter of Credit Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, Letter of Credit Issuer and the Administrative Agent under Sections 4.1 and 13.5) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and the Letter of Credit Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and Letter of Credit Issuer, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Agents and their respective agents and counsel, and any other amounts due the Administrative Agent under Sections 4.1 and 13.5.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or the Letter of Credit Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or Letter of Credit Issuer or to authorize the Administrative Agent to vote in respect of the claim of any Lender or Letter of Credit Issuer in any such proceeding.

The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Obligations (including accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code of the United States, including under Sections 363, 1123 or 1129 of the Bankruptcy Code of the United States, under any other Debtor Relief Laws or under any similar laws in any other jurisdictions to which a Credit Party is subject, (b) at any other sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any Applicable Law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) in the asset or assets so purchased (or in the Capital Stock or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles to make a bid, (ii) to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or Capital Stock thereof shall be governed, directly or indirectly, by the vote of the Required Lenders, irrespective of the termination of this Agreement and without giving pro forma effect to the limitations on actions by the Required Lenders contained in clauses (i) through (vii) of Section 13.1 of this Agreement, (iii) the Administrative Agent shall be authorized to assign the relevant Obligations to any such acquisition vehicle pro rata by the Lenders, as a result of which each of the Lenders shall be deemed to have received a pro rata portion of any Capital Stock and/or debt instruments issued by such an acquisition vehicle on account of the assignment of the Obligations to be credit bid, all without the need for any Secured Party or acquisition vehicle to take any further action, and (iv) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of debt credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Lenders pro rata and the Capital Stock and/or debt instruments issued by any acquisition vehicle on account of the Obligations that had been assigned to the acquisition vehicle shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action.

12.18 ERISA Lender Acknowledgement.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE

96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of subsections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless subclause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in subclause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, that none of the Administrative Agent, the Lead Arrangers or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Credit Document or any documents related hereto or thereto).

(c) The Administrative Agent and each of the Lead Arrangers hereby informs the applicable Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Credit Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, bankers' acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

SECTION 13. Miscellaneous.

13.1 Amendments and Waivers. Except as expressly set forth in this Agreement, neither this Agreement nor any other Credit Document (other than the Fee Letter), nor any terms hereof or thereof

may be amended, supplemented or modified except in accordance with the provisions of this Section 13.1. Except with respect to any amendment, modification or waiver contemplated in clause (i) below, which shall only require the consent of the Lenders expressly set forth therein and not the Required Lenders or any other majority or required percentage of Lenders of any Class of Loans or Commitments and, except as otherwise set forth in this Agreement, the Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent and/or the Collateral Agent shall, 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 the Credit Parties hereunder or thereunder or (b) waive, on such terms and conditions as the Required Lenders, 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 no such waiver, amendment, supplement or modification shall directly:

(i) without the written consent of each Lender directly and adversely affected thereby:

(A) reduce or forgive the principal of any Loan (it being understood that a waiver of any condition precedent set forth in Section 6 and 7 or waiver or amendment of any Default, Event of Default or mandatory prepayment shall not constitute a reduction or forgiveness of principal);

(B) extend the date of any scheduled amortization payment (including any scheduled Initial Term Loan Repayment Date or any date scheduled for the repayment of any installment of Incremental Term Loans) or the final scheduled maturity date of any Loan (other than as a result of waiving the conditions precedent set forth in Sections 6 and 7 or other than as a result of a waiver or amendment of any Default, Event of Default or mandatory prepayment (which shall not constitute an extension, forgiveness or postponement of any maturity date)); provided that the foregoing shall not apply to extensions effected in accordance with Section 2.15;

(C) reduce the amount of any fee payable hereunder or reduce the stated interest rate applicable to the Loans (it being understood that any change (x) to the definition of "Consolidated First Lien Debt to Consolidated EBITDA Ratio" or (y) in the component definitions thereof shall not constitute a reduction in the rate); provided that only the consent of the Required Lenders shall be necessary (i) to waive any obligation of the Borrower to pay interest at the "default rate", (ii) to amend Section 2.8(c) or (iii) to waive any requirement of Section 2.14(c);

(D) 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 and other than as a result of a waiver or amendment of any Default, Event of Default or mandatory prepayment (which shall not constitute an extension, forgiveness or postponement of any date for payment of principal, interest or fees));

(E) extend the final expiration date of any Lender's Commitment (provided that any Lender, upon the request of the Borrower, may extend the final expiration date of its Commitments without the consent of any other Lender, including the Required Lenders); provided that the foregoing shall not apply to extensions effected in accordance with Section 2.15;

(F) extend the final expiration date of any Letter of Credit beyond the date specified in Section 3.1(b);

(G) increase the aggregate amount of any Commitment of any Lender (other than (i) with respect to any Incremental Facility to which such Lender has agreed, (ii) as a result of waiving the conditions precedent set forth in Sections 6 and 7 or (iii) as a result of a waiver or amendment of any Default or Event of Default (which shall not constitute an extension or increase of any commitment));

(H) decrease or forgive any Repayment Amount; or

(I) amend the "default waterfall" under Section 5.4 of the Security Agreement or Section 12(b) of the Pledge Agreement in a manner that would alter the pro rata sharing of payments thereunder; or

(ii) reduce the percentages specified in the definition of the term "Required Revolving Credit Lenders" without the written consent of all Revolving Credit Lenders,

(iii) amend, modify or waive any provision of this Section 13.1 or reduce the percentages specified in the definition of the term "Required Lenders" or consent to the assignment or transfer by the 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,

(iv) amend, modify or waive any provision of Section 12 without the written consent of then-current Administrative Agent and/or the Collateral Agent, as applicable,

(v) amend, modify or waive any provision of Section 2.16 (to the extent applicable to it) or Section 3 (including any Letter of Credit Sub-Commitment Obligation of any Letter of Credit Issuer) without the written consent of the applicable Letter of Credit Issuer,

(vi) amend, modify or waive any provisions hereof relating to Swingline Loans without the written consent of each affected Swingline Lender, or

(vii) subject to the First Lien/Second Lien Intercreditor Agreement or any other applicable Customary Intercreditor Agreement, release all or substantially all of the value of the Guarantors under the Guarantee (except as expressly permitted by the Guarantee), or release all or substantially all of the Collateral under the Security Documents (except as expressly permitted by the Security Documents), in each case without the prior written consent of each Lender.

provided, further, that (A) any waiver, amendment or modification of this Agreement that by its terms affects the rights or duties under this Agreement of Lenders holding Loans or Commitments of a particular Class (but not the Lenders holding Loans or Commitments of any other Class) may be effected by an agreement or agreements in writing entered into by Holdings, the Borrower, and the requisite percentage in interest of the affected Class of Lenders that would be required to consent thereto under this Section if such Class of Lenders were the only Class of Lenders hereunder at the time and (B) any provision of this Agreement or any other Credit Document may be amended by an agreement in writing entered into by Holdings, the Borrower and the Administrative Agent to cure any ambiguity, omission, defect or inconsistency (including, without limitation, amendments, supplements or waivers to any of the Security Documents, guarantees, intercreditor agreements or related documents executed by any Credit Party or any other Subsidiary in connection with this Agreement if such amendment, supplement or

waiver is delivered in order to cause such Security Documents, guarantees, intercreditor agreements or related documents to be consistent with this Agreement and the other Credit Documents), so long as, in each case, the Lenders shall have received at least five Business Days' prior written notice thereof 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; provided that the consent of the Lenders or the Required Lenders, as the case may be, shall not be required to make any such changes necessary to be made in connection with (w) any borrowing of Incremental Term Loans to effect the provisions of Section 2.14, (x) the provision of any Incremental Revolving Credit Commitment Increase or any Additional/Replacement Revolving Credit Commitments, (y) in connection with an amendment that addresses solely a re-pricing transaction in which any Class of Term Loans is refinanced with a replacement Class of term loans bearing (or is modified in such a manner such that the resulting term loans bear) a lower Effective Yield for which only the consent of the Lenders holding Term Loans subject to such permitted repricing transaction that will continue as a Lender in respect of the repriced tranche of Term Loans or modified Term Loans or (z) changes otherwise to effect the provisions of Section 2.14, 2.15, 2.17 or 10.2(a) and (C) Holdings, the Borrower and the Administrative Agent may, without the input or consent of the other Lenders, (i) negotiate the form of any Mortgage as may be necessary or appropriate in the opinion of the Collateral Agent, (ii) effect changes to this Agreement that are necessary and appropriate to provide for the mechanics contemplated by the offering process set forth in Section 13.6(g)(i)(B) herein and (iii) effect technical changes to this Agreement that are required in connection with a Permitted Change of Control.

Notwithstanding the foregoing, only the consent of the Required Revolving Credit Lenders shall be required to (and only the Required Revolving Credit Lenders shall have the ability to) waive, amend, supplement or modify the covenant set forth in Section 10.10 (including any defined terms as they relate thereto); provided that if Revolving Credit Lenders under any Incremental Facility have agreed not to have the benefit of the covenant set forth in Section 10.10, such Revolving Credit Lenders and such Incremental Facility shall be disregarded for purposes of determining the "Required Revolving Credit Lenders" under this paragraph.

Notwithstanding the foregoing, the Administrative Agent and the Collateral Agent may, without the consent of any Lender, enter into any amendment to the Security Documents or a Customary Intercreditor Agreement contemplated by Section 10.2(a) or 10.2(u) or by Section 8.09(b) of the First Lien/Second Lien Intercreditor Agreement.

To the extent notice has been provided to the Administrative Agent pursuant to the definition of Credit Agreement Refinancing Indebtedness, Permitted Additional Debt or Permitted Refinancing Indebtedness or pursuant to Sections 2.14(c), 10.1(k)(i)(E) or 10.1(s) with respect to the inclusion of any Previously Absent Covenant, this Agreement shall be automatically and without further action on the part of any Person hereunder and notwithstanding anything to the contrary in this Section 13.1 deemed modified to include such Previously Absent Covenant on the date of the Incurrence of the applicable Indebtedness to the extent required by the terms of such definition or section.

13.2 Notices; Electronic Communications. Notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax, as follows:

(a) if to the Borrower, Holdings or any other Credit Party, to it at:

Grocery Outlet Inc.
5650 Hollis St.
Emeryville, CA 94608
Attention: Charles Bracher
Tel: [ ]
Fax: [ ]
Electronic Mail: [ ]

(b) if to the Administrative Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

(c) if to the Collateral Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1300 Thames Street, 4th Floor
Thames Street Wharf
Baltimore, MD 21231
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: DOCS4LOANS@morganstanley.com

(d) if to Morgan Stanley Senior Funding, Inc., as Letter of Credit Issuer, to it at:

Morgan Stanley Senior Funding, Inc.
1300 Thames Street, 4th Floor
Thames Street Wharf
Baltimore, MD 21231
Tel: (443) 627-4555
Fax: (212) 507-5010
Electronic Mail: MSB.LOC@morganstanley.com

(e) if to Morgan Stanley Senior Funding, Inc., as Swingline Lender, to it at:

Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

(f) if to a Lender or other Letter of Credit Issuer (other than as set forth in the immediately preceding clauses (c)-(e)), to it at its address (or fax number) set forth on Schedule 13.2 or in the Assignment and Acceptance, Incremental Agreement or documents relating to any Refinancing pursuant to which such Lender shall have become a party hereto.

All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by fax or on the date five Business Days after dispatch by certified or

registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 13.2 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 13.2. Notices and other communications may also be delivered by e-mail to the email address of a representative of the applicable Person provided from time to time by such Person.

The Borrower hereby agrees, unless directed otherwise by the Administrative Agent or unless the electronic mail address referred to below has not been provided by the Administrative Agent to the Borrower, that it will, or will cause its Subsidiaries to, provide to the Administrative Agent all information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to the Credit Documents or to the Lenders under Section 9, including all notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any such communication that (i) is or relates to a Notice of Borrowing or a notice pursuant to Section 2.6, (ii) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (iii) provides notice of any Default or Event of Default under this Agreement or any other Credit Document or (iv) 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 hereunder (all such non-excluded communications being referred to herein collectively as "Communications"), by transmitting the Communications in an electronic/soft medium that is properly identified in a format reasonably acceptable to the Administrative Agent to an electronic mail address as directed by the Administrative Agent. In addition, the Borrower agrees, and agrees to cause its Subsidiaries, to continue to provide the Communications to the Administrative Agent or the Lenders, as the case may be, in the manner specified in the Credit Documents but only to the extent requested by the Administrative Agent.

The Borrower hereby acknowledges that (a) the Administrative Agent will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, the "Borrower Materials") by posting the Borrower Materials on Intralinks or another similar electronic system (the "Platform") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to Holdings (or any Parent Entity thereof) or the Borrower or any of their respective securities) (each, a "Public Lender"). The Borrower hereby agrees that (x) by marking Borrower Materials "PUBLIC", the Borrower shall be deemed to have authorized the Agents and the Lenders to treat the Borrower Materials as not containing any material non-public information with respect to Holdings (or any Parent Entity thereof) or the Borrower or any of their respective securities for purposes of United States federal securities laws (provided, however, that to the extent such Borrower Materials constitute Confidential Information, they shall be treated as set forth in Section 13.16); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Investor"; and (z) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not marked as "Public Investor." Notwithstanding the foregoing, the following Borrower Materials shall be deemed to be marked "PUBLIC" unless the Borrower notifies the Administrative Agent promptly that any such document contains material non-public information: (1) the Credit Documents, (2) notification of changes in the terms of the Credit Facilities and (3) all information delivered pursuant to Section 9.1(a) and (b).

Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and Applicable Law, including United States federal securities laws, to make reference to Communications that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to Holdings (or any Parent Entity thereof) or the Borrower or any of their respective securities for purposes of United States federal securities laws.

THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." NEITHER THE ADMINISTRATIVE AGENT NOR ANY OF ITS RELATED PARTIES WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS OR THE ADEQUACY OF THE PLATFORM AND EACH EXPRESSLY DISCLAIMS LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. 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 THE ADMINISTRATIVE AGENT OR ANY OF ITS RELATED PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT OR ANY OF ITS RELATED PARTIES HAVE ANY LIABILITY TO ANY CREDIT PARTY, ANY LENDER, ANY OTHER AGENT OR ANY OTHER PERSON FOR DAMAGES OF ANY KIND, WHETHER OR NOT BASED ON STRICT LIABILITY AND INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF ANY CREDIT PARTY'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR NOTICES THROUGH THE PLATFORM, ANY OTHER ELECTRONIC PLATFORM OR ELECTRONIC MESSAGING SERVICE, EXCEPT TO THE EXTENT THE LIABILITY OF ANY SUCH PERSON IS FOUND IN A FINAL DECISION BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED FROM SUCH PERSON'S GROSS NEGLIGENCE, BAD FAITH OR WILLFUL MISCONDUCT.

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 receipt of 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 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 that the foregoing notice may be sent to such e-mail address. Nothing herein shall prejudice the right of the Administrative 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 and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices, Notices of Borrowing and Letter of Credit Requests) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. All telephonic notices to the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

The words "execution", "execute", "signed", "signature", and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Acceptances, amendments or other modifications, Notices of Borrowing, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formation on electronic platforms approved by the Administrative Agent 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.

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.

(a) The Borrower agrees (i) to pay or reimburse each of the Agents, the Lead Arrangers and the Joint Bookrunners for all their reasonable and documented or invoiced out-of-pocket costs and expenses (without duplication) associated with the syndication of the Initial Term Loan Facility and the Revolving Credit Facility and incurred in connection with the development, preparation, execution and delivery of, and any amendment, supplement, modification to, waiver and/or enforcement of 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, including the reasonable fees, disbursements and other charges of Shearman & Sterling LLP and, to the extent necessary, a single firm of local counsel in each appropriate local jurisdiction (which may include a single special counsel acting in multiple jurisdictions) or otherwise retained with the Borrower's consent (such consent not to be unreasonably withheld or delayed), and (ii) to pay or reimburse each of the Agents for all their reasonable and documented and invoiced 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 the reasonable fees, disbursements and other charges of one firm or counsel to the Agents, and, to the extent necessary, a single firm of local counsel in each appropriate local jurisdiction (which may include a single special counsel acting in multiple jurisdictions) or otherwise retained with the Borrower's consent (such consent not to be unreasonably withheld or delayed), and (iii) to pay, indemnify and hold harmless each Lender, each Agent, the Letter of Credit Issuer, each Lead Arranger and each Joint Bookrunner and their respective Related Parties (without duplication) (the "Indemnified Parties") from and against any and all losses, claims, damages, liabilities or penalties (collectively, "Losses") of any kind or nature whatsoever and the reasonable and documented and invoiced out-of-pocket expenses, joint or several, to which any such Indemnified Party may become subject, in each case to the extent of any such Losses and related expenses, to the extent arising out of, resulting from, or in connection with any action, claim, litigation, investigation or other proceeding (including any inquiry or investigation of the foregoing) (any of the foregoing, a "Proceeding") (regardless of whether such Indemnified Party is a party thereto or whether or not such Proceeding was brought by the Borrower, its equity holders, affiliates or creditors or any other third person), and, subject to Section 13.5(e), to reimburse each such Indemnified Party promptly for any reasonable and documented and invoiced out-of-pocket fees and expenses incurred in connection with investigating, responding to or defending any of the foregoing (which in the case of legal fees shall be limited to the reasonable and documented or invoiced out-of-pocket fees, expenses, disbursements and

other charges of a single firm of counsel for all Indemnified Parties, taken as a whole and, to the extent necessary, a single firm of local counsel in each appropriate local jurisdiction (which may include a single special counsel acting in multiple jurisdictions) (and, in the case of an actual or perceived conflict of interest where the Indemnified Party affected by such conflict notifies the Borrower of any existence of such conflict and in connection with the investigating, responding to or defending any of the foregoing has retained its own counsel, of one other firm of counsel for such affected Indemnified Party)), relating to the Transactions or the execution, delivery, enforcement, performance and administration of this Agreement, the other Credit Documents and any such other documents or the use of the proceeds of the Loans or Letters of Credit, (all the foregoing in this clause (iii), collectively, the "indemnified liabilities"); provided that this clause (iii) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, liabilities or penalties arising from any non-Tax claim; and provided, further, that the Borrower shall have no obligation hereunder to any Indemnified Party with respect to indemnified liabilities to the extent arising from (a) the gross negligence, bad faith or willful misconduct of such Indemnified Party or any of its Related Parties as determined in a final and non-appealable decision of a court of competent jurisdiction, (b) a material breach of the obligations of such Indemnified Party or any of its Related Parties under the terms of this Agreement or any other Credit Document by such Indemnified Party or any of its Related Parties as determined in a final and non-appealable decision of a court of competent jurisdiction, (c) in addition to clause (b) above, in the case of any Proceeding initiated by Holdings, the Borrower or any Restricted Subsidiary against the relevant Indemnified Party, solely from a breach of the obligations of such Indemnified Party or its Related Parties under the terms of this Agreement or any other Credit Document as determined in a final and non-appealable decision by a court of competent jurisdiction, or (d) any Proceeding brought by any Indemnified Party against any other Indemnified Party that does not involve an act or omission by Holdings, the Borrower or its Restricted Subsidiaries; provided that each of the Agents, the Letter of Credit Issuers, the Swingline Lender, the Lead Arrangers and the Joint Bookrunners, in each case to the extent fulfilling their respective roles in their capacities as such, shall remain indemnified in respect of such a Proceeding, to the extent that none of the exceptions set forth in clause (a), (b) or (c) of the immediately preceding proviso applies to such Person at such time. All amounts payable under this Section 13.5(a) shall be paid within 30 days after receipt by the Borrower of written demand and an invoice relating thereto setting forth such expense in reasonable detail. The agreements in this Section 13.5 shall survive repayment of the Loans and all other amounts payable hereunder and the termination of the Obligations.

(b) No Credit Party nor any Indemnified Party shall have any liability for any special, punitive, indirect or consequential damages (including any loss of profits, business or anticipated savings) in connection with 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); provided that the foregoing shall not limit the Borrower's indemnification and reimbursement obligations to the Indemnified Parties pursuant to Section 13.5(a)(iii), to the extent that such special, punitive, indirect or consequential damages are included in any claim by a third party unaffiliated with any of the Indemnified Parties with respect to which the applicable Indemnified Party is entitled to indemnification under Section 13.5(a)(iii). No Indemnified Party shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby, except to the extent that such damages have resulted from the willful misconduct, bad faith or gross negligence of any Indemnified Party or any of its Related Parties as determined by a final and non-appealable decision of a court of competent jurisdiction.

(c) No Credit Party shall be liable for any settlement of any Proceeding effected without written consent of the Borrower (which consent shall not be unreasonably withheld or delayed, it being understood that the withholding of consent due to non-satisfaction of any of the conditions described in clauses (i) and (ii) of paragraph (d) below (with "the Borrower" being substituted for "Indemnified Party"

in each such clause) shall be deemed reasonable), but if settled with the Borrower'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, each Credit Party agrees to indemnify and hold harmless each Indemnified Party from and against any and all Losses and reasonable and documented or invoiced 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 of this Section 13.5. If any Person has reimbursed any Indemnified Party for any legal or other expenses in accordance with such request and there is a final and non-appealable determination by a court of competent jurisdiction that the Indemnified Party was not entitled to indemnification or contribution rights with respect to such payment pursuant to this Section 13.5, then the Indemnified Party shall promptly refund such amount.

(d) No Credit Party shall without the prior written consent of any Indemnified Party (which consent shall not be unreasonably withheld or delayed, it being understood that the withholding of consent due to non-satisfaction of any of the conditions described in clauses (i) and (ii) of this sentence shall be deemed reasonable), effect any settlement of any pending or threatened Proceeding in respect of which indemnity could have been sought hereunder by such Indemnified Party unless such settlement (i) includes an unconditional release of such Indemnified Party in form and substance reasonably satisfactory to such Indemnified Party from all liability or claims that are the subject matter of such Proceeding 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 Party.

(e) In case any proceeding is instituted involving any Indemnified Party for which indemnification is to be sought hereunder by such Indemnified Party, then such Indemnified Party will promptly notify the Borrower of the commencement of any proceeding; provided, however, that the failure to do so will not relieve the Borrower from any liability that it may have to such Indemnified Party hereunder, except to the extent that the Borrower is materially prejudiced by such failure. Notwithstanding the above, following such notification, the Borrower may elect in writing to assume the defense of such proceeding, and, upon such election, the Borrower will not be liable for any legal costs subsequently incurred by such Indemnified Party (other than reasonable costs of investigation and providing evidence) in connection therewith, unless (i) the Borrower has failed to provide counsel reasonably satisfactory to such Indemnified Party in a timely manner, (ii) counsel provided by the Borrower reasonably determines its representation of such Indemnified Party would present it with a conflict of interest or (iii) the Indemnified Party reasonably determines that there are actual conflicts of interest between the Borrower and the Indemnified Party, including situations in which there may be legal defenses available to the Indemnified Party which are different from or in addition to those available to the Borrower.

13.6 Successors and Assigns; Participations and Assignments; Etc..

(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 (including any Affiliate of the Letter of Credit Issuer that issues any Letter of Credit), except that (i) except as set forth in Section 10.3, the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the 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. 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 (including any Affiliate of the Letter of Credit Issuer that issues any Letter of Credit), Participants (to the extent provided in Section 13.6(d)) and, to the extent expressly contemplated hereby, the Indemnified Parties) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph 13.6(b)(ii), any Lender may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrower; provided that no consent of the Borrower shall be required (x) for an assignment of any Term Loan to a Lender, an Affiliate of a Lender or an Approved Fund (unless increased costs would result therefrom) or (y) if an Event of Default under Section 11.1 or an Event of Default with respect to the Borrower under Section 11.5 has occurred and is continuing; provided, further, that the Borrower shall be deemed to have consented to any such assignment of a Term Loan unless it shall object thereto by written notice to the Administrative Agent within fifteen Business Days after having received written notice thereof; provided, further, that it shall be understood that, without limitation, the Borrower shall have the right to withhold its consent to any assignment if, in order for such assignment to comply with Applicable Law, the Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority, and

(B) (i) in the case of Term Loans or Commitments in respect of Term Loans, the Administrative Agent; provided that no consent of the Administrative Agent shall be required for an assignment of any Term Loan to a Lender, an Affiliate of a Lender or an Approved Fund or to any Purchasing Borrower Party or any Affiliated Lender and (ii) in the case of Revolving Credit Commitments, Revolving Credit Loans, Additional/Replacement Revolving Credit Commitments or Additional/Replacement Revolving Credit Loans, the Administrative Agent, the Swingline Lender and the Letter of Credit Issuer.

Notwithstanding the foregoing or anything to the contrary set forth herein, any assignment of any Loans to a Purchasing Borrower Party or any Affiliated Lender shall also be subject to the requirements of Section 13.6(g).

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of (i) an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or (ii) an assignment of the entire remaining amount of the assigning Lender's Commitments or Loans of the applicable Class, the amount of the Commitments 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, in the case of Revolving Credit Commitments or Revolving Credit Loans, Additional/Replacement Revolving Credit Commitments or Additional/Replacement Revolving Credit Loans, $5,000,000 (or an integral multiple of $1,000,000 in excess thereof), or, in the case of Initial Term Loan Commitments, Incremental Term Loan Commitments or Term Loans, $1,000,000 (or an integral multiple of $1,000,000 in excess thereof), unless each of the Borrower and the Administrative Agent otherwise consents; provided that no such consent of the Borrower shall be required if an Event of Default under Section 11.1 or Section 11.5 with respect to the Borrower has occurred and is continuing; provided, further, that contemporaneous assignments to a single assignee made by Affiliated Lenders or related Approved Funds or by a single assignor to related Approved Funds shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above;

(B) subject to the terms of Section 13.7(c), the parties to each assignment shall (x) execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system acceptable to the Administrative Agent or (y) if previously agreed

with the Administrative Agent, manually execute and deliver to the Administrative Agent an Assignment and Acceptance, in each case, together with a processing fee of $3,500 (it being understood that such recordation fee shall not apply to any assignment by any of the Lead Arrangers, Joint Bookrunners or any of their respective Affiliates hereunder in connection with the primary syndication of the Initial Term Loan Facility); provided that the Administrative Agent may, in its sole discretion, elect to waive or reduce such processing and recordation fee in the case of any assignment, including assignments effected pursuant to the provisions of Section 13.7;

(C) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent any tax form required by Section 5.4 and an administrative questionnaire in a form approved by the Administrative Agent in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Credit Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and Applicable Laws, including Federal and state securities laws; and

(D) 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 with respect to the Loan or the Commitment assigned, except that this clause (D) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate tranches of Loans (if any) on a non-pro rata basis.

Notwithstanding the foregoing or anything to the contrary set forth herein (i) any assignment of any Loans or Commitments to a Purchasing Borrower Party or an Affiliated Lender shall also be subject to the requirements set forth in Section 13.6(g) and (ii) no natural person may be an Eligible Assignee with respect to any Loans or Commitments.

For the purpose of this Section 13.6(b), the term "Approved Fund" has the following meaning:

"Approved Fund" means any Person (other than a natural person) that is primarily engaged or advises funds or other investment vehicles that are engaged in making, purchasing, holding or investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course of business and that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to Section 13.6(b)(vi), 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 and subject to the requirements of Sections 2.10, 2.11, 5.4 and 13.5); provided that, except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any other party hereto against such Defaulting Lender arising from such Lender's having been a Defaulting Lender. 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 Section 13.6(d).

(iv) By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the assignee thereunder shall be deemed to confirm to and agree with each other and the other parties hereto as follows: (A) such assigning Lender warrants that it is the legal and beneficial owner of the interest being assigned thereby free and clear of any adverse claim and that its Initial Term Loan Commitment, Incremental Term Loan Commitment, Revolving Credit Commitment and Additional/Replacement Revolving Credit Commitment, and the outstanding balances of its Loans, in each case without giving pro forma effect to assignments thereof which have not become effective, are as set forth in such Assignment and Acceptance, (B) except as set forth in (A) above, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement, or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Credit Document or any other instrument or document furnished pursuant hereto, or the financial condition of Holdings, the Borrower or any Subsidiary or the performance or observance by Holdings, the Borrower or any Subsidiary of any of its obligations under this Agreement, any other Credit Document or any other instrument or document furnished pursuant hereto; (C) such assignee represents and warrants that (x) it is legally authorized to enter into such Assignment and Acceptance and (y) to the extent that such assignee has received, upon its request, a notification of whether or not it is on the list of Disqualified Lenders, it is not a Disqualified Lender or an Affiliate of a Disqualified Lender; (D) such assignee confirms that it has received a copy of this Agreement, together with copies of the most recent financial statements referred to in Section 8.9 or delivered pursuant to Section 9.1 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (E) such assignee will independently and without reliance upon the Administrative Agent, the Collateral Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (F) such assignee appoints and authorizes the Administrative Agent and the Collateral Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the other Credit Documents as are delegated to the Administrative Agent and the Collateral Agent, respectively, by the terms hereof, together with such powers as are reasonably incidental thereto; and (G) such assignee agrees that it will perform in accordance with their terms all the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(v) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, 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 interest thereon) 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 Borrower, 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, as in effect at the close of business on the preceding Business Day, shall be available for inspection by (x) the Borrower, each Letter of Credit Issuer and the Collateral Agent and (y) any Lender (solely with respect to its own outstanding Loans and Commitments), in each case, at any reasonable time and from time to time upon reasonable prior notice.

(vi) Upon its receipt of and, if required, consent to, a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed administrative questionnaire and any tax form required by Section 5.4 (unless the assignee shall already be a Lender hereunder) and any written consent to such assignment required by Section 13.6(b)(i), the Administrative

Agent shall promptly accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless and until it has been recorded in the Register as provided in this paragraph.

(c) Notwithstanding any provision to the contrary, any Lender may assign to one or more wholly owned special purpose funding vehicles (each, an "SPV") all or any portion of its funded Loans (without the corresponding Commitment), without the consent of any Person or the payment of a fee, by execution of a written assignment agreement in a form agreed to by such assigning Lender and such SPV, and may grant any such SPV the option, in such SPV's sole discretion, to provide the Borrower all or any part of any Loans that such assigning Lender would otherwise be obligated to make pursuant to this Agreement. Such SPVs shall have all the rights which a Lender making or holding such Loans would have under this Agreement, but no obligations. Any such assigning Lender shall remain liable for all its original obligations under this Agreement, including its Commitment (although the unused portion thereof shall be reduced by the principal amount of any Loans held by an SPV). Notwithstanding such assignment, the Administrative Agent and the Borrower may deliver notices to such assigning Lender (as agent for the SPV) and not separately to the SPV unless the Administrative Agent and the Borrower are requested in writing by the SPV to deliver such notices separately to it. Notwithstanding anything herein to the contrary, (i) neither the grant to the SPV nor the exercise by any SPV of such option will increase the costs or expenses or otherwise change the obligations of the Borrower under this Agreement and the other Credit Documents, except, in the case of Sections 2.10, 2.11, 3.5 or 5.4, where (A) the increase or change results from a change in any Applicable Law after the SPV becomes an SPV and the assigning Lender notifies the Borrower in writing of such increase or change no later than ninety (90) days after such change in Applicable Law becomes effective or (B) the grant was made with the Borrower's prior written consent, (ii) the assigning Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Credit Document and the receipt of any notices provided by the Administrative Agent and the Borrower (as agent for the SPV) remain the Lender of record hereunder and (iii) no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the assigning Lender). The Borrower shall, at the request of any such assigning Lender, execute and deliver to such Person as such assigning Lender may designate, a Note, substantially in the form of Exhibit F-1 or F-2, in the amount of such assigning Lender's original Note to evidence the Loans of such assigning Lender and related SPV.

(d)

(i) Any Lender may, without the consent of the Borrower (other than with respect to participations of any Revolving Credit Commitments or Revolving Credit Loans, which will require Borrower consent (such consent not to be unreasonably withheld or delayed) unless an Event of Default under Section 11.1 or an Event of Default with respect to the Borrower under Section 11.5 has occurred and is continuing), the Administrative Agent, the Collateral Agent or any Letter of Credit Issuer, sell participations to one or more Eligible Assignees (but in any event, not to any Disqualified Lender (to the extent that the list of Disqualified Lenders has been made available to the Lenders)), (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, the Administrative Agent, the Collateral 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. 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 the first proviso to Section 13.1 that affects such Participant. Subject to paragraph (d)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits (and subject to the requirements) of Sections 2.10, 2.11, 5.4 and 13.5 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 13.6(b); provided that the documentation required under Section 5.4(d), (e) and (g) shall be delivered to the participating Lender. To the extent permitted by Applicable Law, each Participant also shall be entitled to the benefits of Section 13.8(b) as though it were a Lender; provided such Participant agrees to 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 Sections 2.10, 2.11, 3.5 or 5.4 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless (A) the entitlement to a greater payment resulted from a change in any Applicable Law after the Participant became a Participant and the participating Lender notifies the Borrower in writing of such entitlement to a greater payment no later than ninety (90) days after such change in Applicable Law becomes effective or (B) the sale of the participation to such Participant is made with the Borrower's prior written consent. Each Lender having sold a participation in any of its Obligations, acting as a non-fiduciary agent of the Borrower solely for this purpose, shall establish and maintain at its address a record of ownership, in which such Lender shall register by book entry (A) the name and address of each such Participant (and each change thereto, whether by assignment or otherwise) and (B) the rights, interest or obligation of each such Participant in any Obligation, in any Commitment and in any right to receive any interest or principal payment hereunder (such register, a "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of its Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Obligation or Commitment) to any Person except to the extent that such disclosure is necessary to establish that such Obligation or Commitment is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive, absent manifest error, and the parties shall treat the Person listed in the Participant Register as the Participant for all purposes of this Agreement, notwithstanding notice to the contrary.

(e) Any Lender may, without the consent of the Borrower, the Collateral Agent 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 or any other central bank, and this Section 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. In order to facilitate such pledge or assignment, the Borrower hereby agrees that, upon request of any Lender at any time and from time to time after the Borrower has made its initial borrowing hereunder, the Borrower shall provide to such Lender, at the Borrower's own expense, a Note evidencing the Loans owing to such Lender.

(f) Subject to Section 13.16, the Borrower 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 Borrower and its Affiliates that has been delivered to such Lender by or on behalf of the Borrower and its Affiliates pursuant to this Agreement or which has been delivered to such Lender by or on behalf of the Borrower and its Affiliates in connection with such Lender's credit evaluation of the Borrower and its Affiliates prior to becoming a party to this Agreement.

(g) (c) Notwithstanding anything else to the contrary contained in this Agreement, any Lender may assign all or a portion of its Term Loans to any Purchasing Borrower Party or any Affiliated Lender in accordance with Section 13.6(b) (which assignment, if to a Purchasing Borrower Party, will

not, except for purposes of making the calculations set forth in Section 5.2(a)(ii), constitute a prepayment of Loans for any purposes of this Agreement and the other Credit Documents); provided that:

(A) with respect to any assignment to a Purchasing Borrower Party, no Event of Default has occurred or is continuing or would result therefrom;

(B) with respect to any such assignment to a Purchasing Borrower Party, either (x) such Purchasing Borrower Party shall offer to all Lenders within any Class of Term Loans (but not, for the avoidance of doubt, to every Class) to buy the Term Loans within such Class on a pro rata basis based on the then outstanding principal amount of all Term Loans of such Class, pursuant to procedures to be reasonably agreed between the Administrative Agent and the Borrower or (y) such assignment shall be effected pursuant to an open market purchase;

(C) the assigning Lender and Purchasing Borrower Party or Non-Debt Fund Affiliate purchasing such Lender's Term Loans, as applicable, shall execute and deliver to the Administrative Agent an assignment agreement substantially in the form of Exhibit I or such other form as shall be reasonably acceptable to the Borrower and the Administrative Agent (an "Affiliated Lender Assignment and Acceptance") in lieu of an Assignment and Acceptance;

(D) for the avoidance of doubt, Lenders shall not be permitted to assign Revolving Credit Commitments, Revolving Credit Loans, Additional/Replacement Revolving Credit Loans, Additional/Replacement Revolving Credit Commitments, Extended Revolving Credit Commitments or Extended Revolving Credit Loans to any Purchasing Borrower Party or any Non-Debt Fund Affiliate;

(E) any Term Loans assigned to any Purchasing Borrower Party shall be automatically and permanently cancelled upon the effectiveness of such assignment and will thereafter no longer be outstanding for any purpose hereunder;

(F) no Purchasing Borrower Party may use the proceeds from Revolving Credit Loans, Extended Revolving Credit Loans, Swingline Loans or Additional/Replacement Revolving Credit Loans (or any other revolving credit facility that is effective in reliance on Section 10.1(a) or Section 10.1(u)) to purchase any Term Loans;

(G) no Term Loan may be assigned to a Non-Debt Fund Affiliate pursuant to this Section 13.6(g) if, after giving pro forma effect to such assignment, Non-Debt Fund Affiliates in the aggregate would own in excess of 30.0% of the Term Loans of all Class then outstanding (determined as of the time of such purchase); and

(H) any purchases or assignments of Loans by a Purchasing Borrower Party or a Non-Debt Fund Affiliate made through "dutch auctions" shall (i) be conducted pursuant to procedures to be established by the applicable "auction agent" that are consistent with this Section 13.6(g) and are otherwise reasonably acceptable to the Borrower and (ii) require that such Person clearly identify itself as a Purchasing Borrower Party or an Affiliated Lender, as the case may be, in any assignment and acceptance agreement executed in connection with such purchases or assignments.

(ii) Notwithstanding anything to the contrary in this Agreement, no Non-Debt Fund Affiliate shall have any right to (A) attend (including by telephone) any meeting or discussions (or portion thereof) among the Administrative Agent, the Collateral Agent or any Lender to which representatives of the Credit Parties are not invited, (B) receive any information or material prepared by the Administrative

Agent, the Collateral Agent or any Lender or any communication by or among the Administrative Agent, the Collateral Agent and/or one or more Lenders, except to the extent such information or materials have been made available to any Credit Party or its representatives (and in any case, other than the right to receive notices of prepayments and other administrative notices in respect of its Loans required to be delivered to Lenders pursuant to Sections 2, 3, 4 and 5 of this Agreement) or (C) make or bring (or participate in, other than as a passive participant in or recipient of its pro rata benefits of) any claim, in its capacity as a Lender, against the Administrative Agent or the Collateral Agent with respect to any duties or obligations or alleged duties or obligations of such Agent under the Credit Documents or to challenge such Agent's attorney-client privilege.

(iii) By its acquisition of Term Loans, a Non-Debt Fund Affiliate shall be deemed to have acknowledged and agreed that if a case under the Bankruptcy Code is commenced against any Credit Party, such Credit Party shall seek (and each Non-Debt Fund Affiliate shall consent) to provide that the vote of any Non-Debt Fund Affiliate (in its capacity as a Lender) with respect to any plan of reorganization or liquidation of such Credit Party shall not be counted except that such Non-Debt Fund Affiliate's vote (in its capacity as a Lender) may be counted to the extent any such plan of reorganization or liquidation proposes to treat the Obligations held by such Non-Debt Fund Affiliate in a manner that is less favorable to such Non-Debt Fund Affiliate than the proposed treatment of similar Obligations held by Lenders that are not Affiliates of the Borrower; each Non-Debt Fund Affiliate hereby irrevocably appoints the Administrative Agent (such appointment being coupled with an interest) as such Non-Debt Fund Affiliate's attorney-in-fact, with full authority in the place and stead of such Non-Debt Fund Affiliate and in the name of such Non-Debt Fund Affiliate (solely in respect of Loans and participations therein and not in respect of any other claim or status such Non-Debt Fund Affiliate may otherwise have) from time to time in the Administrative Agent's discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this clause (iii);

(iv) Any Lender may assign all or a portion of the Term Loans of any Class (but not any Revolving Credit Commitments, Revolving Credit Loans, Additional/Replacement Revolving Credit Loans, Additional/Replacement Revolving Credit Commitments, Extended Revolving Credit Loans or Extended Revolving Credit Commitments) held by it to a Debt Fund Affiliate in accordance with Section 13.6(b).

(h) Notwithstanding anything in Section 13.1 or the definition of "Required Lenders" to the contrary, for purposes of determining whether the Required Lenders or any other requisite Class vote required by this Agreement have (i) consented (or not consented) to any amendment, modification, waiver, consent or other action with respect to any of the terms of any Credit Document or any departure by any Credit Party therefrom, (ii) otherwise acted on any matter related to any Credit Document, or (iii) directed or required the Administrative Agent, the Collateral Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Credit Document, (A) all Term Loans held by any Non-Debt Fund Affiliate shall be deemed to be not outstanding for all purposes of calculating whether the Required Lenders (or requisite vote of any Class of Lenders) have taken any actions and (B) the aggregate amount of Term Loans held by Debt Fund Affiliates will be excluded to the extent in excess of 49.9% of the amount required to constitute "Required Lenders" (any such excess amount shall be deemed to be not outstanding on a pro rata basis among all Debt Fund Affiliates).

(i) Upon any contribution of Term Loans to the Borrower or any Restricted Subsidiary and upon any purchase of Term Loans by a Purchasing Borrower Party, (A) the aggregate principal amount (calculated on the face amount thereof) of such Term Loans shall automatically be cancelled and retired or extinguished by the Borrower on the date of such contribution or purchase (and, if requested by the Administrative Agent, with respect to a contribution of Term Loans, any applicable contributing Lender

shall execute and deliver to the Administrative Agent an Assignment and Acceptance, or such other form as may be reasonably requested by the Administrative Agent, in respect thereof pursuant to which the respective Lender assigns its interest in such Loans to the Borrower for immediate cancellation) and (B) the Administrative Agent shall record such cancellation or retirement or extinguishment in the Register.

(j) The Administrative Agent shall not (a) be required to serve as the auction agent for, or have any other obligations to participate in (other than mechanical administrative duties), or facilitate any, "dutch auction" unless it is reasonably satisfied with the terms and restrictions of such auction or (b) have any obligation to participate in, arrange, sell or otherwise facilitate, and will have no liability in connection with, any open market purchases by any Purchasing Borrower Party.

13.7 Replacements of Lenders Under Certain Circumstances.

(a) The Borrower, at its sole expense, shall be permitted to replace any Lender (or any Participant) that (i) requests reimbursement for amounts owing pursuant to Section 2.10, 2.11, 3.5 or 5.4, (ii) 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 (iii) becomes a Defaulting Lender, with a replacement bank, financial institution or other institutional lender or investor that is an Eligible Assignee; provided that (A) such replacement does not conflict with any Applicable Law, (B) no Event of Default shall have occurred and be continuing at the time of such replacement, (C) the Borrower shall repay (or such replacement bank, financial institution or other institutional lender or investor shall purchase, at par) all Loans and pay all other amounts (other than any disputed amounts) owing to such replaced Lender hereunder (including, for the avoidance of doubt, pursuant to Section 2.10, 2.11, 3.5 or 5.4, as the case may be) and under the other Credit Documents prior to the date of replacement of such Lender, (D) such replacement bank, financial institution or other institutional lender or investor (if not already a Lender) and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent, (E) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 13.6 and (F) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender or that the replaced Lender shall have against the Borrower and the other parties for indemnity, contribution, payment of disputed and other unpaid amounts and otherwise.

(b) If any Lender (such Lender a "Non-Consenting Lender") has failed to consent to a proposed amendment, modification, supplement, waiver, discharge or termination, which pursuant to the terms of Section 13.1 requires the consent of all of the Lenders affected or each Lender and with respect to which the Required Lenders shall have granted their consent, then, provided no Event of Default has occurred and is continuing, the Borrower shall have the right (unless such Non-Consenting Lender grants such consent), at its own cost and expense, to replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans and Commitments to one or more Eligible Assignees reasonably acceptable to the Administrative Agent; provided that (i) all Obligations of the Borrower under this Agreement owing to such Non-Consenting Lender being replaced shall be paid in full (including any applicable premium under Section 5.1(b)) to such Non-Consenting Lender concurrently with such assignment, (ii) 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 and other accrued and unpaid amounts thereon, (iii) the replacement Lender shall consent to the proposed amendment, modification, supplement, waiver, discharge or termination, (iv) all Lenders required to have consented to such proposed amendment, modification, supplement, waiver, discharge or termination (other than Non-Consenting Lenders which are simultaneously replaced) shall have consented thereto, and (v) the assignment of such Non-Consenting Lenders Loans to one or more Eligible Assignees does not otherwise conflict with Applicable Law. In connection with any such assignment, the Borrower, the Administrative Agent, such Non-Consenting Lender and the replacement Lender shall otherwise comply with Section 13.6(a).

(c) Notwithstanding anything herein to the contrary, each party hereto agrees that any assignment pursuant to the terms of this Section 13.7 may be effected pursuant to an Assignment and Acceptance executed by the Borrower, the Administrative Agent and the assignee and that the Lender making such assignment need not be a party thereto.

13.8 Adjustments; Set-off.

(a) Except as otherwise set forth herein, if any Lender (a "Benefited Lender") shall at any time receive any payment of all or part of the Loans of any Class and/or the participations in letter of credit obligations or swingline loans held by it, 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 of such Class or participations in letter of credit obligations or swingline loans, as applicable, such Benefited Lender shall (i) notify the Administrative Agent of such fact, and (ii) purchase for cash at face value from the other Lenders a participating interest in such portion of each such other Lender's Loans of such Class or participations in letter of credit obligations or swingline loans, as applicable, 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 in accordance with the aggregate principal of their respective Loans of the applicable Class or participations in letter of credit obligations or swingline loans, as applicable; provided that, (A) 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 and (B) the provisions of this paragraph shall not be construed to apply to (x) any payment made by Holdings, the Borrower or any other Credit Party pursuant to and in accordance with the express terms of this Agreement and the other Credit Documents, (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans, Commitments or participations in a Letter of Credit Obligations or Swingline Loans to any assignee or participant or (z) any disproportionate payment obtained by a Lender of any Class as a result of the extension by Lenders of the maturity date or expiration date of some but not all Loans or Commitments of that Class or any increase in the Applicable Margin (or other pricing term, including any fee, discount or premium) in respect of Loans or Commitments of Lenders that have consented to any such extension to the extent such transaction is permitted hereunder. Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation.

(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 Applicable Law, each Lender, the Swingline Lender and each Letter of Credit Issuer shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by Applicable Law, upon any amount becoming due and payable by the Borrower hereunder (whether at the stated maturity, by acceleration or otherwise) to setoff and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), 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 Borrower, as the case may be; provided that, in the event that any Defaulting Lender

shall exercise any such right of set-off, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.16 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Swingline Lender, each Letter of Credit Issuer and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of set-off. Each Lender, the Swingline Lender and each Letter of Credit Issuer agrees promptly to notify the Borrower and the Administrative Agent after any such set-off and application made by such Person; provided that the failure to give such notice shall not affect the validity of such set-off and application. Notwithstanding anything in this Section 13.8(b) to the contrary, no Lender, no Swingline Lender and no Letter of Credit Issuer will exercise, or attempt to exercise, any right of set off, banker's lien or the like against any deposit account or property of the Borrower or any other credit party held or maintained by such Lender, Swingline Lender or Letter of Credit Issuer, as applicable, in each case to the extent the deposits or other proceeds of such exercise, or attempt to exercise, any right of set off, banker's lien or the like are, or are intended to be or are otherwise are held out to be applied to the Obligations hereunder or otherwise secured by the Collateral, without the prior written consent of the Collateral Agent.

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 (i.e., a "pdf" or "tif")), 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 Holdings, the Borrower and each 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 Borrower, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuers and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Collateral Agent, the Administrative Agent, the Letter of Credit Issuer or 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.

13.13 Submission to Jurisdiction; Waivers. Each party hereto hereby 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, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the County of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding shall be brought in such courts and waives 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;

(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 the applicable party at its respective address set forth in Section 13.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue 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 of Holdings and the 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) none of the Administrative Agent, the Collateral Agent, any Lead Arranger, any Joint Bookrunner or any Lender has any fiduciary relationship with or duty to Holdings or the Borrower arising out of or in connection with this Agreement or any of the other Credit Documents, and the relationship between the Administrative Agent, the Collateral Agent and the Lenders, on one hand, and Holdings or the Borrower on the other hand, in connection herewith or therewith is solely that of debtor and creditor; 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 Holdings, the Borrower and the Lenders.

13.15 WAIVERS OF JURY TRIAL. HOLDINGS, THE BORROWER, THE ADMINISTRATIVE AGENT, THE COLLATERAL AGENT, EACH LETTER OF CREDIT ISSUER, THE SWINGLINE LENDER AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE 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. Each Agent, each Letter of Credit Issuer, the Swingline Lender and each Lender shall hold all non-public information furnished by or on behalf of Holdings and the Borrower and their Subsidiaries in connection with such Lender's evaluation of whether to become a Lender hereunder or obtained by such Lender, such Agent or the Letter of Credit Issuer pursuant to the requirements of this Agreement ("Confidential Information") confidential in accordance with its customary procedure for handling confidential information of this nature and, in the case of a Lender that is a bank, in accordance with safe and sound banking practices and in any event may make disclosure (a) as required or requested by any Governmental Authority or representative thereof or regulatory authority having jurisdiction over it (including any self-regulatory authority or representative thereof) or pursuant to legal process or otherwise as required by Applicable Law based on the reasonable advice of counsel, (b) to (i) any

assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder; provided that, in the case of each of clauses (i) and (ii), the relevant Person is advised of and agrees to be bound by the provisions of this Section 13.16 or other provisions at least as restrictive as this Section 13.16, (c) to such Lender's or such Agent's or the Letter of Credit Issuer's trustees, attorneys, professional advisors or independent auditors or Related Parties, in each case who need to know such information in connection with the administration of the Credit Documents and are informed of the confidential nature of such information or are subject to customary confidentiality obligations of professional practice or who agree in writing to be bound by the terms of this paragraph (or language substantially similar to this paragraph) (and to the extent a person's compliance is within the control of an Agent, Letter of Credit Issuer or Lender, such Agent, Letter of Credit Issuer or Lender will be responsible for such compliance), (d) with the written consent of the Borrower, (e) to the extent such Confidential Information (i) becomes publicly available other than as a result of a breach of this Section 13.16, (ii) becomes available to any Agent, any Lender, the Letter of Credit Issuer or any of their respective Affiliates on a non-confidential basis from a source that is not subject to these confidentiality provisions or (iii) to the extent such information is independently developed by such Agent, Lender, Letter of Credit Issuer, or Affiliate without the use of confidential information in breach of this Section 13.16 or (f) for purposes of establishing a "due diligence" defense; provided that unless specifically prohibited by Applicable Law or court order, each Lender, each Agent and the Letter of Credit Issuer shall notify the Borrower of any request by any Governmental Authority or representative thereof (other than any such request in connection with an examination of the financial condition of such Lender, such Agent or the Letter of Credit Issuer by such Governmental Authority) for disclosure of any such non-public information prior to disclosure of such information; and provided, further, that, in no event shall any Lender, any Agent or the Letter of Credit Issuer be obligated or required to return any materials furnished by Holdings, the Borrower or any Subsidiary of the Borrower. Each Lender, each Agent and the Letter of Credit Issuer agrees that it will not provide to prospective Transferees, pledgees referred to in Section 13.16 or to prospective direct or indirect contractual counterparties under Hedging Agreements to be entered into in connection with Loans made hereunder any of the Confidential Information unless such Person is advised of and agrees to be bound by the provisions of this Section 13.16. The confidentiality provisions contained herein shall not prohibit disclosures to any trustee, administrator, collateral manager, servicer, backup servicer, lender, rating agency or secured party of any SPV in connection with the evaluation, administration, servicing of, or the reporting on, the assets or securitization activities of such SPV; provided that any such Person is advised of and agrees to be bound by the provisions of this Section 13.16.

13.17 Release of Collateral and Guarantee Obligations; Subordination of Liens.

(a) 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, as set forth in clause (b) below, (ii) upon the sale, transfer or other Disposition (including any disposition by means of a distribution or Restricted Payment) of such Collateral (including as part of or in connection with any other sale, transfer or other Disposition permitted hereunder) to any Person other than another Credit Party, to the extent such sale, transfer 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 by a Person that is not 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 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 Guarantee (in accordance with the second and

third succeeding sentences and Section 25 of the Guarantee), (vi) as required by the Collateral Agent to effect any sale, transfer or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents and (vii) to the extent such Collateral otherwise becomes Excluded Capital Stock or Excluded Property (other than pursuant to clause (c) of the definition thereof). 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 disposition, 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 the Guarantors shall be released from the Guarantee upon consummation of any transaction permitted hereunder resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary, or otherwise becoming an Excluded Subsidiary (including in connection with any designation of an Unrestricted Subsidiary), or, in the case of a Previous Holdings, in accordance with the conditions set forth in the definition of Holdings. Subject to, and solely to the extent contemplated by, Section 1.11(h), upon the occurrence of a Holdings Termination Event, Holdings shall be released from its Guarantee and all of its property released as Collateral automatically, and Holdings shall be released from all obligations under this Agreement and the other Credit Documents, including with respect to all representations and warranties, covenants, and defaults. 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. Any representation, warranty or covenant contained in any Credit Document relating to any such Collateral or Guarantor shall no longer be deemed to be repeated.

(b) Notwithstanding anything to the contrary contained herein or any other Credit Document, when all Obligations (other than (i) Hedging Obligations in respect of any Secured Hedging Agreements, (ii) Cash Management Obligations in respect of any Secured Cash Management Agreements and (iii) any contingent obligations or contingent indemnification obligations not then due and payable) have been paid in full, all Commitments have terminated or expired and no Letter of Credit shall be outstanding that is not Cash Collateralized or back-stopped on terms reasonably satisfactory to the Letter of Credit Issuer, upon request of the Borrower, the Administrative Agent and/or the Collateral Agent, as applicable, shall (without notice to, or vote or consent of, any Secured Party) take such actions as shall be required to release its security interest in all Collateral, and to release all obligations under any Credit Document, whether or not on the date of such release there may be any (i) Hedging Obligations in respect of any Secured Hedging Agreements, (ii) Cash Management Obligations in respect of any Secured Cash Management Agreements and (iii) any contingent obligations or contingent indemnification obligations not then due and payable. Any such release of Obligations shall be deemed subject to the provision that such Obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

(c) Notwithstanding anything to the contrary contained herein or in any other Credit Document, upon reasonable request of the Borrower in connection with any Liens permitted by the Credit Documents, the Collateral Agent shall (without notice to, or vote or consent of, any Secured Party) take such actions as shall be required to give effect to (by means of an acknowledgment reasonably satisfactory to the Administrative Agent), or to subordinate the Lien on any Collateral to, any Lien permitted under Sections 10.2(c), (e) (solely as it relates to clauses (c) and (f) of Section 10.2), (f), (k)(i), (l), (m), (n), (o), (q), (r), (s), (v), (w), (x), (y), (aa), (ff) and clauses (d), (e), (f), (g), (i) and (n) of the

definition of "Permitted Encumbrances." In addition, notwithstanding anything to the contrary contained herein or in any other Credit Document, upon reasonable request of the Borrower, the Administrative Agent and the Collateral Agent shall (without notice to, or vote or consent of, any Secured Party) enter into subordination or intercreditor agreements with respect to Indebtedness to the extent the Administrative Agent or Collateral Agent is otherwise contemplated herein as a party to such subordination or intercreditor agreements, in each case to the extent consistent with the provisions of Section 12.15.

(d) Notwithstanding the foregoing or anything in the Credit Documents to the contrary, at the direction of the Required Lenders, the Administrative Agent may, in exercising remedies, take any and all necessary and appropriate action to effectuate a credit bid of all Loans (or any lesser amount thereof) for the Credit Parties' assets in a bankruptcy, foreclosure or other similar proceeding, forbear from exercising remedies upon an Event of Default, or in a proceeding under any Debtor Relief Law, enter into a settlement agreement on behalf of all Lenders.

13.18 USA PATRIOT ACT. Each Lender hereby notifies the Borrower and each Credit Party that pursuant to the requirements of the PATRIOT ACT, it is required to obtain, verify and record information that identifies the Borrower and each Credit Party, which information includes the name and address of the Borrower and each Credit Party and other information that will allow such Lender to identify the Borrower and Credit Parties in accordance with the PATRIOT ACT.

13.19 Legend. THE TERM LOANS WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THESE TERM LOANS MAY BE OBTAINED BY WRITING TO THE BORROWER AT THE ADDRESS SET FORTH IN SECTION 13.2.

13.20 Payments Set Aside. To the extent that any payment by or on behalf of Holdings or the Borrower 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 Acknowledgement and Consent to Bail-In of EEA 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 EEA 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 an EEA 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 an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA 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 EEA 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 any EEA Resolution Authority.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

GOBP HOLDINGS, INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GLOBE INTERMEDIATE CORP.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC.,

as Administrative Agent, Collateral Agent, a Letter of Credit Issuer and a Lender

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

MORGAN STANLEY BANK, N.A.,

as a Lender,

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

DEUTSCHE BANK AG NEW YORK BRANCH

as a Letter of Credit Issuer and a Lender,

By: /s/ Maria Guinchard
Name: Maria Guinchard
Title: Vice President

By: /s/ Marguerite Sutton
Name: Marguerite Sutton
Title: Vice President

BANK OF AMERICA, N.A.

As a Letter of Credit Issuer and a Lender,

By: /s/ Grant Gilbert
Name: Grant Gilbert
Title: Director

JEFFERIES FINANCE LLC

As a Letter of Credit Issuer and a Lender,

By: /s/ Brian Buoye
Name: Brian Buoye
Title: Managing Director

SCHEDULE 1.1(a)
TO THE CREDIT AGREEMENT

Commitments of Lenders

Lender	Initial Term Loan Commitment
MORGAN STANLEY BANK, N.A.	$ 725,000,000.00
Total	$ 725,000,000.00

Lender	Revolving Credit Commitment	Letter of Credit Sub-Commitment Obligation
MORGAN STANLEY SENIOR FUNDING, INC.	$ 30,010,000.00	$ 10,503,500.00
BANK OF AMERICA, N.A.	$ 23,330,000.00	$ 8,165,500.00
DEUTSCHE BANK AG NEW YORK BRANCH	$ 23,330,000.00	$ 8,165,500.00
JEFFERIES FINANCE LLC	$ 23,330,000.00	$ 8,165,500.00
Total	$ 100,000,000.00	$ 35,000,000.00

SCHEDULE 1.1 (b)
TO THE CREDIT AGREEMENT

Existing Letters of Credit

1. Letter of Credit Number DBS-21137 issued in the amount of $3,424,292.00 by Deutsche Bank AG New York Branch for the account of Grocery Outlet Inc., as applicant.

SCHEDULE 1.1 (c)
TO THE CREDIT AGREEMENT

Mortgaged Property

None.

SCHEDULE 8.12
TO THE CREDIT AGREEMENT

Subsidiaries

Entity Name	Jurisdiction	Guarantor	Specified Subsidiary	Immaterial Subsidiary	Restricted/ Unrestricted Subsidiary	Stock/Unit Holder	Ownership Percent
Domestic Entities							
GOBP Holdings Inc.	Delaware	Yes	N/A	N/A	N/A	Globe Intermediate Corp.	100%
GOBP Midco, Inc.	Delaware	Yes	Yes	Yes	Restricted	GOBP Holdings Inc.	100%
Grocery Outlet Inc.	California	Yes	Yes	No	Restricted	GOBP Midco, Inc.	100%
Amelia's, LLC	Delaware	Yes	No	Yes	Restricted	Grocery Outlet Inc.	100%

SCHEDULE 8.15
TO THE CREDIT AGREEMENT

Owned Real Property

None.

SCHEDULE 9.17
TO THE CREDIT AGREEMENT

Post-Closing Obligations

Within 60 days of the Closing Date (or such longer period as agreed by the Administrative Agent), the Credit Parties shall deliver to the Administrative Agent insurance certificates as to coverage under the insurance policies required by Section 9.3 of the Credit Agreement, together with, if applicable, endorsements for each insurance certificate, thereby naming the Collateral Agent, for the benefit of the Secured Parties, as additional insured and/or loss payee, in each case, in form and substance reasonably satisfactory to the Collateral Agent.

SCHEDULE 10.1
TO THE CREDIT AGREEMENT

Indebtedness

1. Intercompany Loan Agreement (On Loan Agreement), dated as of October 7, 2014, by and among GOBP Holdings, Inc. and Grocery Outlet Inc.

SCHEDULE 10.2
TO THE CREDIT AGREEMENT

Liens

None.

Dispositions

None.

SCHEDULE 10.5
TO THE CREDIT AGREEMENT

Investments

None.

SCHEDULE 10.8
TO THE CREDIT AGREEMENT

Negative Pledge Clauses

None.

SCHEDULE 10.11
TO THE CREDIT AGREEMENT

Transactions with Affiliates

None.

SCHEDULE 13.2
TO THE CREDIT AGREEMENT

Address for Notices

Borrower, Holdings or any other Credit Party:

Grocery Outlet Inc.
5650 Hollis St.
Emeryville, CA 94608
Attention: Charles Bracher
Tel: [ ]
Fax: [ ]
Electronic Mail: [ ]

Administrative Agent's Office (for financial/loan activity – advances, pay down, interest/fee billing and payments, rollovers, rate-settings):

1. Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

Other Notices as Collateral Agent:

Morgan Stanley Senior Funding, Inc.
1300 Thames Street, 4th Floor
Tharnes Street Whart
Baltimore, MD 21231
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: DOCS4LOANS@morganstanley.com

Letter of Credit Issuer
Morgan Stanley Senior Funding, Inc.
C/O Morgan Stanley Bank, N.A.
1300 Thames Street, 4th Floor
Thames Street Wharf
Baltimore, MD 21231
Tel: (443) 627-4555
Fax: (212) 507-5010
Electronic Mail: MSB.LOC@morganstanley.com

Swingline Lender
Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

FORM OF GUARANTEE

Attached.

Exhibit A

FORM OF SECURITY AGREEMENT

Attached.

Exhibit B

FORM OF PLEDGE AGREEMENT

Attached.

Exhibit C

EXHIBIT D
TO THE FIRST LIEN CREDIT AGREEMENT

FORM OF NOTICE OF BORROWING

MORGAN STANLEY SENIOR FUNDING, INC.
as Administrative Agent
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

[ ], 20[ ]

Ladies and Gentlemen:

The undersigned, **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), refers to the First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent") as the Administrative Agent, the Collateral Agent and the Swingline Lender.

Capitalized terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

The Borrower hereby gives you notice pursuant to Section 2.3 of the Credit Agreement that it hereby requests a Borrowing under the Credit Agreement and, in connection therewith, sets forth below the terms on which such Borrowing is requested to be made:

(A) Date of Borrowing , [1]

(B) Aggregate Principal amount of $ [2]
Borrowing

(C) Class of Borrowing [3]

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1 In the case of the Initial Term Loans, the Closing Date; in the case of the Incremental Term Loans, the applicable Incremental Facility Closing Date in respect of such Class. In the case of all other Borrowings, a Business Day.

2 The aggregate principal amount of each Borrowing of Term Loans or Revolving Credit Loans shall be in a multiple of $500,000 (or, in the case of a Borrowing of Revolving Credit Loans on the Closing Date, $100,000) and Swingline Loans shall be in a multiple of $100,000.

3 Specify Revolving Credit Loans, Swingline Loans, Initial Term Loans, Incremental Term Loans (of the same Class), Extended Term Loans (of the same Extension Series), Extended Revolving Credit Loans (of the same Extension Series and any related Swingline Loans thereunder) or Additional/Replacement Revolving Credit Loans (of the same Class and any related Swingline Loans thereunder).

(D) Type of Borrowing [4]

(E) [Interest Period][5]

[The undersigned hereby certifies that (a) all representations and warranties made by any Credit Party contained in the Credit Agreement 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 the Borrowing requested hereby (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date, and except where such representations and warranties are qualified by materiality, "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct in all respects), and (b) no Default or Event of Default shall have occurred and be continuing as of the date of the Borrowing requested hereby nor, after giving effect to the Borrowing requested hereby, would a Default or Event of Default occur.][6]

If any Borrowing of Eurodollar Loans is not made as a result of a withdrawn Notice of Borrowing or failure to satisfy the conditions of Section 6 and Section 7 of the Credit Agreement, the Borrower shall, after receipt of a written request by any Lender (which request shall set forth in reasonable detail the basis for requesting such amount and, absent clearly demonstrable error, the amount requested shall be final and conclusive and binding upon all parties hereto), pay to the Administrative Agent for the account of such Lender within ten Business Days of such request 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 borrow, failure to convert, failure to continue, failure to prepay, reduction or failure to reduce, 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 such Lender to fund or maintain such Eurodollar Loan.

[Signature page follows]

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4 Specify ABR Loans or Eurodollar Loans. Swingline Loans must be ABR Loans.

5 Applicable only to Eurodollar Borrowings and subject to the definition of "Interest Period" and Section 2.9 of the Credit Agreement.

6 Not to be included in Notice of Borrowing for any Mandatory Borrowing or Borrowings of Revolving Credit Loans made pursuant to Section 2.1(d)(iv) or Section 3.4(a) of the Credit Agreement, or borrowings made pursuant to Sections 2.14, 2.15 and/or 2.17 of the Credit Agreement (to the extent set forth therein).

The undersigned Borrower has caused this Notice of Borrowing to be executed and delivered by its duly authorized officer as of the date first written above.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

Exhibit D

FORM OF CLOSING CERTIFICATE

[ ], 20[ ]

Reference is made to that certain First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender. Capitalized terms used but not defined herein have the meanings given to such terms in the Credit Agreement, as applicable.

1. The undersigned, [ ], [Authorized Officer] of each entity listed on Schedule I hereto (each, a "Certifying Credit Party" and, collectively, the "Certifying Credit Parties"), hereby certifies that [ ] is a duly elected and qualified [Authorized Officer] of each Certifying Credit Party and the signature set forth on the signature line for such signatory below is such signatory's true and genuine signature, and such signatory is duly authorized to execute and deliver on behalf of each Certifying Credit Party each Credit Document to which it is a party and any certificate or other document to be delivered by each Certifying Credit Party pursuant to such Credit Documents.

2. Each of the undersigned Authorized Officers of the Certifying Credit Parties hereby certifies with respect to each such Certifying Credit Party for which he or she is an Authorized Officer as follows:

(a) All representations and warranties made by each Certifying Credit Party contained in the Credit Agreement or in the other Credit Documents are true and correct in all material respects as of the date hereof (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date, and except where such representations and warranties are qualified by materiality, "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct in all respects); and

(b) No Default or Event of Default has occurred and is continuing as of the date hereof and no Default or Event of Default will have occurred and be continuing after giving effect to the Borrowing on the date hereof.

3. The undersigned, [ ], [Authorized Officer] of each Certifying Credit Party hereby certifies with respect to each Certifying Credit Party for which he or she is an Authorized Officer as follows:

(a) Each Certifying Credit Party is a corporation or limited liability company, as applicable, duly organized, validly existing and in good standing under the laws of its state of organization;

(b) Attached hereto as Exhibit A is a complete and correct copy of the resolutions duly adopted by the board of directors (or a duly authorized committee thereof), board of

managers or a designated person or applicable member or members, as applicable, of each Certifying Credit Party on the date indicated therein, authorizing the execution, delivery and performance of the Credit Documents (and any agreements relating thereto) to which it is a party; such resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such resolutions are the only corporate or company proceedings of each Certifying Credit Party now in force relating to or affecting the matters referred to therein;

(c) The persons set forth on Exhibit B are now duly elected and qualified Authorized Officers of each Certifying Credit Party holding the offices indicated next to their respective names, and such officers hold such offices with such Certifying Credit Party on the date hereof, and the signatures appearing opposite their respective names are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of each Certifying Credit Party each Credit Document to which it is a party and any certificate or other document to be delivered by such Certifying Credit Party pursuant to such Credit Documents;

(d) Attached hereto as Exhibit C is a true and complete copy of the bylaws or limited liability company agreement, as applicable, of each Certifying Credit Party as in effect on the date hereof;

(e) Attached hereto as Exhibit D is a true and complete copy of the certificate of incorporation or the certificate of formation, as applicable, of each Certifying Credit Party as in effect on the date hereof, certified by the Secretary of State of its state of organization; and

(f) Attached hereto as Exhibit E is a true and complete copy of the certificate of good standing or equivalent document of each Certifying Credit Party issued by the Secretary of State of its state of organization as of a recent date.

[*Remainder of page intentionally left blank.*]

IN WITNESS WHEREOF, the undersigned have signed this certificate as of the date first written above.

EACH OF THE ENTITIES LISTED ON SCHEDULE I HERETO

Name:
Title:

EACH OF THE ENTITIES LISTED ON SCHEDULE I HERETO

Name:
Title:

SCHEDULE I

[ ]

Exhibit E

EXHIBIT A
to the Closing Certificate

Resolutions

[See attached]

Exhibit E

Incumbency

[See attached]

Bylaws / Limited Liability Company Agreements

[See attached]

Exhibit E

EXHIBIT D
to the Closing Certificate

Certificates of Incorporation / Certificate of Formation

[See attached]

Exhibit E

Good Standing Certificates or Equivalent Documents

[See attached]

FORM OF PROMISSORY NOTE
(REVOLVING CREDIT LOANS AND SWINGLINE LOANS)

New York
$ [ ], 20[ ]

FOR VALUE RECEIVED, the undersigned, **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), hereby unconditionally promises to pay to the order of [**REVOLVING CREDIT LENDER][SWINGLINE LENDER]** or its registered successors or assigns (the "Lender"), at the Administrative Agent's Office or such other place as **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent") shall have specified, in U.S. Dollars and in immediately available funds, in accordance with Section 2.5 of the Credit Agreement (as defined below; capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement) on the [Revolving Credit Maturity Date][Swingline Maturity Date] the principal amount of $[ ] or, if less, the aggregate unpaid principal amount of all advances made by the Lender to the Borrower as [Revolving Credit Loans][Swingline Loans] pursuant to the Credit Agreement. The Borrower further unconditionally promises to pay interest in like money at such office on the unpaid principal amount hereof from time to time outstanding at the rates per annum and on the dates specified in Section 2.8 of the Credit Agreement.

This promissory note (the "Promissory Note") is one of the promissory notes referred to in Section 13.6 of the First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC**., as the Administrative Agent, the Collateral Agent and the Swingline Lender. This Promissory Note is subject to, and the Lender is entitled to the benefits of, the provisions of the Credit Agreement, and the [Revolving Credit Loans][Swingline Loans] evidenced hereby are guaranteed and secured as provided therein and in the other Credit Documents. The [Revolving Credit Loans][Swingline Loans] evidenced hereby are subject to prepayment prior to the [Revolving Credit Maturity Date][Swingline Maturity Date], in whole or in part, as provided in the Credit Agreement.

All parties now and hereafter liable with respect to this Promissory Note, whether maker, principal, surety, guarantor, endorser or otherwise, hereby waive diligence, presentment, demand, protest and notice of any kind whatsoever in connection with this Promissory Note. No failure to exercise and no delay in exercising, on the part of the Administrative Agent or the Lender, any right, remedy, power or privilege hereunder or under the Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. A waiver by the Administrative Agent or the Lender of any right, remedy, power or privilege hereunder or under any Credit Document on any one occasion shall not be construed as a bar to any right or remedy that the Administrative Agent or the Lender would otherwise have on any future occasion. The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights, remedies, powers and privileges provided by law.

All payments in respect of the principal of and interest on this Promissory Note shall be made to the Person recorded in the Register as the holder of this Promissory Note, as described more fully in Section 2.5(e) of the Credit Agreement, and such Person shall be treated as the Lender hereunder for all purposes of the Credit Agreement.

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THIS PROMISSORY NOTE 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.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

FORM OF PROMISSORY NOTE
(INITIAL TERM LOANS)

New York
$ [ ], 20[ ]

FOR VALUE RECEIVED, the undersigned, **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), hereby unconditionally promises to pay to the order of **[LENDER]** or its registered successors or assigns (the "Lender"), at the Administrative Agent's Office or such other place **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent") shall have specified, in U.S. Dollars and in immediately available funds, in accordance with Section 2.5 of the Credit Agreement (as defined below; capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement) on the Initial Term Loan Maturity Date, the principal amount of $[ ] or, if less, the aggregate unpaid principal amount of all Initial Term Loans, if any, made by the Lender to the Borrower pursuant to the Credit Agreement. The Borrower further unconditionally promises to pay interest in like money at such office on the unpaid principal amount hereof from time to time outstanding at the rates per annum and on the dates specified in Section 2.8 of the Credit Agreement.

This promissory note (the "Promissory Note") is one of the promissory notes referred to in Section 13.6 of the First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC**., as the Administrative Agent, the Collateral Agent and the Swingline Lender. This Promissory Note is subject to, and the Lender is entitled to the benefits of, the provisions of the Credit Agreement, and the Initial Term Loans evidenced hereby are guaranteed and secured as provided therein and in the other Credit Documents. The Initial Term Loans evidenced hereby are subject to prepayment prior to the Initial Term Loan Maturity Date, in whole or in part, as provided in the Credit Agreement.

All parties now and hereafter liable with respect to this Promissory Note, whether maker, principal, surety, guarantor, endorser or otherwise, hereby waive diligence, presentment, demand, protest and notice of any kind whatsoever in connection with this Promissory Note. No failure to exercise and no delay in exercising, on the part of the Administrative Agent or the Lender, any right, remedy, power or privilege hereunder or under the Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. A waiver by the Administrative Agent or the Lender of any right, remedy, power or privilege hereunder or under any Credit Document on any one occasion shall not be construed as a bar to any right or remedy that the Administrative Agent or the Lender would otherwise have on any future occasion. The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights, remedies, powers and privileges provided by law.

All payments in respect of the principal of and interest on this Promissory Note shall be made to the Person recorded in the Register as the holder of this Promissory Note, as described more fully in Section 2.5(e) of the Credit Agreement, and such Person shall be treated as the Lender hereunder for all purposes of the Credit Agreement.

[*Remainder of Page Left Intentionally Blank*]

THIS PROMISSORY NOTE 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.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

FORM OF EQUAL PRIORITY INTERCREDITOR AGREEMENT

among

GLOBE INTERMEDIATE CORP.,
as Holdings,

GOBP HOLDINGS, INC.,
as the Borrower,

and the other Grantors party hereto,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Credit Agreement Collateral Agent,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Authorized Representative for the Credit Agreement Secured Parties

and

each additional Authorized Representative from time to time party hereto

dated as of [ ]

EQUAL PRIORITY INTERCREDITOR AGREEMENT, dated as of [ ] (this "Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation (or any successor thereof; "Holdings"), the other Grantors (as defined below) party hereto, **MORGAN STANLEY SENIOR FUNDING, INC.** ("MSSF"), as collateral agent for the Credit Agreement Secured Parties, the Initial Additional Credit Agreement Secured Parties and Additional Credit Agreement Secured Parties (each, as defined below) (in such capacity and together with its successors in such capacity, the "Credit Agreement Collateral Agent"), MSSF, as Authorized Representative for the Credit Agreement Secured Parties (as each such term is defined below) each additional Authorized Representative from time to time party hereto for the other Additional Secured Parties of the Series (as defined below) with respect to which it is acting in such capacity and each additional Collateral Agent from time to time party hereto.

In consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Credit Agreement Collateral Agent, the Administrative Agent (as defined below) (for itself and on behalf of the Credit Agreement Secured Parties) and each additional Authorized Representative (for itself and on behalf of the Additional Secured Parties of the applicable Series) and each additional Collateral Agent agree as follows:

ARTICLE I

Definitions

SECTION 1.01 Certain Defined Terms. Capitalized terms used but not otherwise defined herein have the meanings set forth in the Credit Agreement or, if defined in the New York UCC, the meanings specified therein. As used in this Agreement, the following terms have the meanings specified below:

"Additional Class Debt" has the meaning assigned to such term in Section 5.13.

"Additional Class Debt Parties" has the meaning assigned to such term in Section 5.13.

"Additional Class Debt Representative" has the meaning assigned to such term in Section 5.13.

"Additional Collateral Agent" means the collateral agent for the Additional Secured Parties, other than the Initial Additional Secured Parties and the Additional Credit Agreement Secured Parties, together with its successors in such capacity.

"Additional Credit Agreement Obligations" means "Additional First Lien Obligations" as such term is defined in the Credit Agreement Security Agreement (which for the avoidance of doubt shall not include any Initial Additional Credit Agreement Obligations).

"Additional Credit Agreement Secured Party" means the holders of any Additional Credit Agreement Obligations and any Authorized Representative with respect thereto.

"Additional Documents" means, with respect to the Initial Additional Obligations or any Series of Additional Class Debt, the notes, credit agreements, loan agreements, note purchase agreements, indentures, security documents and other operative agreements evidencing or governing such indebtedness and liens securing such indebtedness, including the Initial Additional Security Documents and the Additional Security Documents and each other agreement entered into for the purpose of securing

the Initial Additional Obligations or any Series of Additional Class Debt; provided that, in each case, the Indebtedness thereunder (other than the Initial Additional Obligations) has been designated as Additional Obligations pursuant to Section 5.13 hereto.

"Additional Obligations" shall mean the Additional Credit Agreement Obligations and all advances to, and debts, liabilities, obligations, covenants and duties of, any Grantor arising under any Additional Documents relating to any Series of Additional Class Debt relating to Indebtedness Incurred by, or provided to, the Borrower and/or any other Credit Party, 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 Grantor of any proceeding under any Bankruptcy Law naming such Person as the debtor in such proceeding (or that would accrue but for the operation of applicable Bankruptcy Law), regardless of whether such interest and fees are allowed claims in such proceeding, in each case, that have been designated as Additional Obligations pursuant to and in accordance with Section 5.13(ii).

"Additional Secured Party" means the holders of any Additional Obligations and any Authorized Representative and Collateral Agent with respect thereto, and shall include the Initial Additional Secured Parties.

"Additional Security Documents" means any security agreement or any other document now existing or entered into after the date hereof that create Liens on any assets or properties of any Grantor to secure the Additional Obligations.

"Administrative Agent" has the meaning assigned to such term in the definition of "Credit Agreement".

"Agreement" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Applicable Authorized Representative" means, with respect to any Shared Collateral, (a) until the earlier of (i) the Discharge of Credit Agreement Obligations and (ii) the Non-Controlling Authorized Representative Enforcement Date, the Administrative Agent and (b) from and after the earlier of (i) the Discharge of Credit Agreement Obligations and (ii) the Non-Controlling Authorized Representative Enforcement Date, the Major Non-Controlling Authorized Representative; provided that (in each case of (a)(i) and (b)(i) above) the Discharge of Credit Agreement Obligations shall not be deemed to have occurred in connection with a Refinancing of such Credit Agreement Obligations with additional Obligations secured by Shared Collateral under an Additional Document that has been designated in writing by the Administrative Agent (under the Credit Agreement so Refinanced) to the Initial Additional Collateral Agent or Additional Collateral Agent and each other Authorized Representative as the "Credit Agreement" for purposes of this Agreement.

"Applicable Collateral Agent" means at any time, the Collateral Agent with respect to the Series of Obligations represented by the Authorized Representative that is the Applicable Authorized Representative at such time.

"Authorized Representative" means, at any time, (a) in the case of any Credit Agreement Obligations or the Credit Agreement Secured Parties, the Administrative Agent, (b) in the case of the Initial Additional Obligations or the Initial Additional Secured Parties, the Initial Additional Authorized Representative, and (c) in the case of any other Series of Additional Obligations or Additional Secured Parties that become subject to this Agreement after the date hereof, the Authorized Representative named for such Series in the applicable Joinder Agreement.

"Bankruptcy Case" has the meaning assigned to such term in Section 2.05(b).

"Bankruptcy Code" means Title 11 of the United States Code, 11 USC §§ 101 et seq., as amended, or any similar federal or state law for the relief of debtors.

"Bankruptcy Law" means the Bankruptcy Code and any other federal, state or foreign law, including common law, from time to time in effect in respect of voluntary or involuntary insolvency, liquidation, dissolution, wind-up, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, reorganization, or debtor relief.

"Borrower" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Collateral" means all assets and properties subject to Liens created pursuant to any Security Document to secure one or more Series of Obligations.

"Collateral Agent" means (a) in the case of any Credit Agreement Obligations, any Initial Additional Credit Agreement Obligations and any Additional Credit Agreement Obligations, the Credit Agreement Collateral Agent, (b) in the case of the Initial Additional Obligations, other than Initial Additional Credit Agreement Obligations, the Initial Additional Collateral Agent, and (c) in the case of the Additional Obligations, other than Additional Credit Agreement Obligations, the Additional Collateral Agent.

"Controlling Secured Parties" means, with respect to any Shared Collateral, (a) at any time when the Credit Agreement Collateral Agent is the Applicable Collateral Agent, the Credit Agreement Secured Parties and (b) at any other time, the Series of Secured Parties whose Authorized Representative is the Applicable Authorized Representative for such Shared Collateral.

"Credit Agreement" means that certain First Lien Credit Agreement, dated as of [•], 2018, as amended, restated, supplemented or otherwise modified from time to time, among the Borrower, Holdings, the several Lenders and Letter of Credit Issuers from time to time party thereto and MSSF, as the Administrative Agent (in such capacity, the "Administrative Agent"), the Collateral Agent and the Swingline Lender.

"Credit Agreement Collateral Agent" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Credit Agreement Collateral Documents" means the Credit Agreement Security Agreement, the Pledge Agreement (as defined in the Credit Agreement), the other Security Documents (as defined in the Credit Agreement) and each other agreement entered into in favor of the Credit Agreement Collateral Agent for the purpose of securing any Credit Agreement Obligations.

"Credit Agreement Obligations" means "Obligations" as defined in the Credit Agreement.

"Credit Agreement Secured Parties" means the "Secured Parties" as defined in the Credit Agreement.

"Credit Agreement Security Agreement" means the First Lien Security Agreement, dated as of [●], 2018 among the Credit Agreement Collateral Agent and the Grantors party thereto.

"DIP Financing" has the meaning assigned to such term in Section 2.05(b).

"DIP Financing Liens" has the meaning assigned to such term in Section 2.05(b).

"DIP Lenders" has the meaning assigned to such term in Section 2.05(b).

"Discharge" means, with respect to any Shared Collateral and any Series of Obligations, the date on which such Series of Obligations is no longer secured by such Shared Collateral. The term "Discharged" shall have a corresponding meaning.

"Event of Default" means an "Event of Default" (or similarly defined term) as defined in any Secured Credit Document.

"Grantors" means the Borrower, Holdings, and each of the other Guarantors (as defined in the Credit Agreement) and each other Subsidiary of the Borrower that has granted a security interest pursuant to any Security Document to secure any Series of Obligations. The Grantors existing on the date hereof are set forth in Annex I hereto.

"Holdings" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Impairment" has the meaning assigned to such term in Section 1.03.

"Initial Additional Authorized Representative" means, in the case of any Initial Additional Obligations or Initial Additional Secured Parties that are subject to this Agreement on the date hereof, [ ].

"Initial Additional Collateral Agent" means the collateral agent for the Initial Additional Secured Parties, together with its successors in such capacity.

"Initial Additional Credit Agreement Obligations" means "Additional First Lien Obligations" (as such term is defined in the Credit Agreement Security Agreement) existing as at the date hereof, if any.

"Initial Additional Credit Agreement Secured Party" means the holders of any Initial Additional Credit Agreement Obligations and any Authorized Representative and Collateral Agent with respect thereto.

"Initial Additional Obligations" shall mean the Initial Additional Credit Agreement Obligations and all advances to, and debts, liabilities, obligations, covenants and duties of, any Grantor arising under any Additional Documents relating to Indebtedness Incurred by, or provided to, the Borrower and/or any other Credit Party, 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 Grantor of any proceeding under any Bankruptcy Law naming such Person as the debtor in such proceeding (or that would accrue but for the operation of applicable Bankruptcy Law), regardless of whether such interest and fees are allowed claims in such proceeding, in each case, to the extent, but only to the extent permitted by the provisions of the Credit Agreement and the Additional Documents to be Incurred and secured by Liens on the Shared Collateral on a priority basis that is equal to the Liens on the Shared Collateral securing the Credit Agreement Obligations.

"Initial Additional Secured Party" means the holders of any Initial Additional Obligations and any Authorized Representative and Collateral Agent with respect thereto.

"Initial Additional Security Documents" means any security agreement or any other document now existing or entered into after the date hereof that create Liens on any assets or properties of any Grantor to secure the Initial Additional Obligations.

"Insolvency or Liquidation Proceeding" means:

(1) any case or other proceeding commenced by or against the Borrower or any other Grantor under any Bankruptcy Law, any other proceeding for the reorganization, recapitalization or adjustment or marshalling of the assets or liabilities of the Borrower or any other Grantor, any receivership or assignment for the benefit of creditors relating to the Borrower or any other Grantor or any similar case or proceeding relative to the Borrower or any other Grantor or its creditors, as such, in each case whether or not voluntary;

(2) any liquidation, dissolution, marshalling of assets or liabilities or other winding up of or relating to the Borrower or any other Grantor, in each case whether or not voluntary and whether or not involving bankruptcy or insolvency; or

(3) any other proceeding of any type or nature in which substantially all claims of creditors of the Borrower or any other Grantor are determined and any payment or distribution is or may be made on account of such claims.

"Intervening Creditor" has the meaning assigned to such term in Section 2.01(a).

"Joinder Agreement" means a joinder to this Agreement in the form of Annex II hereof required to be delivered by an Authorized Representative to each Collateral Agent and each Authorized Representative pursuant to Section 5.13 hereof in order to establish an additional Series of Additional Obligations and add Additional Secured Parties (other than Initial Additional Secured Parties) hereunder.

"Lien" means any mortgage, pledge, deed of trust, security interest, hypothecation, lien (statutory or other) or similar encumbrance and any easement, right-of-way, restriction (including zoning restrictions), defect, exception or irregularity in title or similar charge or encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof); provided that in no event shall a "Non-Financing Lease Obligation" (as such term is defined in the Credit Agreement) be deemed to be a Lien.

"Major Non-Controlling Authorized Representative" means, with respect to any Shared Collateral, the Authorized Representative of the Series of Additional Obligations or Initial Additional Obligations that constitutes the largest outstanding principal amount of any then outstanding Series of Obligations with respect to such Shared Collateral; provided, however, that if there are two outstanding Series of Additional Obligations or Initial Additional Obligations (as the case may be) which have an equal outstanding principal amount, the Series of Additional Obligations or Initial Additional Obligations (as the case may be) with the earlier maturity date shall be considered to have the larger outstanding principal amount for purposes of this definition.

"MSSF" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"New York UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Non-Controlling Authorized Representative" means, at any time with respect to any Shared Collateral, any Authorized Representative that is not the Applicable Authorized Representative at such time with respect to such Shared Collateral.

"Non-Controlling Authorized Representative Enforcement Date" means, with respect to any Non-Controlling Authorized Representative, the date which is 90 days (throughout which 90 day period such Non-Controlling Authorized Representative was the Major Non-Controlling Authorized Representative) after the occurrence of both (A) an Event of Default (under and as defined in the Additional Document under which such Non-Controlling Authorized Representative is the Authorized Representative) and (b) each Collateral Agent's and each other Authorized Representative's receipt of written notice from such Non-Controlling Authorized Representative certifying that (i) such Non-Controlling Authorized Representative is the Major Non-Controlling Authorized Representative and that an Event of Default (under and as defined in the Additional Document under which such Non-Controlling Authorized Representative is the Authorized Representative) has occurred and is continuing and (ii) the Additional Obligations or Initial Additional Obligations of the Series with respect to which such Non-Controlling Authorized Representative is the Authorized Representative are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the terms of the applicable Additional Document; provided that the Non-Controlling Authorized Representative Enforcement Date shall be stayed and shall not occur and shall be deemed not to have occurred with respect to any Shared Collateral (A) at any time the Administrative Agent or the Credit Agreement Collateral Agent has commenced and is diligently pursuing any enforcement action with respect to such Shared Collateral or (B) at any time the Grantor which has granted a security interest in such Shared Collateral is then a debtor under or with respect to (or otherwise subject to) any Insolvency or Liquidation Proceeding.

"Non-Controlling Secured Parties" means, with respect to any Shared Collateral, the Secured Parties which are not Controlling Secured Parties with respect to such Shared Collateral.

"Obligations" means, collectively, (a) the Credit Agreement Obligations, (b) the Initial Additional Obligations, and (c) each Series of Additional Obligations.

"Possessory Collateral" means any Shared Collateral in the possession of a Collateral Agent (or its agents or bailees), to the extent that possession thereof perfects a Lien thereon under the Uniform Commercial Code of any jurisdiction. Possessory Collateral includes, without limitation, any Certificated Securities, Promissory Notes, Instruments, and Chattel Paper, in each case, delivered to or in the possession of the Collateral Agent under the terms of the Security Documents.

"Proceeds" has the meaning assigned to such term in Section 2.01(a).

"Refinance" means, in respect of any indebtedness, to refinance, extend, renew, defease, amend, increase, modify, supplement, restructure, refund, replace or repay, or to Incur other indebtedness or enter alternative financing arrangements, in exchange or replacement for, such indebtedness (in whole or in part), including by adding or replacing lenders, creditors, agents, borrowers and/or guarantors, and including in each case, but not limited to, after the original instrument giving rise to such indebtedness has been terminated and including, in each case, through any credit agreement, loan agreement, note purchase agreement, indenture or other agreement. "Refinanced" and "Refinancing" have correlative meanings.

"Secured Credit Document" means (a) the Credit Agreement and each Credit Document (as defined in the Credit Agreement), (b) each Additional Document with respect to the Initial Additional Obligations, and (c) each Additional Document with respect to any Series of Additional Class Debt.

"Secured Parties" means (a) the Credit Agreement Secured Parties, (b) the Initial Additional Secured Parties with respect to the Initial Additional Obligations, and (c) the Additional Secured Parties with respect to each Series of Additional Obligations.

"Security Documents" means, collectively, (a) the Credit Agreement Collateral Documents, (b) the Initial Additional Security Documents, and (c) the Additional Security Documents.

"Series" means (a) with respect to the Secured Parties, each of (i) the Credit Agreement Secured Parties (in their capacities as such), (ii) the Initial Additional Secured Parties (in their capacities as such), and (iii) the Additional Secured Parties that become subject to this Agreement after the date hereof that are represented by a common Authorized Representative (in its capacity as such for such Additional Secured Parties) and (b) with respect to any Obligations, each of (i) the Credit Agreement Obligations, (ii) the Initial Additional Obligations, and (iii) the Additional Obligations Incurred pursuant to any Additional Document, which pursuant to any Joinder Agreement, are to be represented hereunder by a common Authorized Representative (in its capacity as such for such Additional Obligations).

"Shared Collateral" means, at any time, Collateral in which the holders of two or more Series of Obligations hold a valid and perfected security interest at such time. If more than two Series of Obligations are outstanding at any time and the holders of less than all Series of Obligations hold a valid and perfected security interest in any Collateral at such time, then such Collateral shall constitute Shared Collateral for those Series of Obligations that hold a valid security interest in such Collateral at such time and shall not constitute Shared Collateral for any Series which does not have a valid and perfected security interest in such Collateral at such time.

SECTION 1.02 Terms Generally. The rules of construction and other interpretive provisions set forth in Sections 1.2, 1.3, 1.5, 1.6, 1.7, 1.8, 1.10 and 1.11 of the Credit Agreement shall apply to this Agreement, including terms defined in the preamble and recitals to this Agreement.

SECTION 1.03 Impairments. It is the intention of the Secured Parties of each Series that the holders of Obligations of such Series (and not the Secured Parties of any other Series) bear the risk of (a) any determination by a court of competent jurisdiction that (i) any of the Obligations of such Series are unenforceable under Applicable Law or are subordinated to any other obligations (other than another Series of Obligations), (ii) any of the Obligations of such Series do not have an enforceable security interest in any of the Collateral securing any other Series of Obligations and/or (iii) any intervening security interest exists securing any other obligations (other than another Series of Obligations) on a basis ranking prior to the security interest of such Series of Obligations but junior to the security interest of any other Series of Obligations or (b) the existence of any Collateral for any other Series of Obligations that is not Shared Collateral (any such condition referred to in the foregoing clauses (a) or (b) with respect to any Series of Obligations, an "Impairment" of such Series); provided, that the existence of a maximum claim with respect to any real property subject to a mortgage which applies to all Obligations shall not be deemed to be an Impairment of any Series of Obligations. In the event of any Impairment with respect to any Series of Obligations, the results of such Impairment shall be borne solely by the holders of such Series of Obligations, and the rights of the holders of such Series of Obligations (including, without limitation, the right to receive distributions in respect of such Series of Obligations pursuant to Section 2.01) set forth herein shall be modified to the extent necessary so that the effects of such Impairment are borne solely by the holders of the Series of such Obligations subject to such Impairment. Additionally, in the event the Obligations of any Series are modified pursuant to Applicable Law (including, without

limitation, pursuant to Section 1129 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law), any reference to such Obligations or the Security Documents governing such Obligations shall refer to such obligations or such documents as so modified.

ARTICLE II

Priorities and Agreements with Respect to Shared Collateral

SECTION 2.01 Priority of Claims.

(a) Anything contained herein or in any of the Secured Credit Documents to the contrary notwithstanding (but subject to Section 1.03), if an Event of Default has occurred and is continuing, and the Applicable Collateral Agent or any Secured Party is taking action to enforce rights in respect of any Shared Collateral, or any distribution is made in respect of any Shared Collateral in any Bankruptcy Case of Holdings, the Borrower or any other Grantor or any Secured Party receives any payment pursuant to any intercreditor agreement (other than this Agreement) with respect to any Shared Collateral, the proceeds of any sale, collection or other liquidation of any such Collateral by any Secured Party or received by the Applicable Collateral Agent or any Secured Party pursuant to any such intercreditor agreement with respect to such Shared Collateral and proceeds of any such distribution (subject, in the case of any such distribution, to the sentence immediately following) to which the Obligations are entitled under any intercreditor agreement (other than this Agreement) (all proceeds of any sale, collection or other liquidation of any Shared Collateral and all proceeds of any such distribution being collectively referred to as "Proceeds"), shall be applied (i) FIRST, to the payment in full in cash of all amounts owing to each Collateral Agent (in its capacity as such) pursuant to the terms of any Secured Credit Document, (ii) SECOND, subject to Section 1.03, to the payment in full in cash of the Obligations of each Series on a ratable basis, with such Proceeds to be applied to the Obligations of a given Series in accordance with the terms of the applicable Secured Credit Documents and (iii) THIRD, after payment in full in cash of all Obligations, to the Borrower and the other Grantors or their successors or assigns, as their interests may appear, or to whosoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct. If, despite the provisions of this Section 2.01(a), any Secured Party shall receive any payment or other recovery in excess of its portion of payments on account of the Obligations to which it is then entitled in accordance with this Section 2.01(a), such Secured Party shall hold such payment or recovery in trust for the benefit of all Secured Parties for distribution in accordance with this Section 2.01(a). Notwithstanding the foregoing, with respect to any Shared Collateral for which a third party (other than a Secured Party) has a lien or security interest that is junior in priority to the security interest of any Series of Obligations but senior (as determined by appropriate legal proceedings in the case of any dispute) to the security interest of any other Series of Obligations (such third party, an "Intervening Creditor"), the value of any Shared Collateral or Proceeds which are allocated to such Intervening Creditor shall be deducted on a ratable basis solely from the Shared Collateral or Proceeds to be distributed in respect of the Series of Obligations with respect to which such Impairment exists.

(b) It is acknowledged that the Obligations of any Series may, subject to the limitations set forth in the then extant Secured Credit Documents and subject to Section 2.08, be increased, extended, renewed, replaced, restated, supplemented, restructured, repaid, refunded, Refinanced or otherwise amended or modified from time to time, all without affecting the priorities set forth in Section 2.01(a) or the provisions of this Agreement defining the relative rights of the Secured Parties of any Series.

(c) Notwithstanding the date, time, method, manner or order of filing or recordation of any document or instrument or grant, attachment or perfection of any Liens securing any Series of Obligations granted on the Shared Collateral and notwithstanding any provision of the Uniform

Commercial Code of any jurisdiction, or any other Applicable Law or the Secured Credit Documents or any defect or deficiencies in the Liens securing the Obligations of any Series or any other circumstance whatsoever (but, in each case, subject to Section 1.03), each Secured Party hereby agrees that the Liens securing each Series of Obligations on any Shared Collateral shall be of equal priority.

SECTION 2.02 Actions with Respect to Shared Collateral; Prohibition on Contesting Liens.

(a) Only the Applicable Collateral Agent shall act or refrain from acting with respect to any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral). At any time when the Credit Agreement Collateral Agent is the Applicable Collateral Agent, no Additional Secured Party shall or shall instruct any Collateral Agent to, commence any judicial or nonjudicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral), whether under any Additional Security Document, Applicable Law or otherwise, it being agreed that only the Credit Agreement Collateral Agent or any person authorized by it, acting in accordance with the Credit Agreement Collateral Documents, shall be entitled to take any such actions or exercise any such remedies with respect to Shared Collateral at such time.

(b) With respect to any Shared Collateral at any time when the Additional Collateral Agent or the Initial Additional Collateral Agent is the Applicable Collateral Agent, (i) the Applicable Collateral Agent shall act only on the instructions of the Applicable Authorized Representative, (ii) the Applicable Collateral Agent shall not follow any instructions with respect to such Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral) from any Non-Controlling Authorized Representative (or any other Secured Party other than the Applicable Authorized Representative) and (iii) no Non-Controlling Authorized Representative or other Secured Party (other than the Applicable Authorized Representative) shall or shall instruct the Applicable Collateral Agent to, commence any judicial or nonjudicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral), whether under any Security Document, Applicable Law or otherwise, it being agreed that only the Applicable Collateral Agent, acting on the instructions of the Applicable Authorized Representative and in accordance with the Additional Security Documents or Initial Additional Security Documents (as applicable), shall be entitled to take any such actions or exercise any such remedies with respect to Shared Collateral.

(c) Notwithstanding the equal priority of the Liens securing each Series of Obligations, the Applicable Collateral Agent (in the case of the Additional Collateral Agent or the Initial Additional Collateral Agent, acting on the instructions of the Applicable Authorized Representative) may deal with the Shared Collateral as if such Applicable Collateral Agent had a senior Lien on such Collateral. No Non-Controlling Authorized Representative or Non-Controlling Secured Party will contest, protest or object to any foreclosure proceeding or action brought by the Applicable Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party or any other exercise by the Applicable Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party of any rights and remedies relating to the Shared Collateral, or to cause the Applicable Collateral Agent to do so. The foregoing shall not be construed to limit the rights and priorities of any Secured Party, the Applicable Collateral Agent or any Authorized Representative with respect to any Collateral not constituting Shared Collateral.

(d) Each of the Secured Parties agrees that it will not (and hereby waives any right to) question or contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the perfection, priority, validity, attachment or enforceability of a Lien held by or on behalf of any of the Secured Parties in all or any part of the Collateral, or the provisions of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any Collateral Agent or any Authorized Representative to enforce this Agreement.

SECTION 2.03 No Interference; Payment Over.

(a) Each Secured Party agrees that (i) it will not challenge or question in any proceeding the validity or enforceability of any Obligations of any Series or any Security Document or the validity, attachment, perfection or priority of any Lien under any Security Document or the validity or enforceability of the priorities, rights or duties established by or other provisions of this Agreement; (ii) it will not take or cause to be taken any action the purpose or intent of which is, or could be, to interfere, hinder or delay, in any manner, whether by judicial proceedings or otherwise, any Disposition of the Shared Collateral by the Applicable Collateral Agent, (iii) except as provided in Section 2.02, it shall have no right to (A) direct the Applicable Collateral Agent or any other Secured Party to exercise any right, remedy or power with respect to any Shared Collateral (including pursuant to any intercreditor agreement) or (B) consent to the exercise by the Applicable Collateral Agent or any other Secured Party of any right, remedy or power with respect to any Shared Collateral, (iv) it will not institute any suit, Insolvency or Liquidation Proceeding or any other proceeding any claim against the Applicable Collateral Agent or any other Secured Party seeking damages from or other relief by way of specific performance, instructions or otherwise with respect to any Shared Collateral, and none of the Applicable Collateral Agent, any Applicable Authorized Representative or any other Secured Party shall be liable for any action taken or omitted to be taken by the Applicable Collateral Agent, such Applicable Authorized Representative or other Secured Party with respect to any Shared Collateral in accordance with the provisions of this Agreement, (v) it will not seek, and hereby waives any right, to have any Shared Collateral or any part thereof marshaled upon any foreclosure or other disposition of such Collateral and (vi) it will not attempt, directly or indirectly, whether by judicial proceedings or otherwise, to challenge the enforceability of any provision of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any of the Applicable Collateral Agent or any other Secured Party to enforce this Agreement.

(b) Each Secured Party hereby agrees that if it shall obtain possession of any Shared Collateral or shall realize any proceeds or payment in respect of any such Shared Collateral, pursuant to any Security Document or by the exercise of any rights available to it under Applicable Law or in any Insolvency or Liquidation Proceeding or through any other exercise of remedies (including pursuant to any intercreditor agreement), at any time prior to the Discharge of each of the Obligations, then it shall hold such Shared Collateral, proceeds or payment in trust for the other Secured Parties and promptly transfer such Shared Collateral, proceeds or payment, as the case may be, to the Applicable Collateral Agent, to be distributed in accordance with the provisions of Section 2.01 hereof.

SECTION 2.04 Automatic Release of Liens.

(a) If, at any time the Applicable Collateral Agent forecloses upon or otherwise exercises remedies against any Shared Collateral resulting in a sale or disposition thereof, then (whether or not any Insolvency or Liquidation Proceeding is pending at the time) the Liens in favor of the other Collateral Agent for the benefit of each Series of Secured Parties upon such Shared Collateral will

automatically be released and discharged as and when, but only to the extent, such Liens of the Applicable Collateral Agent on such Shared Collateral are released and discharged; provided that any proceeds of any Shared Collateral realized therefrom shall be applied pursuant to Section 2.01.

(b) Each Collateral Agent and Authorized Representative agrees to execute and deliver (at the sole cost and expense of the Grantors) all such authorizations and other instruments as shall reasonably be requested by the Applicable Collateral Agent to evidence and confirm any release of Shared Collateral provided for in this Section 2.04.

SECTION 2.05 Certain Agreements with Respect to Insolvency or Liquidation Proceedings.

(a) This Agreement shall continue in full force and effect notwithstanding the commencement of any proceeding under the Bankruptcy Code or any other Bankruptcy Law, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law by or against Holdings, the Borrower or any of its Subsidiaries.

(b) If Holdings, the Borrower and/or any other Grantor shall become subject to a case or other proceedings under the Bankruptcy Code or any other Bankruptcy Law (a "Bankruptcy Case") and shall, as debtor(s)-in-possession, move for approval of financing ("DIP Financing") to be provided by one or more lenders (the "DIP Lenders") under Section 364 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law or the use of cash collateral under Section 363 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law, each Secured Party (other than any Controlling Secured Party or Authorized Representative of any Controlling Secured Party) agrees that it will raise no objection to any such financing or to the Liens on the Shared Collateral securing the same ("DIP Financing Liens") or to any use of cash collateral that constitutes Shared Collateral, unless the Authorized Representative of any Controlling Secured Party, shall then oppose or object to such DIP Financing or such DIP Financing Liens or use of cash collateral (and (i) to the extent that such DIP Financing Liens are senior to the Liens on any such Shared Collateral for the benefit of the Controlling Secured Parties, each Non-Controlling Secured Party will subordinate its Liens with respect to such Shared Collateral on the same terms as the Liens of the Controlling Secured Parties (other than any Liens of any Secured Parties constituting DIP Financing Liens) are subordinated thereto, and (ii) to the extent that such DIP Financing Liens rank equal in priority with the Liens on any such Shared Collateral granted to secure the Obligations of the Controlling Secured Parties, each Non-Controlling Secured Party will confirm the priorities with respect to such Shared Collateral as set forth herein), in each case so long as (A) the Secured Parties of each Series retain the benefit of their Liens on all such Shared Collateral pledged to the DIP Lenders, including proceeds thereof arising after the commencement of such proceeding, with the same priority vis-à-vis all the other Secured Parties (other than any Liens of the Secured Parties constituting DIP Financing Liens) as existed prior to the commencement of the Bankruptcy Case, (B) the Secured Parties of each Series are granted Liens on any additional collateral pledged to any Secured Parties as adequate protection or otherwise in connection with such DIP Financing or use of cash collateral, with the same priority vis-à-vis the Secured Parties (other than any Liens of the Secured Parties constituting DIP Financing Liens) as set forth in this Agreement, (C) if any amount of such DIP Financing or cash collateral is applied to repay any of the Obligations, such amount is applied pursuant to Section 2.01, and (D) if any Secured Parties are granted adequate protection, including in the form of periodic payments, in connection with such DIP Financing or use of cash collateral, the proceeds of such adequate protection are applied pursuant to Section 2.01; provided that the Secured Parties of each Series shall have a right to object to the grant of a Lien to secure the DIP Financing over any Collateral subject to Liens in favor of the Secured Parties of such Series or its Authorized Representative that shall not constitute Shared Collateral; and provided, further, that the Secured Parties receiving adequate protection shall not object to any other Secured Party receiving adequate protection comparable to any adequate protection granted to such Secured Parties in connection with a DIP Financing or use of cash collateral.

SECTION 2.06 Reinstatement. In the event that any of the Obligations shall be paid in full and such payment or any part thereof shall subsequently, for whatever reason (including an order or judgment for disgorgement of a preference under any Bankruptcy Law, or any similar law, or the settlement of any claim in respect thereof), be required to be returned or repaid, the terms and conditions of this Article II shall be fully applicable thereto until all such Obligations shall again have been paid in full in cash.

SECTION 2.07 Insurance. As between the Secured Parties, the Applicable Collateral Agent (and in the case of the Additional Collateral Agent, acting at the direction of the Applicable Authorized Representative) shall have the right to adjust or settle any insurance policy or claim covering or constituting Shared Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding affecting the Shared Collateral.

SECTION 2.08 Refinancings. The Obligations of any Series may be Refinanced, in whole or in part, in each case, without notice to, or the consent (except to the extent a consent is otherwise required to permit the Refinancing transaction under any Secured Credit Document) of any Secured Party of any other Series, all without affecting the priorities provided for herein or the other provisions hereof; provided that the Authorized Representative of the holders of any such Refinancing indebtedness shall have executed a Joinder Agreement on behalf of the holders of such Refinancing indebtedness.

SECTION 2.09 Possessory Collateral Agent as Gratuitous Bailee for Perfection.

(a) The Possessory Collateral shall be delivered to the Credit Agreement Collateral Agent and the Credit Agreement Collateral Agent agrees to hold any Shared Collateral constituting Possessory Collateral that is part of the Collateral in its possession or control (or in the possession or control of its agents or bailees) as gratuitous bailee for the benefit of each other Secured Party and any assignee solely for the purpose of perfecting the security interest granted in such Possessory Collateral, if any, pursuant to the applicable Security Documents, in each case, subject to the terms and conditions of this Section 2.09; provided that at any time the Credit Agreement Collateral Agent is not the Applicable Collateral Agent, the Credit Agreement Collateral Agent shall, at the request of the Applicable Collateral Agent, promptly deliver all Possessory Collateral to the Applicable Collateral Agent together with any necessary endorsements (or otherwise allow the Applicable Collateral Agent to obtain control of such Possessory Collateral). The Borrower shall take such further action as is required to effectuate the transfer contemplated hereby and shall indemnify each Collateral Agent for loss or damage suffered by such Collateral Agent as a result of such transfer except for loss or damage suffered by such Collateral Agent as a result of its own willful misconduct, gross negligence or bad faith.

(b) The Applicable Collateral Agent agrees to hold any Shared Collateral constituting Possessory Collateral, from time to time in its possession, as gratuitous bailee for the benefit of each other Secured Party and any assignee, solely for the purpose of perfecting the security interest granted in such Possessory Collateral, if any, pursuant to the applicable Security Documents, in each case, subject to the terms and conditions of this Section 2.09.

(c) The duties or responsibilities of each Collateral Agent under this Section 2.09 shall be limited solely to holding any Shared Collateral constituting Possessory Collateral as gratuitous bailee for the benefit of each other Secured Party for purposes of perfecting the Lien held by such Secured Parties therein.

SECTION 2.10 Amendments to Security Documents.

(a) Without the prior written consent of the Credit Agreement Collateral Agent, the Additional Collateral Agent and the Initial Additional Collateral Agent agree that no Additional Security Document or Initial Additional Security Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Additional Security Document or new Initial Additional Security Document would be prohibited by, or would require any Grantor to act or refrain from acting in a manner that would violate, any of the terms of this Agreement.

(b) Without the prior written consent of the Additional Collateral Agent and the Initial Additional Collateral Agent, the Credit Agreement Collateral Agent agrees that no Credit Agreement Collateral Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Credit Agreement Collateral Document would be prohibited by, or would require any Grantor to act or refrain from acting in a manner that would violate, any of the terms of this Agreement.

(c) In making determinations required by this Section 2.10, each Collateral Agent may conclusively rely on an officer's certificate of the Borrower.

ARTICLE III

Existence and Amounts of Liens and Obligations

SECTION 3.01 Determinations with Respect to Amounts of Liens and Obligations. Whenever a Collateral Agent or any Authorized Representative shall be required, in connection with the exercise of its rights or the performance of its obligations hereunder, to determine the existence or amount of any Obligations of any Series, or the Shared Collateral subject to any Lien securing the Obligations of any Series, it may request that such information be furnished to it in writing by each other Authorized Representative or Collateral Agent and shall be entitled to make such determination or not make any determination on the basis of the information so furnished; provided, however, that if an Authorized Representative or a Collateral Agent shall fail or refuse reasonably promptly to provide the requested information, the requesting Collateral Agent or Authorized Representative shall be entitled to make any such determination by such method as it may, in the exercise of its good faith judgment, determine, including by reliance upon a certificate of the Borrower. Each Collateral Agent and each Authorized Representative may rely conclusively, and shall be fully protected in so relying, on any determination made by it in accordance with the provisions of the preceding sentence (or as otherwise directed by a court of competent jurisdiction) and shall have no liability to any Grantor, any Secured Party or any other person as a result of such determination.

ARTICLE IV

The Applicable Collateral Agent

SECTION 4.01 Authority.

(a) Notwithstanding any other provision of this Agreement, nothing herein shall be construed to impose any fiduciary or other duty on any Applicable Collateral Agent to any Non-Controlling Secured Party or give any Non-Controlling Secured Party the right to direct any Applicable Collateral Agent, except that each Applicable Collateral Agent shall be obligated to distribute proceeds of any Shared Collateral in accordance with Section 2.01 hereof.

(b) In furtherance of the foregoing, each Non-Controlling Secured Party acknowledges and agrees that the Applicable Collateral Agent shall be entitled, for the benefit of the Secured Parties, to sell, transfer or otherwise dispose of or deal with any Shared Collateral as provided herein and in the Security Documents, as applicable, for which the Applicable Collateral Agent is the collateral agent of such Shared Collateral, without regard to any rights to which the Non-Controlling Secured Parties would otherwise be entitled as a result of the Obligations held by such Non-Controlling Secured Parties. Without limiting the foregoing, each Non-Controlling Secured Party agrees that none of the Applicable Collateral Agent, the Applicable Authorized Representative or any other Secured Party shall have any duty or obligation first to marshal or realize upon any type of Shared Collateral (or any other Collateral securing any of the Obligations), or to sell, dispose of or otherwise liquidate all or any portion of such Shared Collateral (or any other Collateral securing any Obligations), in any manner that would maximize the return to the Non-Controlling Secured Parties, notwithstanding that the order and timing of any such realization, sale, disposition or liquidation may affect the amount of proceeds actually received by the Non-Controlling Secured Parties from such realization, sale, disposition or liquidation. Each of the Secured Parties waives any claim it may now or hereafter have against any Collateral Agent or the Authorized Representative of any other Series of Obligations or any other Secured Party of any other Series arising out of (i) any actions which any Collateral Agent, Authorized Representative or the Secured Parties take or omit to take (including, actions with respect to the creation, perfection or continuation of Liens on any Collateral, actions with respect to the foreclosure upon, sale, release or depreciation of, or failure to realize upon, any of the Collateral and actions with respect to the collection of any claim for all or any part of the Obligations from any account debtor, guarantor or any other party) in accordance with the Security Documents or any other agreement related thereto or to the collection of the Obligations or the valuation, use, protection or release of any security for the Obligations, (ii) any election by any Applicable Collateral Agent, any Applicable Authorized Representative or any holders of Obligations, in any proceeding instituted under the Bankruptcy Code or any other applicable Bankruptcy Law, of the application of Section 1111(b) of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law, or (iii) subject to Section 2.05, any borrowing by, or grant of a security interest or administrative expense priority under Section 364 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law, by Holdings, the Borrower or any of its Subsidiaries, as debtor-in-possession. Notwithstanding any other provision of this Agreement, the Applicable Collateral Agent shall not accept any Shared Collateral in full or partial satisfaction of any Obligations pursuant to Section 9-620 of the Uniform Commercial Code of any jurisdiction or similar provision of any foreign law, without the consent of each Authorized Representative representing holders of Obligations for whom such Collateral constitutes Shared Collateral.

ARTICLE V

Miscellaneous

SECTION 5.01 Notices. All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(a) if to the Borrower, Holdings or any other Credit Party, to it at:

Grocery Outlet Inc.
5650 Hollis St.
Emeryville, CA 94608
Attention: Charles Bracher
Tel: [ ]
Fax: [ ]
Email: [ ]

With a copy to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
Attention: Brian Steinhardt
Email: [ ]

(b) if to the Collateral Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1300 Thames Street, 4th Floor
Thames Street Wharf
Baltimore, MD 21231
Email: docs4loans@morganstanley.com

(c) if to the [Initial Additional Collateral Agent], to it at:

[ ]
Attention: [ ]
Tel: [ ]
Facsimile: [ ]
Electronic mail: [ ]

With a copy to:

[ ]

(d) if to any other Authorized Representative, to it at the address set forth in the applicable Joinder Agreement.

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt (if a Business Day) and on the next Business Day thereafter (in all other cases) if delivered by hand or overnight courier service or sent by telecopy or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 5.01 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 5.01. As agreed to in writing among each Collateral Agent and each Authorized Representative from time to time, notices and other communications may also be delivered by e-mail to the e-mail address of a representative of the applicable person provided from time to time by such person.

SECTION 5.02 Waivers; Amendment; Joinder Agreements.

(a) No failure or delay on the part of any party hereto in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies

of the parties hereto are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 5.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on any party hereto in any case shall entitle such party to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be terminated, waived, amended or modified (other than pursuant to any Joinder Agreement) except pursuant to an agreement or agreements in writing entered into by each Authorized Representative and each Collateral Agent (and with respect to any such termination, waiver, amendment or modification which by the terms of this Agreement requires the Borrower's consent or which increases the obligations or reduces the rights of the Borrower or any other Grantor, with the consent of the Borrower).

(c) Notwithstanding the foregoing, without the consent of any Secured Party, any Authorized Representative may become a party hereto by execution and delivery of a Joinder Agreement in accordance with Section 5.13 and upon such execution and delivery, such Authorized Representative and the Additional Secured Parties that become subject to this Agreement after the date hereof and Additional Obligations of the Series for which such Authorized Representative is acting shall be subject to the terms hereof and the terms of the Additional Security Documents applicable thereto.

(d) Notwithstanding the foregoing, without the consent of any other Authorized Representative or Secured Party, the Collateral Agents may effect amendments and modifications to this Agreement to the extent necessary to reflect any Incurrence of any Additional Obligations in compliance with the Credit Agreement and the other Secured Credit Documents. With respect to any Additional Class Debt that is Incurred after the Closing Date, the Borrower and each of the other Grantors agrees to take such actions (if any) as may from time to time reasonably be requested by any Authorized Representative, and enter into such technical amendments, modifications and/or supplements to this Agreement, the then existing Security Documents (or execute and deliver such additional Security Documents) as may from time to time be reasonably requested by such Persons, to ensure that such Additional Class Debt are secured by, and entitled to the benefits of, the relevant Security Documents relating to such Additional Class Debt, and each Secured Party (by its acceptance of the benefits hereof) hereby agrees to, and authorizes the Applicable Authorized Representative, as the case may be, to enter into, any such technical amendments, modifications and/or supplements (and additional Security Documents).

SECTION 5.03 Parties in Interest. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, as well as the other Secured Parties, all of whom are intended to be bound by, and to be third party beneficiaries of, this Agreement.

SECTION 5.04 Survival of Agreement. All covenants, agreements, representations and warranties made by any party in this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement.

SECTION 5.05 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 5.06 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. The parties hereto shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 5.07 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 5.08 Submission to Jurisdiction Waivers; Consent to Service of Process. Each Collateral Agent and each Authorized Representative, on behalf of itself and the Secured Parties of the Series for whom it is acting, irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the Security Documents, or for recognition and enforcement of any judgment in respect thereof, to the exclusive jurisdiction of the courts of the State of New York located in the Borough of Manhattan, the courts of the United States for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 (or its Authorized Representative) at the address set forth in Section 5.01;

(d) agrees that nothing herein shall affect the right of any other party hereto (or any Secured Party) to effect service of process in any other manner permitted by law or shall limit the right of any party hereto (or any Secured Party) to sue 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 5.08 any special, exemplary, punitive or consequential damages.

SECTION 5.09 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR FOR ANY COUNTERCLAIM THEREIN.

SECTION 5.10 Headings. Article, Section and Annex headings used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 5.11 Conflicts. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any of the Security Documents or any of the other Secured Credit Documents, the provisions of this Agreement shall control.

SECTION 5.12 Provisions Solely to Define Relative Rights. The provisions of this Agreement are and are intended solely for the purpose of defining the relative rights of the Secured Parties in relation to one another. None of the Borrower, any other Grantor or any other creditor thereof shall have any rights or obligations hereunder, except as expressly provided in this Agreement (provided that nothing in this Agreement (other than Sections 2.04, 2.05, and 2.09) is intended to or will amend, waive or otherwise modify the provisions of the Credit Agreement or any Additional Documents), and none of the Borrower or any other Grantor may rely on the terms hereof (other than Sections 2.04, 2.05, 2.09 and Article V). Nothing in this Agreement is intended to or shall impair the obligations of any Grantor, which are absolute and unconditional, to pay the Obligations as and when the same shall become due and payable in accordance with their terms.

SECTION 5.13 Additional Senior Debt. To the extent, but only to the extent permitted by the provisions of the Credit Agreement and the Additional Documents, the Borrower may Incur additional indebtedness after the date hereof that is permitted by the Credit Agreement and the Additional Documents to be Incurred and secured by the Shared Collateral on a priority basis that is equal to the Liens on the Shared Collateral securing the Obligations (such indebtedness referred to as "Additional Class Debt"). Any such Additional Class Debt may be secured by a Lien on the Shared Collateral on a basis that is equal to the Liens on the Shared Collateral securing the Obligations, in each case under and pursuant to the Additional Documents, if and subject to the condition that the Authorized Representative of any such Additional Class Debt (each, an "Additional Class Debt Representative"), acting on behalf of the holders of such Additional Class Debt (such Authorized Representative and holders in respect of any Additional Class Debt being referred to as the "Additional Class Debt Parties"), and, to the extent not already a party hereto, the collateral agent for any such Additional Class Debt, becomes a party to this Agreement by satisfying the conditions set forth in clauses (i) through (iv) of the immediately succeeding paragraph.

In order for an Additional Class Debt Representative and, if applicable, the collateral agent for any such Additional Class Debt, to become a party to this Agreement,

(i) such Additional Class Debt Representative, each Collateral Agent, each Authorized Representative and each Grantor shall have executed and delivered an instrument substantially in the form of Annex II (with such changes as may be reasonably approved by each Collateral Agent and such Additional Class Debt Representative) pursuant to which (a) such Additional Class Debt Representative becomes an Authorized Representative hereunder, (b) if applicable, such collateral agent becomes the Additional Collateral Agent hereunder, and (c) the Additional Class Debt in respect of which such Additional Class Debt Representative is the Authorized Representative and the related Additional Class Debt Parties become subject hereto and bound hereby;

(ii) the Borrower shall have (x) delivered to each Collateral Agent true and complete copies of each of the Additional Documents relating to such Additional Class Debt, certified as being true and correct by an authorized officer of the Borrower and (y) identified in a certificate of an authorized officer the obligations to be designated as Additional Obligations and the initial aggregate principal amount or face amount thereof;

(iii) all filings, recordations and/or amendments or supplements to the Security Documents necessary or desirable in the reasonable judgment of such Additional Class

Debt Representative to confirm and perfect the Liens securing the relevant obligations relating to such Additional Class Debt shall have been made, executed and/or delivered (or, with respect to any such filings or recordations, acceptable provisions to perform such filings or recordings have been taken in the reasonable judgment of such Additional Class Debt Representative), and all fees and taxes in connection therewith shall have been paid (or acceptable provisions to make such payments have been taken in the reasonable judgment of the Additional Class Debt Representative); and

(iv) the Additional Documents, as applicable, relating to such Additional Class Debt shall provide, in a manner reasonably satisfactory to each Collateral Agent, that each Additional Class Debt Party with respect to such Additional Class Debt will be subject to and bound by the provisions of this Agreement in its capacity as a holder of such Additional Class Debt.

SECTION 5.14 Agent Capacities. Except as expressly provided herein or in the Credit Agreement Collateral Documents, MSSF is acting in the capacity of Authorized Representative solely for the Credit Agreement Secured Parties and in its capacity as Collateral Agent solely for the Credit Agreement Secured Parties, the Initial Additional Credit Agreement Secured Parties and the Additional Credit Agreement Secured Parties. Except as expressly set forth herein, none of the Administrative Agent, the Credit Agreement Collateral Agent, the Initial Additional Collateral Agent or the Additional Collateral Agent shall have any duties or obligations in respect of any of the Collateral, all of such duties and obligations, if any, being subject to and governed by the applicable Secured Credit Documents.

SECTION 5.15 Integration. This Agreement together with the other Secured Credit Documents and the Security Documents represents the agreement of each of the Grantors and the Secured Parties with respect to the subject matter hereof and there are no promises, undertakings, representations or warranties by any Grantor, the Credit Agreement Collateral Agent, or any other Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Secured Credit Documents or the Security Documents.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: _____
Name:
Title:

MORGAN STANLEY SENIOR FUNDING, INC., as Authorized Representative for the Credit Agreement Secured Parties

By: _____
Name:
Title:

[ ], as Initial Additional Collateral Agent

By: _____
Name:
Title:

[ ], as Initial Additional Authorized Representative for the Initial Additional Credit Agreement Secured Parties

By: _____
Name:
Title:

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

GLOBE INTERMEDIATE CORP.

By: _____
Name:
Title:

[OTHER GRANTORS]

By: _____
Name:
Title:

ANNEX I

Grantors

[FORM OF] **JOINDER NO. [ ],** dated as of [ ], 20[ ] (this "Joinder") to the **EQUAL PRIORITY INTERCREDITOR AGREEMENT** dated as of [ ] (the "Equal Priority Intercreditor Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the other Grantors (as defined below) from time to time party thereto, **MORGAN STANLEY SENIOR FUNDING, INC.** ("MSSF"), as collateral agent for the Credit Agreement Secured Parties, the Initial Additional Credit Agreement Secured Parties and the Additional Credit Agreement Secured Parties (in such capacity and together with its successors in such capacity, the "Credit Agreement Collateral Agent"), MSSF, as Authorized Representative for the Credit Agreement Secured Parties, [ ], as Additional Collateral Agent], [ ], as Initial Additional Authorized Representative, and the additional Authorized Representatives from time to time a party thereto.[1]

A. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the Equal Priority Intercreditor Agreement.

B. As a condition to the ability of the Borrower to Incur Additional Obligations and to secure such Additional Class Debt with the liens and security interests created by the Additional Security Documents, the Additional Class Debt Representative in respect of such Additional Class Debt is required to become an Authorized Representative, and such Additional Class Debt and the Additional Class Debt Parties in respect thereof are required to become subject to and bound by, the Equal Priority Intercreditor Agreement. Section 5.13 of the Equal Priority Intercreditor Agreement provides that such Additional Class Debt Representative may become an Authorized Representative, and such Additional Class Debt and such Additional Class Debt Parties may become subject to and bound by the Equal Priority Intercreditor Agreement upon the execution and delivery by the Authorized Representative of an instrument in the form of this Joinder and the satisfaction of the other conditions set forth in Section 5.13 of the Equal Priority Intercreditor Agreement. The undersigned Additional Class Debt Representative (the "New Representative") is executing this Joinder Agreement in accordance with the requirements of the Equal Priority Intercreditor Agreement and the Security Documents.

Accordingly, each Collateral Agent, each Authorized Representative and the New Representative agree as follows:

SECTION 1. In accordance with Section 5.13 of the Equal Priority Intercreditor Agreement, the New Representative by its signature below becomes an Authorized Representative under, and the related Additional Class Debt and Additional Class Debt Parties become subject to and bound by, the Equal Priority Intercreditor Agreement with the same force and effect as if the New Representative had originally been named therein as an Authorized Representative and the New Representative, on its behalf and on behalf of such Additional Class Debt Parties, hereby agrees to all the terms and provisions of the Equal Priority Intercreditor Agreement applicable to it as Authorized Representative and to the Additional Class Debt Parties that it represents as Additional Secured Parties. Each reference to an "Authorized Representative" in the Equal Priority Intercreditor Agreement shall be deemed to include the New Representative. The Equal Priority Intercreditor Agreement is hereby incorporated herein by reference.

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1 In the event of (a) a joinder by the Additional Collateral Agent or (b) the Refinancing of the Credit Agreement Obligations, revise to reflect joinder by the Additional Collateral Agent or a new Credit Agreement Collateral Agent, as applicable.

SECTION 2. The New Representative represents and warrants to each Collateral Agent, each Authorized Representative and the other Secured Parties, individually, that (i) it has full power and authority to enter into this Joinder, in its capacity as [agent] [trustee] under [describe Additional Document], (ii) this Joinder has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms and (iii) the Additional Documents relating to such Additional Class Debt provide that, upon the New Representative's entry into this Agreement, the Additional Class Debt Parties in respect of such Additional Class Debt will be subject to and bound by the provisions of the Equal Priority Intercreditor Agreement as Additional Secured Parties.

SECTION 3. This Joinder may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Joinder shall become effective when each Collateral Agent shall have received a counterpart of this Joinder that bears the signatures of the New Representative. Delivery of an executed signature page to this Joinder by facsimile or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Joinder.

SECTION 4. Except as expressly supplemented hereby, the Equal Priority Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS JOINDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Joinder should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the Equal Priority Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 5.01 of the Equal Priority Intercreditor Agreement. All communications and notices hereunder to the New Representative shall be given to it at its address set forth below its signature hereto.

SECTION 8. The Borrower agrees to reimburse each Collateral Agent and each Authorized Representative for its reasonable and documented or invoiced out-of-pocket expenses in connection with this Joinder, including the reasonable fees, other charges and disbursements of counsel in accordance with the terms of the applicable Secured Credit Documents.

[Signature Page Follows]

IN WITNESS WHEREOF, the New Representative has duly executed this Joinder to the Equal Priority Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW REPRESENTATIVE], as [ ]
for the holders of [ ],

By: _____
Name:
Title:

Address for notices:

_____
attention of: _____
Phone: _____
Fax: _____
Email: _____

Acknowledged by:

MORGAN STANLEY SENIOR FUNDING, INC.,

as the Credit Agreement Collateral Agent and Authorized Representative,

By: _____
Name:
Title:

[ ],
as [the Additional Collateral Agent and] Initial Additional Authorized Representative,

By: _____
Name:
Title:

[OTHER AUTHORIZED REPRESENTATIVES]

GLOBE INTERMEDIATE CORP.,
as Holdings

By: _____
Name:
Title:

GOBP HOLDINGS, INC.,
as Borrower

By: _____
Name:
Title:

THE OTHER GRANTORS
LISTED ON SCHEDULE I HERETO

By: _____
Name:
Title:

ANNEX II
Schedule I to the
Supplement to the
Equal Priority Intercreditor Agreement

Grantors

FORM OF FIRST LIEN / SECOND LIEN INTERCREDITOR AGREEMENT

Attached.

FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT

Among

GLOBE INTERMEDIATE CORP.,
as Holdings,

GOBP HOLDINGS, INC.,
as the Borrower,

and the other Grantors party hereto,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Senior Priority Representative for the First Lien Credit Agreement Secured Parties,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Second Priority Representative for the Second Lien Credit Agreement Secured Parties,

and

each additional Representative from time to time party hereto

dated as of October 22, 2018

FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT dated as of October 22, 2018 (this "Agreement"), among GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof), GOBP HOLDINGS, INC., a Delaware corporation, the other Grantors (as defined below) party hereto, MORGAN STANLEY SENIOR FUNDING, INC. ("MSSF") as Representative for the First Lien Credit Agreement Secured Parties (in such capacity and together with its successors in such capacity, the "First Lien Administrative Agent"), MSSF as Representative for the Second Lien Credit Agreement Secured Parties (in such capacity and together with its successors in such capacity, the "Second Lien Administrative Agent"), and each additional Senior Priority Representative and Second Priority Representative that from time to time becomes a party hereto pursuant to Section 8.09.

In consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the First Lien Administrative Agent (for itself and on behalf of the First Lien Credit Agreement Secured Parties), the Second Lien Administrative Agent (for itself and on behalf of the Second Lien Credit Agreement Secured Parties) and each additional Senior Priority Representative (for itself and on behalf of the Additional Senior Secured Parties under the applicable Additional Senior Priority Debt Facility) and each additional Second Priority Representative (for itself and on behalf of the Additional Second Priority Secured Parties under the applicable Additional Second Priority Debt Facility) agree as follows:

ARTICLE 1
DEFINITIONS

SECTION 1.01. *Certain Defined Terms.* Capitalized terms used but not otherwise defined herein have the meanings set forth in the First Lien Credit Agreement or, if defined in the New York UCC, the meanings specified therein. As used in this Agreement, the following terms have the meanings specified below:

"Additional Second Priority Debt" means any Indebtedness that is Incurred or guaranteed by the Borrower, Holdings and/or any other Guarantor (other than Indebtedness constituting Second Lien Credit Agreement Obligations), which Indebtedness and Guarantees are secured by Liens on the Second Priority Collateral (or a portion thereof) having, or intended to have, the same priority ranking (but without regard to control of remedies, other than as provided by the terms of the applicable Second Priority Debt Documents) as the Liens securing the Second Lien Credit Agreement Obligations; provided, however, that (a) such Indebtedness is permitted to be Incurred, secured and guaranteed on such basis by each Senior Priority Debt Document and Second Priority Debt Document and (b) the Representative for the holders of such Indebtedness shall have become party to (i) this Agreement pursuant to, and by satisfying the conditions set forth in, Section 8.09 hereof and (ii) the Second Lien Intercreditor Agreement pursuant to, and by satisfying the conditions set forth in, Section 5.13 thereof (or any equivalent Section); provided, further, that, if such Indebtedness will be the initial Additional Second Priority Debt Incurred by the Borrower after the Closing Date, then the Guarantors, the Second Lien Administrative Agent and the Representative for such Indebtedness shall have executed and delivered the Second Lien Intercreditor Agreement. Additional Second Priority Debt shall include any Registered Equivalent Notes and Guarantees thereof by the Guarantors issued in exchange therefor.

"Additional Second Priority Debt Documents" means, with respect to any series, issue or class of Additional Second Priority Debt, the promissory notes, credit agreements, loan agreements, note purchase agreements, indentures or other operative agreements evidencing or governing such Indebtedness or the Liens securing such Indebtedness, including the Second Priority Collateral Documents.

"Additional Second Priority Debt Facility" means each credit agreement, loan agreement, note purchase agreement, indenture or other governing agreement with respect to any Additional Second Priority Debt.

"Additional Second Priority Debt Obligations" means, with respect to any series, issue or class of Additional Second Priority Debt, (a) all principal of, and premium and interest, fees and expenses (including, without limitation, any interest, fees and expenses which accrue after the commencement of any Bankruptcy Case or which would accrue but for the operation of Bankruptcy Laws, whether or not allowed or allowable as a claim in any such proceeding) payable with respect to, such Additional Second Priority Debt, (b) all other amounts payable to the related Additional Second Priority Secured Parties under the related Additional Second Priority Debt Documents, including, if applicable, any Hedging Obligations and/or Cash Management Obligations, and (c) any Refinancings of the foregoing.

"Additional Second Priority Secured Parties" means, with respect to any series, issue or class of Additional Second Priority Debt, the holders of such Indebtedness or any other Additional Second Priority Debt Obligation, including if applicable, any counterparty to any Hedging Agreements and/or in regard of any Cash Management Obligations, the Representative with respect thereto, any trustee or agent therefor under any related Additional Second Priority Debt Documents and the beneficiaries of each indemnification obligation undertaken by the Borrower or any Guarantor under any related Additional Second Priority Debt Documents.

"Additional Senior Priority Debt" means any Indebtedness that is Incurred or guaranteed by the Borrower, Holdings and/or any other Guarantor (other than Indebtedness constituting First Lien Credit Agreement Obligations), which Indebtedness and Guarantees are secured by Liens on the Senior Priority Collateral (or a portion thereof) having a priority ranking (but without regard to control of remedies) that is senior to the Liens on the Second Priority Collateral securing the Second Priority Debt Obligations; provided, however, that (a) such Indebtedness is permitted to be Incurred, secured and guaranteed on such basis by each Senior Priority Debt Document and Second Priority Debt Document and (b) the Representative for the holders of such Indebtedness shall have become party to (i) this Agreement pursuant to, and by satisfying the conditions set forth in, Section 8.09 hereof and (ii) the First Lien Intercreditor Agreement pursuant to, and by satisfying the conditions set forth in, Section 5.13 thereof (or any equivalent Section); provided, further, that, if such Indebtedness will be the initial Additional Senior Priority Debt incurred by the Borrower after the Closing Date, then the Guarantors, the First Lien Administrative Agent and the Representative for such Indebtedness shall have executed and delivered the First Lien Intercreditor Agreement. Additional Senior Priority Debt shall include any Registered Equivalent Notes and Guarantees thereof by the Guarantors issued in exchange therefor.

"Additional Senior Priority Debt Documents" means, with respect to any series, issue or class of Additional Senior Priority Debt, the promissory notes, credit agreements, loan agreements, indentures, or other operative agreements evidencing or governing such Indebtedness or the Liens securing such Indebtedness, including the Senior Priority Collateral Documents.

"Additional Senior Priority Debt Facility" means each credit agreement, loan agreement, note purchase agreement, indenture or other governing agreement with respect to any Additional Senior Priority Debt.

"Additional Senior Priority Debt Obligations" means, with respect to any series, issue or class of Additional Senior Priority Debt, (a) all principal of, and premium and interest, fees and expenses (including, without limitation, any interest, fees and expenses which accrues after the commencement of any Bankruptcy Case or which would accrue but for the operation of Bankruptcy Laws, whether or not allowed or allowable as a claim in any such proceeding) payable with respect to, such Additional Senior Priority Debt, (b) all other amounts payable to the related Additional Senior Secured Parties under the related Additional Senior Priority Debt Documents ,including, if applicable, any Hedging Obligations and/or Cash Management Obligations, and (c) any Refinancings of the foregoing.

"Additional Senior Secured Parties" means, with respect to any series, issue or class of Additional Senior Priority Debt, the holders of such Indebtedness or any other Additional Senior Priority Debt Obligation, including, if applicable, any counterparty to any Hedging Agreements and/or in regard of any Cash Management Obligations, the Representative with respect thereto, any trustee or agent therefor under any related Additional Senior Priority Debt Documents and the beneficiaries of each indemnification obligation undertaken by the Borrower or any Guarantor under any related Additional Senior Priority Debt Documents.

"Agreement" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Bankruptcy Case" means a case under the Bankruptcy Code or any other Bankruptcy Law.

"Bankruptcy Code" means Title 11 of the United States Code, as amended.

"Bankruptcy Laws" means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

"Board of Directors" means, with respect to any Person, (i) in the case of any corporation, the board of directors of such Person, (ii) in the case of any limited liability company, the board of managers of such Person, (iii) in the case of any partnership, the Board of Directors of the general partner of such Person and (iv) in any other case, the functional equivalent of the foregoing.

"Borrower" means the "Borrower" as defined in the First Lien Credit Agreement.

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation and including membership interests and partnership interests) and, except to the extent constituting Indebtedness, any and all warrants, rights or options to purchase, acquire or exchange any of the foregoing.

"Class Debt" has the meaning assigned to such term in Section 8.09.

"Class Debt Parties" has the meaning assigned to such term in Section 8.09.

"Class Debt Representatives" has the meaning assigned to such term in Section 8.09.

"Closing Date" means October 22, 2018.

"Collateral" means the Senior Priority Collateral and the Second Priority Collateral.

"Collateral Documents" means the Senior Priority Collateral Documents and the Second Priority Collateral Documents.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of Voting Stock, by agreement or otherwise. The terms "Controlling" and "Controlled" have meanings correlative thereto.

"Copyrights" means all United States (a) copyrights, rights in works of authorship, mask works and integrated circuit designs and other rights subject to the copyright laws of the United States, or of any other country or any group of countries, including copyrights and other rights in Software, data, databases, Internet web sites and the proprietary content thereof, (b) registrations, renewals, rights of reversion, extensions, supplemental registrations, recordings and applications for registration of any of the foregoing in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, and (c) rights to obtain all renewals, reversions and extensions thereof.

"Debt Facility" means any Senior Priority Debt Facility and any Second Priority Debt Facility.

"Designated Second Priority Representative" means (a) the Second Lien Administrative Agent, so long as the Second Priority Debt Facility under the Second Lien Credit Agreement is the only Second Priority Debt Facility under this Agreement and (b) at any time when clause (a) does not apply, the "Applicable Authorized Representative" (as defined in any Second Lien Intercreditor Agreement that may be in effect at such time).

"Designated Senior Priority Representative" means (a) the First Lien Administrative Agent, so long as the Senior Priority Debt Facility under the First Lien Credit Agreement is the only Senior Priority Debt Facility under this Agreement and (b) at any time when clause (a) does not apply, the "Applicable Authorized Representative" (as defined in any First Lien Intercreditor Agreement that may be in effect at such time).

"DIP Financing" has the meaning assigned to such term in Section 6.01.

"Discharge" means, with respect to any Debt Facility, the date on which such Debt Facility and the Senior Priority Obligations or Second Priority Debt Obligations thereunder, as the case may be, are no longer secured by Shared Collateral pursuant to the terms of the documentation governing such Debt Facility. The term "Discharged" shall have a corresponding meaning.

"Discharge of First Lien Credit Agreement Obligations" means, the Discharge of the First Lien Credit Agreement Obligations; provided that the Discharge of First Lien Credit Agreement Obligations shall not be deemed to have occurred in connection with a Refinancing of such First Lien Credit Agreement Obligations with an Additional Senior Priority Debt Facility secured by Shared Collateral under one or more Additional Senior Priority Debt Documents that have been designated in writing by the "Administrative Agent" (under the First Lien Credit Agreement so Refinanced) to the Designated Senior Priority Representative as the "First Lien Credit Agreement" for purposes of this Agreement.

"Discharge of Senior Priority Obligations" means the date on which the Discharge of First Lien Credit Agreement Obligations and the Discharge of each Additional Senior Priority Debt Facility has occurred.

"Disposition" means any conveyance, sale, lease, assignment, transfer, license or other disposition.

"First Lien Administrative Agent" has the meaning assigned to such term in the introductory paragraph of this Agreement and shall include any successor administrative agent and collateral agent as provided in Section 12 of the First Lien Credit Agreement.

"First Lien Credit Agreement" means that certain First Lien Credit Agreement, dated as of October 22, 2018, among Holdings, the Borrower, the lenders from time to time party thereto, the letter of credit issuers from time to time party thereto, MSSF, as administrative agent and collateral agent, and the other parties thereto.

"First Lien Credit Agreement Credit Documents" means the First Lien Credit Agreement and the other "Credit Documents" as defined in the First Lien Credit Agreement.

"First Lien Credit Agreement Obligations" means the "Obligations" as defined in the First Lien Credit Agreement.

"First Lien Credit Agreement Secured Parties" means the "Secured Parties" as defined in the First Lien Credit Agreement.

"First Lien Intercreditor Agreement" means (a) an intercreditor agreement substantially in the form of the Equal Priority Intercreditor Agreement (as defined in the First Lien Credit Agreement) or (b) a customary intercreditor agreement in form and substance reasonably acceptable to the Senior Priority Representative with respect to each Senior Priority Debt Facility in existence at the time such intercreditor agreement is entered into and the Borrower, and which provides that the Liens securing all Indebtedness covered thereby shall be of equal priority (but without regard to the control of remedies).

"Grantors" means Holdings, the Borrower and each Subsidiary that has granted a security interest pursuant to any Collateral Document to secure any Secured Obligations.

"Guarantors" means the "Guarantors" as defined in the First Lien Credit Agreement.

"Holdings" means "Holdings" as defined in the First Lien Credit Agreement.

"Insolvency or Liquidation Proceeding" means:

(a) any case commenced by or against the Borrower or any other Grantor under any Bankruptcy Law, any other proceeding for the reorganization, recapitalization or adjustment or marshalling of the assets or liabilities of the Borrower or any other Grantor, any receivership or assignment for the benefit of creditors relating to the Borrower or any other Grantor or any similar case or proceeding relative to the Borrower or any other Grantor or its creditors, as such, in each case whether or not voluntary;

(b) any liquidation, dissolution, marshalling of assets or liabilities or other winding up of or relating to the Borrower or any other Grantor, in each case whether or not voluntary and whether or not involving bankruptcy or insolvency; or

(c) any other proceeding of any type or nature in which substantially all claims of creditors of the Borrower or any other Grantor are determined and any payment or distribution is or may be made on account of such claims.

"Intellectual Property" means Copyrights, Patents and Trademarks.

"Joinder Agreement" means a supplement to this Agreement in the form of Annex II or Annex III hereof required to be delivered by a Representative to the Designated Senior Priority Representative or Designated Second Priority Representative, as the case may be, pursuant to Section 8.09 hereof in order to include an additional Debt Facility hereunder and to become the Representative hereunder for the Senior Priority Secured Parties or Second Priority Secured Parties, as the case may be, under such Debt Facility.

"Lien" means any mortgage, pledge, deed of trust, security interest, hypothecation, lien (statutory or other) or similar encumbrance and any easement, right-of-way, restriction (including zoning restrictions), defect, exception or irregularity in title or similar charge or encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof); provided that in no event shall a Non-Financing Lease Obligation be deemed to be a Lien.

"Major Second Priority Representative" means, with respect to any Shared Collateral, the Second Priority Representative of the series of Second Priority Debt Obligations that constitutes the largest outstanding principal amount of any then outstanding series of Second Priority Debt Obligations with respect to such Shared Collateral.

"MSSF" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"New York UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Officer's Certificate" has the meaning assigned to such term in Section 8.08.

"Patents" means all United States (a) patents, statutory invention registrations, certificates of invention, industrial designs and utility models, and all pending applications of the foregoing, (b) provisionals, reissues, reexaminations, continuations, divisions, continuations-in-part, renewals or extensions thereof and (c) the inventions, discoveries and designs disclosed or claimed therein and all improvements thereto, including the right to make, use and/or sell the inventions, discoveries and designs disclosed or claimed therein.

"Person" means any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust or other enterprise or any Governmental Authority (as defined in the First Lien Credit Agreement as in effect on the date hereof).

"Pledged or Controlled Collateral" has the meaning assigned to such term in Section 5.05(a).

"Proceeds" means the proceeds of any sale, collection or other liquidation of Shared Collateral and any payment or distribution made in respect of Shared Collateral in a Bankruptcy Case and any amounts received by any Senior Priority Representative or any Senior Priority Secured Party from a Second Priority Secured Party in respect of Shared Collateral pursuant to this Agreement.

"Recovery" has the meaning assigned to such term in Section 6.04.

"Refinance" means, in respect of any indebtedness, to refinance, extend, renew, defease, amend, increase, modify, supplement, restructure, refund, replace or repay, or to Incur other indebtedness or enter alternative financing arrangements, in exchange or replacement for, such indebtedness (in whole or in part), including by adding or replacing lenders, creditors, agents, borrowers and/or guarantors, and including in each case, but not limited to, after the original instrument giving rise to such indebtedness has been terminated and including, in each case, through any credit agreement, loan agreement, note purchase agreement, indenture or other agreement. "Refinanced" and "Refinancing" have correlative meanings.

"Registered Equivalent Notes" means, with respect to any notes originally issued in a Rule 144A or other private placement transaction under the Securities Act of 1933, substantially identical notes (having the same Guarantees) issued in a dollar for dollar exchange therefor pursuant to an exchange offer registered with the SEC.

"Representatives" means the Senior Priority Representatives and the Second Priority Representatives.

"SEC" means the United States Securities and Exchange Commission and any successor agency thereto.

"Second Lien Administrative Agent" has the meaning assigned to such term in the introductory paragraph of this Agreement and shall include any successor administrative agent and collateral agent as provided in Section 12 of the Second Lien Credit Agreement.

"Second Lien Credit Agreement" means that certain Second Lien Credit Agreement, dated as of October 22, 2018, among Holdings, the Borrower, the lenders from time to time party thereto, MSSF, as administrative agent and collateral agent, and the other parties thereto.

"Second Lien Credit Agreement Credit Documents" means the Second Lien Credit Agreement and the other "Credit Documents" as defined in the Second Lien Credit Agreement.

"Second Lien Credit Agreement Obligations" means the "Obligations" as defined in the Second Lien Credit Agreement.

"Second Lien Credit Agreement Secured Parties" means the "Secured Parties" as defined in the Second Lien Credit Agreement.

"Second Lien Intercreditor Agreement" means (a) an intercreditor agreement substantially in the form of the Equal Priority Intercreditor Agreement (as defined in the Second Lien Credit Agreement) or (b) a customary intercreditor agreement in form and substance reasonably acceptable to the Second Priority Representative with respect to each Second Priority Debt Facility in existence at the time such intercreditor agreement is entered into and the Borrower, and which provides that the Liens securing all Indebtedness covered thereby shall be of equal priority (but without regard to the control of remedies).

"Second Priority Class Debt" has the meaning assigned to such term in Section 8.09.

"Second Priority Class Debt Parties" has the meaning assigned to such term in Section 8.09.

"Second Priority Class Debt Representative" has the meaning assigned to such term in Section 8.09.

"Second Priority Collateral" means any "Collateral" as defined in any Second Lien Credit Agreement Credit Document or any other Second Priority Debt Document or any other assets of Holdings, the Borrower or any other Grantor with respect to which a Lien is granted or purported to be granted pursuant to a Second Priority Collateral Document as security for any Second Priority Debt Obligation.

"Second Priority Collateral Documents" means the "Security Documents" as defined in the Second Lien Credit Agreement, the Second Lien Intercreditor Agreement (upon and after the initial execution and delivery thereof by the initial parties thereto) and each of the security agreements and other instruments and documents executed and delivered by Holdings, the Borrower or any other Grantor for purposes of providing collateral security for any Second Priority Debt Obligation.

"Second Priority Debt Documents" means (a) the Second Lien Credit Agreement Credit Documents and (b) any Additional Second Priority Debt Documents.

"Second Priority Debt Facilities" means the Second Lien Credit Agreement and any Additional Second Priority Debt Facilities.

"Second Priority Debt Obligations" means the Second Lien Credit Agreement Obligations and any Additional Second Priority Debt Obligations.

"Second Priority Enforcement Date" means, with respect to any Second Priority Representative, the date that is 180 days (through which 180 day period such Second Priority Representative was the Major Second Priority Representative) after the occurrence of both (a) an Event of Default (under and as defined in the Second Priority Debt Document for which such Second Priority Representative has been named as Representative) and (b) the Designated Senior Priority Representative's and each other Representative's receipt of written notice from such Second Priority Representative that (i) such Second Priority Representative is the Major Second Priority Representative and that an Event of Default (under and as defined in the Second Priority Debt Document for which such Second Priority Representative has been named as Representative) has occurred and is continuing and (ii) the Second Priority Debt Obligations of the series with respect to which such Second Priority Representative is the Second Priority Representative are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the terms of the applicable Second Priority Debt Document; provided that the Second Priority Enforcement Date shall be stayed and shall not occur and shall be deemed not to have occurred (1) at any time the Designated Senior Priority Representative has commenced and is diligently pursuing any enforcement action with respect to any Shared Collateral or (2) at any time any Grantor which has granted a security interest in any Shared Collateral is then a debtor under or with respect to (or otherwise subject to) any Insolvency or Liquidation Proceeding.

"Second Priority Lien" means the Liens on the Second Priority Collateral in favor of Second Priority Secured Parties under the Second Priority Collateral Documents.

"Second Priority Representative" means (a) in the case of any Second Lien Credit Agreement Obligations or the Second Lien Credit Agreement Secured Parties, the Second Lien Administrative Agent and (b) in the case of any Additional Second Priority Debt Facility and the Additional Second Priority Secured Parties thereunder, the trustee, administrative agent, collateral agent, security agent or similar agent under such Additional Second Priority Debt Facility that is named as the Representative in respect of such Additional Second Priority Debt Facility in the applicable Joinder Agreement.

"Second Priority Secured Parties" means the Second Lien Credit Agreement Secured Parties and any Additional Second Priority Secured Parties.

"Secured Obligations" means the Senior Priority Obligations and the Second Priority Debt Obligations.

"Secured Parties" means the Senior Priority Secured Parties and the Second Priority Secured Parties.

"Senior Lien" means the Liens on the Senior Priority Collateral in favor of the Senior Priority Secured Parties under the Senior Priority Collateral Documents.

"Senior Priority Class Debt" has the meaning assigned to such term in Section 8.09.

"Senior Priority Class Debt Parties" has the meaning assigned to such term in Section 8.09.

"Senior Priority Class Debt Representative" has the meaning assigned to such term in Section 8.09.

"Senior Priority Collateral" means any "Collateral" as defined in any First Lien Credit Agreement Credit Document or any other Senior Priority Debt Document or any other assets of Holdings, the Borrower or any other Grantor with respect to which a Lien is granted or purported to be granted pursuant to a Senior Priority Collateral Document as security for any Senior Priority Obligations.

"Senior Priority Collateral Documents" means the "Security Documents" as defined in the First Lien Credit Agreement, the First Lien Intercreditor Agreement (upon and after the initial execution and delivery thereof by the initial parties thereto) and each of the security agreements and other instruments and documents executed and delivered by Holdings, the Borrower or any other Grantor for purposes of providing collateral security for any Senior Priority Obligation.

"Senior Priority Debt Documents" means (a) the First Lien Credit Agreement Credit Documents and (b) any Additional Senior Priority Debt Documents.

"Senior Priority Debt Facilities" means the First Lien Credit Agreement and any Additional Senior Priority Debt Facilities.

"Senior Priority Obligations" means the First Lien Credit Agreement Obligations and any Additional Senior Priority Debt Obligations (provided that the Senior Priority Obligations shall exclude any such obligations the Incurrence of which was not permitted under each Second Priority Debt Document extant at the time of the Incurrence thereof).

"Senior Priority Representative" means (a) in the case of any First Lien Credit Agreement Obligations or the First Lien Credit Agreement Secured Parties, the First Lien Administrative Agent and (b) in the case of any Additional Senior Priority Debt Facility and the Additional Senior Secured Parties thereunder, the trustee, administrative agent, collateral agent, security agent or similar agent under such Additional Senior Priority Debt Facility that is named as the Representative in respect of such Additional Senior Priority Debt Facility in the applicable Joinder Agreement.

"Senior Priority Secured Parties" means the First Lien Credit Agreement Secured Parties and any Additional Senior Secured Parties.

"Shared Collateral" means, at any time, Collateral in which the holders of Senior Priority Obligations under at least one Senior Priority Debt Facility (or their Representatives) and the holders of Second Priority Debt Obligations under at least one Second Priority Debt Facility (or their Representatives) hold a security interest at such time (or, in the case of the Senior Priority Debt Facilities, are deemed pursuant to Article 2 to hold a security interest). If, at any time, any portion of the Senior Priority Collateral under one or more Senior Priority Debt Facilities does not constitute Second Priority Collateral under one or more Second Priority Debt Facilities, then such portion of such Senior Priority Collateral shall constitute Shared Collateral only with respect to the Second Priority Debt Facilities for which it constitutes Second Priority Collateral and shall not constitute Shared Collateral for any Second Priority Debt Facility that does not have a security interest in such Collateral at such time.

"Subsidiary" of any Person shall mean and include (a) any corporation more than 50.0% of whose 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 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 and (b) any limited liability company, partnership, association, Joint Venture or other entity in which such Person directly or indirectly through Subsidiaries has more than a 50.0% equity interest at the time. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Borrower.

"Trademarks" means all United States (a) trademarks, service marks, domain names, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, slogans, other source or business identifiers, now existing or hereafter adopted or acquired, whether registered or unregistered, and all registrations, recordings and applications for registration filed in connection with the foregoing, including registrations, recordings and applications for registration in the United States Patent and Trademark Office or any similar offices in any State of the United States or any political subdivision thereof, and all common-law rights related thereto, (b) all goodwill associated therewith or symbolized thereby and (c) all extensions or renewals thereof.

"Uniform Commercial Code" or "UCC" means, unless otherwise specified, the Uniform Commercial Code as from time to time in effect in the State of New York or the Uniform Commercial Code of another jurisdiction, to the extent it may be required to apply to any item or items of collateral.

"Voting Stock" means, with respect to any Person, shares of such Person's Capital Stock that is at the time generally entitled, without regard to contingencies, to vote in the election of the Board of Directors of such Person. To the extent that a partnership agreement, limited liability company agreement or other agreement governing a partnership or limited liability company provides that the members of the Board of Directors of such partnership or limited liability company (or, in the case of a limited partnership whose business and affairs are managed or controlled by its general partner, the Board of Directors of the general partner of such limited partnership) is appointed or designated by one or more Persons rather than by a vote of Voting Stock, each of the Persons who are entitled to appoint or designate the members of such Board of Directors will be deemed to own a percentage of Voting Stock of such partnership or limited liability company equal to (a) the aggregate votes entitled to be cast on such Board of Directors by the members of such Board of Directors which such Person or Persons are entitled to appoint or designate divided by (b) the aggregate number of votes of all members of such Board of Directors.

SECTION 1.02. *Terms Generally.* The rules of interpretation set forth in Sections 1.2, 1.5, 1.6, 1.7, 1.8 and 1.11 of the First Lien Credit Agreement are incorporated herein *mutatis mutandis*.

ARTICLE 2
PRIORITIES AND AGREEMENTS WITH RESPECT TO SHARED COLLATERAL

SECTION 2.01. *Subordination.* Notwithstanding the date, time, manner or order of filing or recordation of any document or instrument or grant, attachment or perfection of any Liens granted to any Second Priority Representative or any Second Priority Secured Parties on the Shared Collateral or of any Liens granted to any Senior Priority Representative or any other Senior Priority Secured Party on the Shared Collateral (or any actual or alleged defect in any of the foregoing) and notwithstanding any provision of the UCC, any Applicable Law, any Second Priority Debt Document or any Senior Priority Debt Document or any other circumstance whatsoever, each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, hereby agrees that (a) any Lien on the Shared Collateral securing any Senior Priority Obligations now or hereafter held by or on behalf of any Senior Priority Representative or any other Senior Priority Secured Party or other agent or trustee therefor, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall have priority over and be senior in all respects and prior to any Lien on the Shared Collateral securing any Second Priority Debt Obligations and (b) any Lien on the Shared Collateral securing any Second Priority Debt Obligations now or hereafter held by or on behalf of any Second Priority Representative, any Second Priority Secured Parties or any other agent or trustee therefor, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens on the Shared Collateral securing any Senior Priority Obligations. All Liens on the Shared Collateral securing any Senior Priority Obligations shall be and remain senior in all respects and prior to all Liens on the Shared Collateral securing any Second Priority Debt Obligations for all purposes, whether or not such Liens securing any Senior Priority Obligations are subordinated to any Lien securing any other obligation of the Borrower, any Grantor or any other Person or otherwise subordinated, voided, avoided, invalidated or lapsed.

SECTION 2.02. *Nature Of Senior Lender Claims.* Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, acknowledges that (a) a portion of the Senior Priority Obligations is revolving in nature and that the amount thereof that may be outstanding at any time or from time to time may be increased or reduced and subsequently reborrowed, (b) the terms of the Senior Priority Debt Documents and the Senior Priority Obligations may be amended, restated, amended and restated, supplemented or otherwise modified, and the Senior Priority Obligations, or a portion thereof, may be Refinanced from time to time and (c) the aggregate amount of the Senior Priority Obligations may be increased, in each case, without notice to or consent by the Second Priority Representatives or the Second Priority Secured Parties and without affecting the provisions hereof, except as otherwise expressly set forth herein. The Lien priorities provided for in Section 2.01 shall not be altered or otherwise affected by any amendment, restatement, amendment and restatement, supplement or other modification, or any Refinancing, of either the Senior Priority Obligations or the Second Priority Debt Obligations, or any portion thereof. As between Holdings, the Borrower and the other Grantors and the Second Priority Secured Parties, the foregoing provisions will not limit or otherwise affect the obligations of Holdings, the Borrower and the other Grantors contained in any Second Priority Debt Document with respect to the Incurrence of additional Senior Priority Obligations.

SECTION 2.03. *Prohibition On Contesting Liens.* Each of the Second Priority Representatives, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that it shall not (and hereby waives any right to) contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the validity, extent, perfection, priority or enforceability of any Lien securing, or the allowability of any claims asserted with respect

to, any Senior Priority Obligations held (or purported to be held) by or on behalf of any Senior Priority Representative or any of the other Senior Priority Secured Parties or other agent or trustee therefor in any Senior Priority Collateral, and each Senior Priority Representative, for itself and on behalf of each Senior Priority Secured Party under its Senior Priority Debt Facility, agrees that it shall not (and hereby waives any right to) contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the validity, extent, perfection, priority or enforceability of any Lien securing, or the allowability of any claims asserted with respect to, any Second Priority Debt Obligations held (or purported to be held) by or on behalf of any of any Second Priority Representative or any of the Second Priority Secured Parties in the Second Priority Collateral. Notwithstanding the foregoing, no provision in this Agreement shall be construed to prevent or impair the rights of any Senior Priority Representative to enforce this Agreement (including the priority of the Liens securing the Senior Priority Obligations as provided in Section 2.01) or any of the Senior Priority Debt Documents.

SECTION 2.04. *No New Liens.* The parties hereto agree that, so long as the Discharge of Senior Priority Obligations has not occurred, (a) none of the Grantors shall grant any additional Liens on any asset or property of any Grantor to secure any Second Priority Debt Obligation unless it has granted, or concurrently therewith grants, a Lien on such asset or property of such Grantor to secure the Senior Priority Obligations; and (b) if any Second Priority Representative or any Second Priority Secured Party shall hold any Lien on any assets or property of any Grantor securing any Second Priority Debt Obligations that are not also subject to the Liens securing all Senior Priority Obligations under the Senior Priority Collateral Documents, such Second Priority Representative or Second Priority Secured Party (i) shall notify the Designated Senior Priority Representative promptly upon becoming aware thereof and, unless such Grantor shall promptly grant a similar Lien on such assets or property to each Senior Priority Representative as security for the Senior Priority Obligations, shall assign such Lien to the Designated Senior Priority Representative as security for all Senior Priority Obligations for the benefit of the Senior Priority Secured Parties (but may retain a junior Lien on such assets or property subject to the terms hereof) and (ii) until such assignment or such grant of a similar Lien to each Senior Priority Representative, shall be deemed to hold and have held such Lien for the benefit of each Senior Priority Representative and the other Senior Priority Secured Parties as security for the Senior Priority Obligations.

SECTION 2.05. *Perfection Of Liens.* Except for the limited agreements of the Senior Priority Representatives pursuant to Section 5.05 hereof, none of the Senior Priority Representatives or the Senior Priority Secured Parties shall be responsible for perfecting and maintaining the perfection of Liens with respect to the Shared Collateral for the benefit of the Second Priority Representatives or the Second Priority Secured Parties. The provisions of this Agreement are intended solely to govern the respective Lien priorities as between the Senior Priority Secured Parties and the Second Priority Secured Parties and shall not impose on the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives, the Second Priority Secured Parties or any agent or trustee therefor any obligations in respect of the disposition of proceeds of any Shared Collateral which would conflict with prior perfected claims therein in favor of any other Person or any order or decree of any court or governmental authority or any applicable law.

SECTION 2.06. *Certain Cash Collateral.* Notwithstanding anything in this Agreement or any other Senior Priority Debt Documents or Second Priority Debt Documents to the contrary, collateral consisting of cash and deposit account balances pledged to secure First Lien Credit Agreement Obligations consisting of reimbursement obligations in respect of Letters of Credit or otherwise held by the First Lien Administrative Agent pursuant to Section 3.8 of the First Lien Credit Agreement (or any equivalent successor provision) shall be applied as specified in the First Lien Credit Agreement and will not constitute Shared Collateral.

ARTICLE 3
ENFORCEMENT

SECTION 3.01. *Exercise Of Remedies.*

(a) So long as the Discharge of Senior Priority Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against the Borrower or any other Grantor, (i) neither any Second Priority Representative nor any Second Priority Secured Party will (x) exercise or seek to exercise any rights or remedies (including setoff) with respect to any Shared Collateral in respect of any Second Priority Debt Obligations, or institute any action or proceeding with respect to such rights or remedies (including any action of foreclosure), (y) contest, protest or object to any foreclosure proceeding or other action brought with respect to the Shared Collateral or any other Senior Priority Collateral by any Senior Priority Representative or any Senior Priority Secured Party in respect of the Senior Priority Obligations, the exercise of any right by any Senior Priority Representative or any Senior Priority Secured Party (or any agent or sub-agent on their behalf) in respect of the Senior Priority Obligations under any lockbox agreement, control agreement, landlord waiver or bailee's letter or similar agreement or arrangement to which any Senior Priority Representative or any Senior Priority Secured Party either is a party or may have rights as a third party beneficiary, or any other exercise by any such party of any rights and remedies relating to the Shared Collateral under the Senior Priority Debt Documents or otherwise in respect of the Senior Priority Collateral or the Senior Priority Obligations, or (z) object to the forbearance by the Senior Priority Secured Parties from bringing or pursuing any foreclosure proceeding or action or any other exercise of any rights or remedies relating to the Shared Collateral in respect of Senior Priority Obligations and (ii) except as otherwise provided herein, the Senior Priority Representatives and the Senior Priority Secured Parties shall have the exclusive right to enforce rights, exercise remedies (including setoff and the right to credit bid their debt) and make determinations regarding the release, disposition or restrictions with respect to the Shared Collateral or any other Senior Priority Collateral without any consultation with or the consent of any Second Priority Representative or any Second Priority Secured Party; provided, however, that (A) in any Insolvency or Liquidation Proceeding commenced by or against Holdings, the Borrower or any other Grantor, any Second Priority Representative may file a claim or statement of interest with respect to the Second Priority Debt Obligations under its Second Priority Debt Facility, (B) any Second Priority Representative may take any action (not adverse to the prior Liens on the Shared Collateral securing the Senior Priority Obligations or the rights of the Senior Priority Representatives or the Senior Priority Secured Parties to exercise remedies in respect thereof) in order to create, prove, perfect, preserve or protect (but not enforce) its rights in, and perfection and priority of its Lien on, the Shared Collateral, (C) any Second Priority Representative and the Second Priority Secured Parties may exercise their rights and remedies as unsecured creditors, as provided in Section 5.04, (D) any Second Priority Representative may exercise the rights and remedies provided for in Section 6.03, (E) any Second Priority Representative and the Second Priority Secured Parties may file any necessary or appropriate responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any person objecting to or otherwise seeking the disallowance of the claims or Liens of the Second Priority Secured Parties, including any claims secured by the Second Priority Collateral, in each case in accordance with the terms of this Agreement and (F) from and after the Second Priority Enforcement Date, the Major Second Priority Representative (or such other Person, if any, as is so authorized under the Second Lien Intercreditor Agreement) may exercise or seek to exercise any rights or remedies (including setoff) with respect to any Shared Collateral in respect of any Second Priority Debt Obligations, or institute any action or proceeding with respect to such rights or remedies (including any action of foreclosure), but only so long as (1) the Designated Senior Priority Representative has not commenced and is not diligently pursuing any enforcement action with respect to such Shared Collateral or (2) any Grantor which has granted a security interest in such Shared Collateral is not then a debtor under or with respect to (or otherwise subject to) any Insolvency or Liquidation Proceeding. In

exercising rights and remedies with respect to the Senior Priority Collateral, the Senior Priority Representatives and the Senior Priority Secured Parties may enforce the provisions of the Senior Priority Debt Documents and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to sell or otherwise dispose of Shared Collateral upon foreclosure, to incur expenses in connection with such sale or disposition and to exercise all the rights and remedies of a secured lender under the Uniform Commercial Code of any applicable jurisdiction and of a secured creditor under Bankruptcy Laws of any applicable jurisdiction.

(b) So long as the Discharge of Senior Priority Obligations has not occurred, each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, agrees that it will not, in the context of its role as secured creditor, take or receive any Shared Collateral or any proceeds of Shared Collateral in connection with the exercise of any right or remedy (including setoff) with respect to any Shared Collateral in respect of Second Priority Debt Obligations. Without limiting the generality of the foregoing, unless and until the Discharge of Senior Priority Obligations has occurred, except as expressly provided in the proviso in clause (ii) of Section 3.01(a), the sole right of the Second Priority Representatives and the Second Priority Secured Parties with respect to the Shared Collateral is to hold a Lien on the Shared Collateral in respect of Second Priority Debt Obligations pursuant to the Second Priority Debt Documents for the period and to the extent granted therein and to receive a share of the proceeds thereof, if any, after the Discharge of Senior Priority Obligations has occurred.

(c) Subject to the proviso in clause (ii) of Section 3.01(a), (i) each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that neither such Second Priority Representative nor any such Second Priority Secured Party will take any action that would hinder any exercise of remedies undertaken by any Senior Priority Representative or any Senior Priority Secured Party with respect to the Shared Collateral under the Senior Priority Debt Documents, including any Disposition of the Shared Collateral, whether by foreclosure or otherwise, and (ii) each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby waives any and all rights it or any such Second Priority Secured Party may have as a junior lien creditor or otherwise to object to the manner in which the Senior Priority Representatives or the Senior Priority Secured Parties seek to enforce or collect the Senior Priority Obligations or the Liens granted on any of the Senior Priority Collateral, regardless of whether any action or failure to act by or on behalf of any Senior Priority Representative or any other Senior Priority Secured Party is adverse to the interests of the Second Priority Secured Parties.

(d) Each Second Priority Representative hereby acknowledges and agrees that no covenant, agreement or restriction contained in any Second Priority Debt Document shall be deemed to restrict in any way the rights and remedies of the Senior Priority Representatives or the Senior Priority Secured Parties with respect to the Senior Priority Collateral as set forth in this Agreement and the Senior Priority Debt Documents.

(e) Subject to the proviso in Section 3.01(a), until the Discharge of Senior Priority Obligations, the Designated Senior Priority Representative or any Person authorized by it shall have the exclusive right to exercise any right or remedy with respect to the Shared Collateral and shall have the exclusive right to determine and direct the time, method and place for exercising such right or remedy or conducting any proceeding with respect thereto. Following the Discharge of Senior Priority Obligations, the Designated Second Priority Representative or any Person authorized by it shall have the exclusive right to exercise any right or remedy with respect to the Collateral, and the Designated Second Priority Representative or any Person Authorized by it shall have the exclusive right to direct the time, method and place of exercising or conducting any proceeding for the exercise of any right or remedy available to the

Second Priority Secured Parties with respect to the Collateral, or of exercising or directing the exercise of any trust or power conferred on the Second Priority Representatives, or for the taking of any other action authorized by the Second Priority Collateral Documents; provided, however, that nothing in this Section shall impair the right of any Second Priority Representative or other agent or trustee acting on behalf of the Second Priority Secured Parties to take such actions with respect to the Collateral after the Discharge of Senior Priority Obligations as may be otherwise required or authorized pursuant to any intercreditor agreement governing the Second Priority Secured Parties or the Second Priority Debt Obligations.

SECTION 3.02. *Cooperation.* Subject to the proviso in clause (ii) of Section 3.01(a), each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, agrees that, unless and until the Discharge of Senior Priority Obligations has occurred, it will not commence, or join with any Person (other than the Senior Priority Secured Parties and the Senior Priority Representatives upon the request of the Designated Senior Priority Representative) in commencing, any enforcement, collection, execution, levy or foreclosure action or proceeding with respect to any Lien held by it in the Shared Collateral under any of the Second Priority Debt Documents or otherwise in respect of the Second Priority Debt Obligations.

SECTION 3.03. *Actions Upon Breach.* Should any Second Priority Representative or any Second Priority Secured Party, contrary to this Agreement, in any way take, attempt to take or threaten to take any action with respect to the Shared Collateral (including any attempt to realize upon or enforce any remedy with respect to this Agreement) or fail to take any action required by this Agreement, any Senior Priority Representative or other Senior Priority Secured Party (in its or their own name or in the name of the Borrower or any other Grantor) or the Borrower may obtain relief against such Second Priority Representative or such Second Priority Secured Party by injunction, specific performance or other appropriate equitable relief. Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Facility, hereby (a) agrees that the Senior Priority Secured Parties' damages from the actions of the Second Priority Representatives or any Second Priority Secured Party may at that time be difficult to ascertain and may be irreparable and waives any defense that Holdings, the Borrower, any other Grantor or the Senior Priority Secured Parties cannot demonstrate damage or be made whole by the awarding of damages and (b) irrevocably waives any defense based on the adequacy of a remedy at law and any other defense that might be asserted to bar the remedy of specific performance in any action that may be brought by any Senior Priority Representative or any other Senior Priority Secured Party.

ARTICLE 4
PAYMENTS

SECTION 4.01. *Application Of Proceeds.* So long as the Discharge of Senior Priority Obligations has not occurred and regardless of whether an Insolvency or Liquidation Proceeding has been commenced, the Shared Collateral or proceeds thereof received in connection with the sale or other disposition of, or collection on, such Shared Collateral upon the exercise of remedies shall be applied by the Designated Senior Priority Representative to the Senior Priority Obligations in such order as specified in the relevant Senior Priority Debt Documents and, if applicable, the First Lien Intercreditor Agreement, until the Discharge of Senior Priority Obligations has occurred. Upon the Discharge of Senior Priority Obligations, each applicable Senior Priority Representative shall deliver promptly to the Designated Second Priority Representative any Shared Collateral or proceeds thereof held by it in the same form as received, with any necessary endorsements, or as a court of competent jurisdiction may otherwise direct, to be applied by the Designated Second Priority Representative to the Second Priority Debt Obligations in such order as specified in the relevant Second Priority Debt Documents and, if applicable, the Second Lien Intercreditor Agreement.

SECTION 4.02. *Payments Over.* So long as the Discharge of Senior Priority Obligations has not occurred, any Shared Collateral or proceeds thereof received by any Second Priority Representative or any Second Priority Secured Party in connection with the exercise of any right or remedy (including setoff) relating to the Shared Collateral shall be segregated and held in trust for the benefit of and forthwith paid over to the Designated Senior Priority Representative for the benefit of the Senior Priority Secured Parties in the same form as received, with any necessary endorsements, or as a court of competent jurisdiction may otherwise direct. The Designated Senior Priority Representative is hereby authorized to make any such endorsements as agent for each of the Second Priority Representatives or any such Second Priority Secured Party. This authorization is coupled with an interest and is irrevocable.

ARTICLE 5
OTHER AGREEMENTS

SECTION 5.01. *Releases*.

(a) Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that, if in connection with (i) a Disposition of any specified item of Shared Collateral (including all or substantially all of the Capital Stock of any Subsidiary of the Borrower) (other than in connection with the exercise of remedies with respect to the Shared Collateral which shall be governed by clause (ii)) permitted under the terms of the Second Priority Debt Documents or (ii) the exercise of any remedies with respect to the Shared Collateral by any Senior Priority Secured Parties made or exercised on a commercially reasonable basis, the Liens granted to the Second Priority Representatives and the Second Priority Secured Parties upon such Shared Collateral (but not on the Proceeds thereof) to secure Second Priority Debt Obligations shall terminate and be released, automatically and without any further action, concurrently with the termination and release of all Liens granted upon such Shared Collateral to secure Senior Priority Obligations. Upon delivery to a Second Priority Representative of an Officer's Certificate stating that any such termination and release of Liens securing the Senior Priority Obligations has become effective (or shall become effective concurrently with such termination and release of the Liens granted to the Second Priority Secured Parties and the Second Priority Representatives) and any necessary or proper instruments of termination or release prepared by Holdings, the Borrower or any other Grantor, such Second Priority Representative will promptly execute, deliver or acknowledge, at Holdings', the Borrower's or the other Grantor's sole cost and expense and without any representation or warranty, such instruments to evidence such termination and release of the Liens. Nothing in this Section 5.01(a) will be deemed to affect any agreement of a Second Priority Representative, for itself and on behalf of the Second Priority Secured Parties under its Second Priority Debt Facility, to release the Liens on the Second Priority Collateral as set forth in the relevant Second Priority Debt Documents.

(b) Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby irrevocably constitutes and appoints the Designated Senior Priority Representative and any officer or agent of the Designated Senior Priority Representative, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Second Priority Representative or such Second Priority Secured Party or in the Designated Senior Priority Representative's own name, from time to time in the Designated Senior Priority Representative's discretion, for the purpose of carrying out the terms of Section 5.01(a), to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of Section 5.01(a), including any termination statements, endorsements or other instruments of transfer or release.

(c) Unless and until the Discharge of Senior Priority Obligations has occurred, each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby consents to the application, whether prior to or after an event of default under any Senior Priority Debt Document of proceeds of Shared Collateral to the repayment of Senior Priority Obligations pursuant to the Senior Priority Debt Documents; provided that nothing in this Section 5.01(c) shall be construed to prevent or impair the rights of the Second Priority Representatives or the Second Priority Secured Parties to receive proceeds in connection with the Second Priority Debt Obligations not otherwise in contravention of this Agreement.

(d) Notwithstanding anything to the contrary in any Second Priority Collateral Document, in the event the terms of a Senior Priority Collateral Document and a Second Priority Collateral Document each require any Grantor (i) to make payment in respect of any item of Shared Collateral, (ii) to deliver or afford control over any item of Shared Collateral to, or deposit any item of Shared Collateral with, (iii) to register ownership of any item of Shared Collateral in the name of or make an assignment of ownership of any Shared Collateral or the rights thereunder to, (iv) cause any securities intermediary, commodity intermediary or other Person acting in a similar capacity to agree to comply, in respect of any item of Shared Collateral, with instructions or orders from, or to treat, in respect of any item of Shared Collateral, as the entitlement holder, (v) hold any item of Shared Collateral in trust for (to the extent such item of Shared Collateral cannot be held in trust for multiple parties under applicable law), (vi) obtain the agreement of a bailee or other third party to hold any item of Shared Collateral for the benefit of or subject to the control of or, in respect of any item of Shared Collateral, to follow the instructions of or (vii) obtain the agreement of a landlord with respect to access to leased premises where any item of Shared Collateral is located or waivers or subordination of rights with respect to any item of Shared Collateral in favor of, in any case, both the Designated Senior Priority Representative and any Second Priority Representative or Second Priority Secured Party, such Grantor may, until the applicable Discharge of Senior Priority Obligations has occurred, comply with such requirement under the Second Priority Collateral Document as it relates to such Shared Collateral by taking any of the actions set forth above only with respect to, or in favor of, the Designated Senior Priority Representative.

SECTION 5.02. *Insurance And Condemnation Awards.* Unless and until the Discharge of Senior Priority Obligations has occurred, the Designated Senior Priority Representative and the Senior Priority Secured Parties shall have the sole and exclusive right, subject in each case to the rights of the Grantors under the Senior Priority Debt Documents, (a) to adjust settlement for any insurance policy covering the Shared Collateral in the event of any loss thereunder and (b) to approve any award granted in any condemnation or similar proceeding affecting the Shared Collateral. Unless and until the Discharge of Senior Priority Obligations has occurred, and subject to the rights of the Grantors under the Senior Priority Debt Documents, all proceeds of any such policy and any such award, if in respect of the Shared Collateral, shall be paid (i) first, prior to the occurrence of the Discharge of Senior Priority Obligations, to the Designated Senior Priority Representative for the benefit of Senior Priority Secured Parties pursuant to the terms of the Senior Priority Debt Documents, (ii) second, after the occurrence of the Discharge of Senior Priority Obligations, to the Designated Second Priority Representative for the benefit of the Second Priority Secured Parties pursuant to the terms of the applicable Second Priority Debt Documents and (iii) third, if no Senior Priority Obligations and no Second Priority Debt Obligations are outstanding, to the owner of the subject property, such other Person as may be entitled thereto or as a court of competent jurisdiction may otherwise direct. If any Second Priority Representative or any Second Priority Secured Party shall, at any time, receive any proceeds of any such insurance policy or any such award in contravention of this Agreement, it shall pay such proceeds over to the Designated Senior Priority Representative in accordance with the terms of Section 4.02.

SECTION 5.03. *Certain Amendments.*

(a) No Second Priority Collateral Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Second Priority Collateral Document, would be prohibited by or inconsistent with any of the terms of this Agreement. The Borrower agrees to deliver to the Designated Senior Priority Representative copies of (i) any amendments, supplements or other modifications to the Second Priority Collateral Documents and (ii) any new Second Priority Collateral Documents promptly after effectiveness thereof. Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that each Second Priority Collateral Document under its Second Priority Debt Facility shall include the following language (or language to similar effect reasonably approved by the Designated Senior Priority Representative):

"Notwithstanding anything herein to the contrary, (i) the liens and security interests granted to the [Second Priority Representative] pursuant to this Agreement are expressly subject and subordinate to the liens and security interests granted in favor of the Senior Priority Secured Parties (as defined in the Intercreditor Agreement referred to below), including liens and security interests granted to MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent, pursuant to or in connection with the First Lien Credit Agreement dated as of October 22, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), among Holdings, the Borrower, the lenders from time to time party thereto and MORGAN STANLEY SENIOR FUNDING, INC., as administrative agent and collateral agent, and the other parties thereto, and (ii) the exercise of any right or remedy by the [Second Priority Representative] or any other secured party hereunder is subject to the limitations and provisions of the First Lien/Second Lien Intercreditor Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien/Second Lien Intercreditor Agreement"), among MORGAN STANLEY SENIOR FUNDING, INC., as First Lien Administrative Agent, MORGAN STANLEY SENIOR FUNDING, INC., as Second Lien Administrative Agent, Holdings, the Borrower and certain of its affiliated entities party thereto. In the event of any conflict between the terms of the First Lien/Second Lien Intercreditor Agreement and the terms of this Agreement, the terms of the First Lien/Second Lien Intercreditor Agreement shall govern."

(b) In the event that each applicable Senior Priority Representative and/or the Senior Priority Secured Parties enter into any amendment, waiver or consent in respect of any of the Senior Priority Collateral Documents for the purpose of adding to or deleting from, or waiving or consenting to any departures from any provisions of, any Senior Priority Collateral Document or changing in any manner the rights of the Senior Priority Representatives, the Senior Priority Secured Parties, Holdings, the Borrower or any other Grantor thereunder (including the release of any Liens in Senior Priority Collateral) in a manner that is applicable to all Senior Priority Debt Facilities, then such amendment, waiver or consent shall apply automatically to any comparable provision of each comparable Second Priority Collateral Document without the consent of any Second Priority Representative or any Second Priority Secured Party and without any action by any Second Priority Representative, Holdings, the Borrower or any other Grantor; provided, however, that (x) no such amendment, waiver or consent shall have the effect (i) of removing assets subject to the Lien of any Second Priority Collateral Document, except to the extent that a release of such Lien is provided for in Section 5.01(a), (ii) imposing duties that are materially adverse on any Second Priority Representative without its consent or (iii) altering the terms of the Second Priority Collateral Documents to permit other Liens on the Collateral not permitted under the terms of the Second Priority Debt Documents as in effect on the date hereof or Article VI hereof and (y) written notice of such amendment, waiver or consent shall have been given to each Second Priority Representative within 10 Business Days after the effectiveness of such amendment, waiver or consent.

(c) The Senior Priority Debt Documents may be amended, restated, amended and restated, waived, supplemented or otherwise modified in accordance with their terms, and the indebtedness under the Senior Priority Debt Documents may be Refinanced, in each case, without the consent of any Second Priority Representative or Second Priority Secured Party; provided, however, that, without the consent of the Second Lien Administrative Agent, acting with the consent of the Required Lenders (as such term is defined in the Second Lien Credit Agreement) and each other Second Priority Representative (acting with the consent of the requisite holders of each series of Additional Second Priority Debt), no such amendment, restatement, amendment and restatement, waiver, supplement or modification (including self-effecting or other modifications pursuant to Section 2.14 or Section 2.15 of the First Lien Credit Agreement) shall contravene any provision of this Agreement.

(d) The Second Priority Debt Documents may be amended, restated, waived, supplemented or otherwise modified in accordance with their terms, and the indebtedness under the Second Priority Debt Documents may be Refinanced, in each case, without the consent of any Senior Priority Representative or Senior Priority Secured Party; provided, however, that, without the consent of the First Lien Administrative Agent, acting with the consent of the Required Lenders (as such term is defined in the First Lien Credit Agreement) and each other Senior Priority Representative (acting with the consent of the requisite holders of each series of Additional Senior Priority Debt), no such amendment, restatement, supplement or modification (including self-effecting or other modifications pursuant to Section 2.14 or 2.15 of the Second Lien Credit Agreement) shall contravene any provision of this Agreement.

SECTION 5.04. *Rights As Unsecured Creditors*. Notwithstanding anything to the contrary in this Agreement, the Second Priority Representatives and the Second Priority Secured Parties may exercise rights and remedies as unsecured creditors against Holdings, the Borrower and any other Grantor in accordance with the terms of the Second Priority Debt Documents and Applicable Law so long as such rights and remedies do not violate any express provision of this Agreement. Nothing in this Agreement shall prohibit the receipt by any Second Priority Representative or any Second Priority Secured Party of the required payments of principal, premium, interest, fees and other amounts due under the Second Priority Debt Documents so long as such receipt is not the direct or indirect result of the exercise by a Second Priority Representative or any Second Priority Secured Party of rights or remedies as a secured creditor in respect of Shared Collateral. In the event any Second Priority Representative or any Second Priority Secured Party becomes a judgment Lien creditor in respect of Shared Collateral as a result of its enforcement of its rights as an unsecured creditor in respect of Second Priority Debt Obligations, such judgment Lien shall be subordinated to the Liens securing Senior Priority Obligations on the same basis as the other Liens securing the Second Priority Debt Obligations are so subordinated to such Liens securing Senior Priority Obligations under this Agreement. Nothing in this Agreement shall impair or otherwise adversely affect any rights or remedies the Senior Priority Representatives or the Senior Priority Secured Parties may have with respect to the Senior Priority Collateral.

SECTION 5.05. *Gratuitous Bailee For Perfection.*

(a) Each Senior Priority Representative acknowledges and agrees that if it shall at any time hold a Lien securing any Senior Priority Obligations on any Shared Collateral that can be perfected by the possession or control of such Shared Collateral or of any account in which such Shared Collateral is held, and if such Shared Collateral or any such account is in fact in the possession or under the control of such Senior Priority Representative, or of agents or bailees of such Person (such Shared Collateral being referred to herein as the "Pledged or Controlled Collateral"), or if it shall any time obtain any landlord waiver or bailee's letter or any similar agreement or arrangement granting it rights or access to Shared Collateral, the applicable Senior Priority Representative shall also hold such Pledged or Controlled Collateral, or take such actions with respect to such landlord waiver, bailee's letter or similar agreement or arrangement, as sub-agent or gratuitous bailee for the relevant Second Priority Representatives, in each case solely for the purpose of perfecting the Liens granted under the relevant Second Priority Collateral Documents and subject to the terms and conditions of this Section 5.05.

(b) In the event that any Senior Priority Representative (or its agents or bailees) has Lien filings against Intellectual Property that are part of the Shared Collateral that are necessary for the perfection of Liens in such Shared Collateral, such Senior Priority Representative agrees to hold such Liens as sub-agent and gratuitous bailee for the relevant Second Priority Representatives and any assignee thereof, solely for the purpose of perfecting the security interest granted in such Liens pursuant to the relevant Second Priority Collateral Documents, subject to the terms and conditions of this Section 5.05.

(c) Except as otherwise specifically provided herein, until the Discharge of Senior Priority Obligations has occurred, the Senior Priority Representatives and the Senior Priority Secured Parties shall be entitled to deal with the Pledged or Controlled Collateral in accordance with the terms of the Senior Priority Debt Documents as if the Liens under the Second Priority Collateral Documents did not exist. The rights of the Second Priority Representatives and the Second Priority Secured Parties with respect to the Pledged or Controlled Collateral shall at all times be subject to the terms of this Agreement.

(d) The Senior Priority Representatives and the Senior Priority Secured Parties shall have no obligation whatsoever to the Second Priority Representatives or any Second Priority Secured Party to assure that any of the Pledged or Controlled Collateral is genuine or owned by the Grantors or to protect or preserve rights or benefits of any Person or any rights pertaining to the Shared Collateral, except as expressly set forth in this Section 5.05. The duties or responsibilities of the Senior Priority Representatives under this Section 5.05 shall be limited solely to holding or controlling the Shared Collateral and the related Liens referred to in paragraphs (a) and (b) of this Section 5.05 as sub-agent and gratuitous bailee for the relevant Second Priority Representative for purposes of perfecting the Lien held by such Second Priority Representative.

(e) The Senior Priority Representatives shall not have by reason of the Second Priority Collateral Documents or this Agreement, or any other document, a fiduciary relationship in respect of any Second Priority Representative or any Second Priority Secured Party, and each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby waives and releases the Senior Priority Representatives from all claims and liabilities arising pursuant to the Senior Priority Representatives' roles under this Section 5.05 as sub-agents and gratuitous bailees with respect to the Shared Collateral.

(f) Upon the Discharge of the Senior Priority Obligations, each applicable Senior Priority Representative shall, at the Grantors' sole cost and expense, (i) (A) deliver to the Designated Second Priority Representative, to the extent that it is legally permitted to do so, all Shared Collateral, including all proceeds thereof, held or controlled by such Senior Priority Representative or any of its agents or bailees, including the transfer of possession and control, as applicable, of the Pledged or Controlled Collateral, together with any necessary endorsements and notices to depositary banks, securities intermediaries and commodities intermediaries, and assign its rights under any landlord waiver or bailee's letter or any similar agreement or arrangement granting it rights or access to Shared Collateral, or (B) direct and deliver such Shared Collateral as a court of competent jurisdiction may otherwise direct, (ii) notify any applicable insurance carrier that it is no longer entitled to be an additional loss payee or additional insured under the insurance policies of any Grantor issued by such insurance carrier and (iii) notify any Governmental Authority involved in any condemnation or similar proceeding involving any Grantor that the Designated Second Priority Representative is entitled to approve any awards granted in such proceeding. Holdings, the Borrower and the other Grantors shall take such further action as is required to effectuate the transfer contemplated hereby. The Senior Priority Representatives have no obligations to follow instructions from any Second Priority Representative or any other Second Priority Secured Party in contravention of this Agreement.

(g) None of the Senior Priority Representatives nor any of the other Senior Priority Secured Parties shall be required to marshal any present or future collateral security for any obligations of Holdings, the Borrower or any Subsidiary to any Senior Priority Representative or any Senior Priority Secured Party under the Senior Priority Debt Documents or any assurance of payment in respect thereof, or to resort to such collateral security or other assurances of payment in any particular order, and all of their rights in respect of such collateral security or any assurance of payment in respect thereof shall be cumulative and in addition to all other rights, however existing or arising.

SECTION 5.06. *When Discharge Of Senior Priority Obligations Deemed To Not Have Occurred.* If, at any time substantially concurrently with or after the Discharge of Senior Priority Obligations has occurred, Holdings, the Borrower or any Subsidiary Incurs any Senior Priority Obligations (other than in respect of the payment of indemnities surviving the Discharge of Senior Priority Obligations), then such Discharge of Senior Priority Obligations shall automatically be deemed not to have occurred for all purposes of this Agreement (other than with respect to any actions taken prior to the date of such designation as a result of the occurrence of such first Discharge of Senior Priority Obligations) and the applicable agreement governing such Senior Priority Obligations shall automatically be treated as a Senior Priority Debt Document for all purposes of this Agreement, including for purposes of the Lien priorities and rights in respect of Shared Collateral set forth herein and the agent, representative or trustee for the holders of such Senior Priority Obligations shall be the Senior Priority Representative for all purposes of this Agreement. Upon receipt of notice of such incurrence (including the identity of the new Senior Priority Representative), each Second Priority Representative (including the Designated Second Priority Representative) shall promptly (a) enter into such documents and agreements (at the expense of the Borrower), including amendments, supplements or modifications to this Agreement, as the Borrower or such new Senior Priority Representative shall reasonably request in writing in order to provide the new Senior Priority Representative the rights of a Senior Priority Representative contemplated hereby, (b) deliver to such Senior Priority Representative, to the extent that it is legally permitted to do so, all Shared Collateral, including all proceeds thereof, held or controlled by such Second Priority Representative or any of its agents or bailees, including the transfer of possession and control, as applicable, of the Pledged or Controlled Collateral, together with any necessary endorsements and notices to depositary banks, securities intermediaries and commodities intermediaries, and assign its rights under any landlord waiver or bailee's letter or any similar agreement or arrangement granting it rights or access to Shared Collateral, (c) notify any applicable insurance carrier that it is no longer entitled to be a loss payee or additional insured under the insurance policies of any Grantor issued by such insurance carrier and (d) notify any Governmental Authority involved in any condemnation or similar proceeding involving a Grantor that the new Senior Priority Representative is entitled to approve any awards granted in such proceeding.

ARTICLE 6
INSOLVENCY OR LIQUIDATION PROCEEDINGS

SECTION 6.01. *Financing Issues.* Until the Discharge of Senior Priority Obligations has occurred, if Holdings, the Borrower or any other Grantor shall be subject to any Insolvency or Liquidation Proceeding, then each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that (A) if any Senior Priority Representative or any Senior Priority Secured Party shall desire to consent (or not object) to the sale, use or lease of cash or other collateral or to consent (or not object) to Holdings', the Borrower's or any other Grantor's obtaining financing under Section 363 or Section 364 of Title 11 of the United States Code (the "Bankruptcy Code") or any similar provision of any other Bankruptcy Law ("DIP Financing"), it will raise no

objection to and will not otherwise contest such sale, use or lease of such cash or other collateral or such DIP Financing and, except to the extent permitted by the proviso in clause (ii) of Section 3.01(a) and Section 6.03, will not request adequate protection or any other relief in connection therewith and, to the extent the Liens securing any Senior Priority Obligations are subordinated to or have the same priority as the Liens securing such DIP Financing, will subordinate (and will be deemed hereunder to have subordinated) its Liens in the Shared Collateral to (x) such DIP Financing (and all obligations relating thereto) on the same basis as the Liens securing the Second Priority Debt Obligations are so subordinated to Liens securing Senior Priority Obligations under this Agreement, (y) any adequate protection Liens provided to the Senior Priority Secured Parties and (z) "carve-out" for professional and United States Trustee fees agreed to by the Senior Priority Representatives, (B) it will raise no objection to (and will not otherwise contest) any motion for relief from the automatic stay or from any injunction against foreclosure or enforcement in respect of Senior Priority Obligations made by any Senior Priority Representative or any other Senior Priority Secured Party, (C) it will raise no objection to (and will not otherwise contest) any lawful exercise by any Senior Priority Secured Party of the right to credit bid Senior Priority Obligations at any sale in foreclosure of Senior Priority Collateral (including pursuant to Section 363(k) of the Bankruptcy Code or any similar provision under any other applicable Bankruptcy Law) or to exercise any rights under Section 1111(b) of the Bankruptcy Code with respect to the Senior Priority Collateral, (D) it will raise no objection to (and will not otherwise contest) any other request for judicial relief made in any court by any Senior Priority Secured Party relating to the lawful enforcement of any Lien on Senior Priority Collateral and (E) it will raise no objection to (and will not otherwise contest or oppose) any Disposition (including pursuant to Section 363 of the Bankruptcy Code) of assets of any Grantor for which any Senior Priority Representative has consented that provides, to the extent such Disposition is to be free and clear of Liens, that the Liens securing the Senior Priority Obligations and the Second Priority Debt Obligations will attach to the Proceeds of the sale on the same basis of priority as the Liens on the Shared Collateral securing the Senior Priority Obligations rank to the Liens on the Shared Collateral securing the Second Priority Debt Obligations pursuant to this Agreement. Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that notice received three Business Days prior to the entry of an order approving such usage of cash or other collateral or approving such financing shall be adequate notice.

SECTION 6.02. *Relief From The Automatic Stay.* Until the Discharge of Senior Priority Obligations has occurred, each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that none of them shall seek relief from the automatic stay or any other stay in any Insolvency or Liquidation Proceeding or take any action in derogation thereof, in each case in respect of any Shared Collateral, without the prior written consent of the Designated Senior Priority Representative.

SECTION 6.03. *Adequate Protection.* Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that none of them shall object, contest or support any other Person objecting to or contesting (a) any request by any Senior Priority Representative or any Senior Priority Secured Parties for adequate protection, (b) any objection by any Senior Priority Representative or any Senior Priority Secured Parties to any motion, relief, action or proceeding based on any Senior Priority Representative's or Senior Priority Secured Party's claiming a lack of adequate protection or (c) the payment of interest, fees, expenses or other amounts of any Senior Priority Representative or any other Senior Priority Secured Party under Section 506(b) or 506(c) of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law. Notwithstanding anything contained in this Section 6.03 or in Section 6.01, in any Insolvency or Liquidation Proceeding, (i) if the Senior Priority Secured Parties (or any subset thereof) are granted adequate protection in the form of a Lien on additional collateral or superpriority claims in connection with any DIP Financing or use of cash collateral under Section 363 or 364 of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law, then each Second Priority Representative, for itself and

on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, may seek or request adequate protection in the form of a replacement Lien or superpriority claim on such additional collateral, which Lien or superpriority claim is subordinated to the Liens securing or providing adequate protection for all Senior Priority Obligations and such DIP Financing (and all obligations relating thereto) on the same basis as the other Liens securing the Second Priority Debt Obligations are so subordinated to the Liens securing Senior Priority Obligations under this Agreement and (ii) in the event any Second Priority Representatives, for themselves and on behalf of the Second Priority Secured Parties under their Second Priority Debt Facilities, seek or request adequate protection and such adequate protection is granted in the form of a Lien on additional collateral, then such Second Priority Representatives, for themselves and on behalf of each Second Priority Secured Party under their Second Priority Debt Facilities, agree that each Senior Priority Representative shall also be granted a senior Lien on such additional collateral as security or adequate protection for the Senior Priority Obligations and any such DIP Financing and that any Lien on such additional collateral securing the Second Priority Debt Obligations shall be subordinated to the Liens on such collateral securing or providing adequate protection for the Senior Priority Obligations and any such DIP Financing (and all obligations relating thereto) and any other Liens granted to the Senior Priority Secured Parties as adequate protection on the same basis as the other Liens securing the Second Priority Debt Obligations are so subordinated to such Liens securing Senior Priority Obligations under this Agreement.

SECTION 6.04. *Preference Issues.* If any Senior Priority Secured Party is required in any Insolvency or Liquidation Proceeding or otherwise to disgorge, turn over or otherwise pay any amount to the estate of Holdings, the Borrower or any other Grantor (or any trustee, receiver or similar Person therefor), because the payment of such amount was declared to be or avoided as fraudulent or preferential in any respect or for any other reason (any such amount, a "Recovery"), whether received as Proceeds of security, enforcement of any right of setoff or otherwise, then the Senior Priority Obligations shall be reinstated to the extent of such Recovery and deemed to be outstanding as if such payment had not occurred and the Senior Priority Secured Parties shall be entitled to the benefits of this Agreement until a Discharge of Senior Priority Obligations with respect to all such recovered amounts. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto. Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby agrees that none of them shall be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to them shall instead be allocated and turned over for application in accordance with the priorities set forth in this Agreement. Without limiting the generality of the foregoing, to the extent that Senior Priority Secured Parties are granted adequate protection in the form of payments in the amount of current post-petition fees and expenses, and/or other cash payments, then the Second Priority Representatives, for themselves and on behalf of the Second Priority Secured Parties under the Second Priority Debt Facilities, shall not be prohibited from seeking adequate protection in the form of payments in the amount of current post-petition incurred fees and expenses, and/or other cash payments (as applicable), subject to the right of the Senior Priority Secured Parties to object to the reasonableness of the amounts of fees and expenses or other cash payments so sought by the Second Priority Secured Parties.

SECTION 6.05. *Separate Grants Of Security And Separate Classifications.* Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, acknowledges and agrees that (a) the grants of Liens pursuant to the Senior Priority Collateral Documents and the Second Priority Collateral Documents constitute separate and distinct grants of Liens and (b) because of, among other things, their differing rights in the Shared Collateral, the Second Priority Debt Obligations are fundamentally different from the Senior Priority Obligations and

must be separately classified in any plan of reorganization or similar dispositive restructuring plan proposed, confirmed or adopted in an Insolvency or Liquidation Proceeding. To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that any claims of the Senior Priority Secured Parties and the Second Priority Secured Parties in respect of the Shared Collateral constitute a single class of claims (rather than separate classes of senior and junior secured claims), then each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby acknowledges and agrees that all distributions shall be made as if there were separate classes of senior and junior secured claims against the Grantors in respect of the Shared Collateral (with the effect being that, to the extent that the aggregate value of the Shared Collateral is sufficient (for this purpose ignoring all claims held by the Second Priority Secured Parties), the Senior Priority Secured Parties shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of post-petition interest, fees and expenses (whether or not allowed or allowable) before any distribution is made in respect of the Second Priority Debt Obligations, with each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby acknowledging and agreeing to turn over to the Designated Senior Priority Representative amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the claim or recovery of the Second Priority Secured Parties.

SECTION 6.06. *No Waivers Of Rights Of Senior Priority Secured Parties.* Nothing contained herein shall, except as expressly provided herein, prohibit or in any way limit any Senior Priority Representative or any other Senior Priority Secured Party from objecting in any Insolvency or Liquidation Proceeding or otherwise to any action taken by any Second Priority Secured Party, including the seeking by any Second Priority Secured Party of adequate protection or the asserting by any Second Priority Secured Party of any of its rights and remedies under the Second Priority Debt Documents or otherwise.

SECTION 6.07. *Application.* This Agreement, which the parties hereto expressly acknowledge is a "subordination agreement" under Section 510(a) of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law, shall be effective before, during and after the commencement of any Insolvency or Liquidation Proceeding. The relative rights as to the Shared Collateral and proceeds thereof shall continue after the commencement of any Insolvency or Liquidation Proceeding on the same basis as prior to the date of the petition therefor, subject to any court order approving the financing of, or use of cash collateral by, any Grantor. All references herein to any Grantor shall include such Grantor as a debtor-in-possession and any receiver or trustee for such Grantor.

SECTION 6.08. *Other Matters.* To the extent that any Second Priority Representative or any Second Priority Secured Party has or acquires rights under Section 363 or Section 364 of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law with respect to any of the Shared Collateral, such Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, agrees not to assert any such rights without the prior written consent of each Senior Priority Representative; provided that if requested by any Senior Priority Representative, such Second Priority Representative shall timely exercise such rights in the manner requested by the Senior Priority Representatives (acting unanimously), including any rights to payments in respect of such rights.

SECTION 6.09. *506(c) Claims.* Until the Discharge of Senior Priority Obligations has occurred, each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, agrees that it will not assert or enforce any claim under Section 506(c) of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law senior to or on a parity with the Liens securing the Senior Priority Obligations for costs or expenses of preserving or disposing of any Shared Collateral.

SECTION 6.10. *Reorganization Securities.* If, in any Insolvency or Liquidation Proceeding, debt obligations of the reorganized debtor secured by Liens upon any property of the reorganized debtor are distributed, pursuant to a plan of reorganization or similar dispositive restructuring plan, on account of both the Senior Priority Obligations and the Second Priority Debt Obligations, then, to the extent the debt obligations distributed on account of the Senior Priority Obligations and on account of the Second Priority Debt Obligations are secured by Liens upon the same assets or property, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations.

SECTION 6.11. *Post-Petition Interest.*

(a) None of the Second Priority Representatives or any other Second Priority Secured Party shall oppose or seek to challenge any claim by any Senior Priority Representative or any Senior Priority Secured Party for allowance in any Insolvency or Liquidation Proceedings of Senior Priority Obligations consisting of claims for post-petition interest, fees, costs, expenses, and/or other charges, under Section 506(b) of the Bankruptcy Code or otherwise (for this purpose ignoring all claims and Liens held by the Second Priority Secured Parties on the Shared Collateral).

(b) None of the Senior Priority Representatives or any Senior Priority Secured Party shall oppose or seek to challenge any claim by any Second Priority Representative or any other Second Priority Secured Party for allowance in any Insolvency or Liquidation Proceedings of Second Priority Debt Obligations consisting of claims for post-petition interest, fees, costs, expenses, and/or other charges, under Section 506(b) of the Bankruptcy Code or otherwise, to the extent of the value of the Lien of the Second Priority Representatives on behalf of the Second Priority Secured Parties on the Shared Collateral (after taking into account the Senior Priority Obligations and the Senior Priority Liens).

ARTICLE 7
RELIANCE; ETC

SECTION 7.01. *Reliance.* The consent by the Senior Priority Secured Parties to the execution and delivery of the Second Priority Debt Documents to which the Senior Priority Secured Parties have consented and all loans and other extensions of credit made or deemed made on and after the date hereof by the Senior Priority Secured Parties to Holdings, the Borrower or any Subsidiary shall be deemed to have been given and made in reliance upon this Agreement. Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, acknowledges that it and such Second Priority Secured Parties have, independently and without reliance on any Senior Priority Representative or other Senior Priority Secured Party, and based on documents and information deemed by them appropriate, made their own credit analysis and decision to enter into the Second Priority Debt Documents to which they are party or by which they are bound, this Agreement and the transactions contemplated hereby and thereby, and they will continue to make their own credit decision in taking or not taking any action under the Second Priority Debt Documents or this Agreement.

SECTION 7.02. *No Warranties Or Liability.* Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, acknowledges and agrees that neither any Senior Priority Representative nor any other Senior Priority Secured Party has made any express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectibility or enforceability of any of the Senior Priority Debt Documents, the ownership of any Shared Collateral or the perfection or priority of any Liens thereon. The Senior Priority Secured Parties will be entitled to manage and supervise their respective loans and extensions of credit under the Senior Priority Debt Documents in accordance with Applicable Law and as they may otherwise, in their sole discretion, deem appropriate, and the Senior Priority Secured Parties may manage their loans

and extensions of credit without regard to any rights or interests that the Second Priority Representatives and the Second Priority Secured Parties have in the Shared Collateral or otherwise, except as otherwise provided in this Agreement. Neither any Senior Priority Representative nor any other Senior Priority Secured Party shall have any duty to any Second Priority Representative or Second Priority Secured Party to act or refrain from acting in a manner that allows, or results in, the occurrence or continuance of an event of default or default under any agreement with Holdings, the Borrower or any Subsidiary (including the Second Priority Debt Documents), regardless of any knowledge thereof that they may have or be charged with. Except as expressly set forth in this Agreement, the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties have not otherwise made to each other, nor do they hereby make to each other, any warranties, express or implied, nor do they assume any liability to each other with respect to (a) the enforceability, validity, value or collectibility of any of the Senior Priority Obligations, the Second Priority Debt Obligations or any guarantee or security which may have been granted to any of them in connection therewith, (b) any Grantor's title to or right to transfer any of the Shared Collateral or (c) any other matter except as expressly set forth in this Agreement.

SECTION 7.03. *Obligations Unconditional.* All rights, interests, agreements and obligations of the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties hereunder shall remain in full force and effect irrespective of:

(a) any lack of validity or enforceability of any Senior Priority Debt Document or any Second Priority Debt Document;

(b) any change in the time, manner or place of payment of, or in any other terms of, all or any of the Senior Priority Obligations or Second Priority Debt Obligations, or any amendment or waiver or other modification, including any increase in the amount thereof, whether by course of conduct or otherwise, of the terms of the First Lien Credit Agreement or any other Senior Priority Debt Document or of the terms of any Second Priority Debt Document;

(c) any exchange of any security interest in any Shared Collateral or any other collateral or any amendment, waiver or other modification, whether in writing or by course of conduct or otherwise, of all or any of the Senior Priority Obligations or Second Priority Debt Obligations or any guarantee thereof;

(d) the commencement of any Insolvency or Liquidation Proceeding in respect of Holdings, the Borrower or any other Grantor; or

(e) any other circumstances that otherwise might constitute a defense available to, or a discharge of, (i) Holdings, the Borrower or any other Grantor in respect of the Senior Priority Obligations or (ii) any Second Priority Representative or Second Priority Secured Party in respect of this Agreement.

ARTICLE 8
MISCELLANEOUS

SECTION 8.01. *Conflicts.* Subject to Section 8.18, in the event of any conflict between the provisions of this Agreement and the provisions of any Senior Priority Debt Document or any Second Priority Debt Document, the provisions of this Agreement shall govern. Notwithstanding the foregoing, the relative rights and obligations of the Senior Priority Representatives and the Senior Priority Secured Parties (as amongst themselves) with respect to any Senior Priority Collateral shall be governed by the terms of the First Lien Intercreditor Agreement and in the event of any conflict between the First Lien Intercreditor Agreement and this Agreement, the provisions of the First Lien Intercreditor Agreement shall control.

SECTION 8.02. *Continuing Nature Of This Agreement; Severability.* Subject to Section 6.04, this Agreement shall continue to be effective until the Discharge of Senior Priority Obligations shall have occurred. This is a continuing agreement of Lien subordination, and the Senior Priority Secured Parties may continue, at any time and without notice to the Second Priority Representatives or any Second Priority Secured Party, to extend credit and other financial accommodations and lend monies to or for the benefit of Holdings, the Borrower or any Subsidiary constituting Senior Priority Obligations in reliance hereon. The terms of this Agreement shall survive and continue in full force and effect in any Insolvency or Liquidation Proceeding. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall not invalidate 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. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8.03. *Amendments; Waivers.*

(a) No failure or delay on the part of any party hereto in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereto are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on any party hereto in any case shall entitle such party to any other or further notice or demand in similar or other circumstances.

(b) This Agreement may be amended in writing signed by each Representative (in each case, acting in accordance with the documents governing the applicable Debt Facility); provided that any such amendment, supplement or waiver which by the terms of this Agreement requires the Borrower's consent or which increases the obligations or reduces the rights of Holdings, the Borrower or any Grantor, shall require the consent of the Borrower. Any such amendment, supplement or waiver shall be in writing and shall be binding upon the Senior Priority Secured Parties and the Second Priority Secured Parties and their respective successors and assigns.

(c) Notwithstanding the foregoing, without the consent of any Secured Party, any Representative may become a party hereto by execution and delivery of a Joinder Agreement in accordance with Section 8.09 of this Agreement and, upon such execution and delivery, such Representative and the Secured Parties and Senior Priority Obligations or Second Priority Debt Obligations of the Debt Facility for which such Representative is acting shall be subject to the terms hereof.

SECTION 8.04. *Information Concerning Financial Condition Of Holdings, The Borrower And The Subsidiaries.* The Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties shall each be responsible for keeping themselves informed of (a) the financial condition of Holdings, the Borrower and the Subsidiaries and all endorsers or guarantors of the Senior Priority Obligations or the Second Priority Debt Obligations and (b) all other circumstances bearing upon the risk of nonpayment of the Senior Priority Obligations or the Second Priority Debt Obligations. The Senior Priority Representatives, the Senior Priority Secured

Parties, the Second Priority Representatives and the Second Priority Secured Parties shall have no duty to advise any other party hereunder of information known to it or them regarding such condition or any such circumstances or otherwise. In the event that any Senior Priority Representative, any Senior Priority Secured Party, any Second Priority Representative or any Second Priority Secured Party, in its sole discretion, undertakes at any time or from time to time to provide any such information to any other party, it shall be under no obligation to (i) make, and the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties shall not make or be deemed to have made, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness or validity of any such information so provided, (ii) provide any additional information or to provide any such information on any subsequent occasion, (iii) undertake any investigation or (iv) disclose any information that, pursuant to accepted or reasonable commercial finance practices, such party wishes to maintain confidential or is otherwise required to maintain confidential.

SECTION 8.05. *Subrogation.* Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, hereby waives any rights of subrogation it may acquire as a result of any payment hereunder until the Discharge of Senior Priority Obligations has occurred.

SECTION 8.06. *Application Of Payments.* Except as otherwise provided herein, all payments received by the Senior Priority Secured Parties may be applied, reversed and reapplied, in whole or in part, to such part of the Senior Priority Obligations as the Senior Priority Secured Parties, in their sole discretion, deem appropriate, consistent with the terms of the Senior Priority Debt Documents. Except as otherwise provided herein, each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, assents to any such extension or postponement of the time of payment of the Senior Priority Obligations or any part thereof and to any other indulgence with respect thereto, to any substitution, exchange or release of any security that may at any time secure any part of the Senior Priority Obligations and to the addition or release of any other Person primarily or secondarily liable therefor.

SECTION 8.07. *Additional Grantors.* Holdings and the Borrower agree that, if any Subsidiary shall become a Grantor after the date hereof, they will promptly cause such Subsidiary to become party hereto by executing and delivering an instrument in the form of Annex I. Upon such execution and delivery, such Subsidiary will become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein. The execution and delivery of such instrument shall not require the consent of any other party hereunder, and will be acknowledged by the Designated Second Priority Representative and the Designated Senior Priority Representative. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

SECTION 8.08. *Dealings With Grantors.* Upon any application or demand by Holdings, the Borrower or any other Grantor to any Representative to take or permit any action under any of the provisions of this Agreement or under any Collateral Document (if such action is subject to the provisions hereof), Holdings, the Borrower or such other Grantor, as appropriate, shall furnish to such Representative a certificate of an Authorized Officer (an "Officer's Certificate") stating that all conditions precedent, if any, provided for in this Agreement or such Collateral Document, as the case may be, relating to the proposed action have been complied with, except that in the case of any such application or demand as to which the furnishing of such documents is specifically required by any provision of this Agreement or any Collateral Document relating to such particular application or demand, no additional certificate or opinion need be furnished.

SECTION 8.09. *Additional Debt Facilities.*

(a) To the extent, but only to the extent, permitted by the provisions of the Senior Priority Debt Documents and the Second Priority Debt Documents, the Borrower, Holdings or any other Grantor may Incur one or more series or classes of Additional Second Priority Debt and one or more series or classes of Additional Senior Priority Debt. Any such additional class or series of Additional Second Priority Debt (the "Second Priority Class Debt") may be secured by a junior priority, subordinated Lien on Shared Collateral, in each case under and pursuant to the relevant Second Priority Collateral Documents for such Second Priority Class Debt, if and subject to the condition that the Representative of any such Second Priority Class Debt (each, a "Second Priority Class Debt Representative"), acting on behalf of the holders of such Second Priority Class Debt (such Representative and holders in respect of any Second Priority Class Debt being referred to as the "Second Priority Class Debt Parties"), becomes a party to this Agreement by satisfying conditions (i) through (iii), as applicable, of the immediately succeeding paragraph, and Section 8.09(b). Any such additional class or series of Senior Priority Debt Facilities (the "Senior Priority Class Debt"; and the Senior Priority Class Debt and Second Priority Class Debt, collectively, the "Class Debt") may be secured by a senior priority Lien on Shared Collateral, in each case under and pursuant to the Senior Priority Collateral Documents, if and subject to the condition that the Representative of any such Senior Priority Class Debt (each, a "Senior Priority Class Debt Representative"; and the Senior Priority Class Debt Representatives and Second Priority Class Debt Representatives, collectively, the "Class Debt Representatives"), acting on behalf of the holders of such Senior Priority Class Debt (such Representative and holders in respect of any such Senior Priority Class Debt being referred to as the "Senior Priority Class Debt Parties"; and the Senior Priority Class Debt Parties and Second Priority Class Debt Parties, collectively, the "Class Debt Parties"), becomes a party to this Agreement by satisfying the conditions set forth in clauses (i) through (iii), as applicable, of the immediately succeeding paragraph, and Section 8.09(b). In order for a Class Debt Representative to become a party to this Agreement:

(i) such Class Debt Representative shall have executed and delivered to the Designated Senior Priority Representative and the Designated Second Priority Representative a Joinder Agreement substantially in the form of Annex II (if such Representative is a Second Priority Class Debt Representative) or Annex III (if such Representative is a Senior Priority Class Debt Representative) (with such changes as may be reasonably approved by the Designated Senior Priority Representative and such Class Debt Representative) pursuant to which it becomes a Representative hereunder, and the Class Debt in respect of which such Class Debt Representative is the Representative and the related Class Debt Parties become subject hereto and bound hereby;

(ii) the Borrower shall have delivered to the Designated Senior Priority Representative an Officer's Certificate stating that the conditions set forth in this Section 8.09 are satisfied with respect to such Class Debt and, if requested, true and complete copies of each of the Second Priority Debt Documents or Senior Priority Debt Documents, as applicable, relating to such Class Debt, certified as being true and correct by an Authorized Officer of the Borrower; and

(iii) the Second Priority Debt Documents or Senior Priority Debt Documents, as applicable, relating to such Class Debt shall provide, or shall be amended on terms and conditions reasonably approved by the Designated Senior Priority Representative and such Class Debt Representative, that each Class Debt Party with respect to such Class Debt will be subject to and bound by the provisions of this Agreement in its capacity as a holder of such Class Debt.

(b) With respect to any Class Debt that is Incurred after the Closing Date, the Borrower and each of the other Grantors agrees to take such actions (if any) as may from time to time reasonably be requested by any Senior Priority Representative, any Second Priority Representative or any Major Second Priority Representative, and enter into such technical amendments, modifications and/or supplements to

this Agreement or the then existing Guarantees and Collateral Documents (or execute and deliver such additional Collateral Documents) as may from time to time be reasonably requested by such Persons, to ensure that the Class Debt is secured by, and entitled to the benefits of, the relevant Collateral Documents relating to such Class Debt, and each Secured Party (by its acceptance of the benefits hereof) hereby agrees to, and authorizes the Designated Senior Priority Representative and the Designated Second Priority Representative, as the case may be, to enter into, any such technical amendments, modifications and/or supplements (and additional Collateral Documents).

SECTION 8.10. *Consent To Jurisdiction; Waivers.* Each Representative, on behalf of itself and the Secured Parties of the Debt Facility for which it is acting, irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the Collateral Documents, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York in the County of New York, the courts of the United States of America for the Southern District of New York in the County of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 (or its Representative) at the address referred to in Section 8.11;

(d) agrees that nothing herein shall affect the right of any other party hereto (or any Secured Party) to effect service of process in any other manner permitted by law; 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 8.10 any special, exemplary, punitive or consequential damages.

SECTION 8.11. *Notices.* All notices, requests, demands and other communications provided for or permitted hereunder shall be in writing and shall be sent:

(i) if to Holdings, the Borrower or any Grantor, to the Borrower, at its address at:

Grocery Outlet Inc.
5650 Hollis St.
Emeryville, CA 94608
Attention: Charles Bracher
Tel: [ ]
Fax: [ ]
Electronic Mail: [ ]

(ii) if to the First Lien Administrative Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

(iii) if to the Second Lien Administrative Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

(iv) if to any other Representative, to it at the address specified by it in the Joinder Agreement delivered by it pursuant to Section 8.09.

Unless otherwise specifically provided herein, all notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by fax or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 8.11 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 8.11. As agreed to among Holdings, the Borrower, the Administrative Agent and the applicable Lenders from time to time, notices and other communications may also be delivered by e-mail to the email address of a representative of the applicable Person provided from time to time by such Person.

SECTION 8.12. *Further Assurances.* Each Senior Priority Representative, on behalf of itself and each Senior Priority Secured Party under the Senior Priority Debt Facility for which it is acting, and each Second Priority Representative, on behalf of itself, and each Second Priority Secured Party under its Second Priority Debt Facility, agrees that it will take such further action and shall execute and deliver such additional documents and instruments (in recordable form, if requested) as the other parties hereto may reasonably request to effectuate the terms of, and the Lien priorities contemplated by, this Agreement.

SECTION 8.13. *Governing Law; Waiver Of Jury Trial.*

(A) **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

(B) **EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND FOR ANY COUNTERCLAIM THEREIN.**

SECTION 8.14. *Binding On Successors And Assigns.* This Agreement shall be binding upon the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives, the Second Priority Secured Parties, Holdings, the Borrower, the other Grantors party hereto and their respective successors and assigns.

SECTION 8.15. *Section Titles.* The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of this Agreement.

SECTION 8.16. *Counterparts.* This Agreement may be executed in one or more counterparts, including by means of facsimile or other electronic method, each of which shall be an original and all of which shall together constitute one and the same document. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

SECTION 8.17. *Authorization.* By its signature, each Person executing this Agreement on behalf of a party hereto represents and warrants to the other parties hereto that it is duly authorized to execute this Agreement. The First Lien Administrative Agent represents and warrants that this Agreement is binding upon the First Lien Credit Agreement Secured Parties. The Second Lien Administrative Agent represents and warrants that this Agreement is binding upon the Second Lien Credit Agreement Secured Parties.

SECTION 8.18. *No Third Party Beneficiaries; Successors And Assigns.* The lien priorities set forth in this Agreement and the rights and benefits hereunder in respect of such lien priorities shall inure solely to the benefit of the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties, and their respective permitted successors and assigns, and no other Person (including the Grantors, or any trustee, receiver, debtor in possession or bankruptcy estate in a bankruptcy or like proceeding) shall have or be entitled to assert such rights.

SECTION 8.19. *Effectiveness.* This Agreement shall become effective when executed and delivered by the parties hereto.

SECTION 8.20. *Administrative Agent And Representative.* It is understood and agreed that (a) the First Lien Administrative Agent is entering into this Agreement in its capacity as administrative agent and collateral agent under the First Lien Credit Agreement and the provisions of Section 12 of the First Lien Credit Agreement applicable to the Agents (as defined therein) thereunder shall also apply to the First Lien Administrative Agent hereunder, (b) the Second Lien Administrative Agent is entering into this Agreement in its capacity as administrative agent and collateral agent under the Second Lien Credit Agreement and the provisions of Section 12 of the Second Lien Credit Agreement applicable to the Agents (as defined therein) thereunder shall also apply to the Second Lien Administrative Agent hereunder and (c) each other Representative party hereto is entering into this Agreement in its capacity as trustee or agent for the secured parties referenced in the applicable Additional Senior Priority Debt Document or Additional Second Priority Debt Document (as applicable) and the corresponding exculpatory and liability-limiting provisions of such agreement applicable to such Representative thereunder shall also apply to such Representative hereunder.

SECTION 8.21. *Relative Rights.* Notwithstanding anything in this Agreement to the contrary (except to the extent contemplated by Sections 5.01(a), 5.01(d) or 5.03(b)), nothing in this Agreement is intended to or will (a) amend, waive or otherwise modify the provisions of the First Lien Credit Agreement, any other Senior Priority Debt Document or any Second Priority Debt Documents, or permit Holdings, the Borrower or any other Grantor to take any action, or fail to take any action, to the extent such action or failure would otherwise constitute a breach of, or default under, the First Lien Credit Agreement or any other Senior Priority Debt Document or any Second Priority Debt Documents, (b) change the relative priorities of the Senior Priority Obligations or the Liens granted under the Senior Priority Collateral Documents on the Shared Collateral (or any other assets) as among the Senior Priority Secured Parties, (c) otherwise change the relative rights of the Senior Priority Secured Parties in respect of the Shared

Collateral as among such Senior Priority Secured Parties or (d) obligate Holdings, the Borrower or any other Grantor to take any action, or fail to take any action, that would otherwise constitute a breach of, or default under, the First Lien Credit Agreement or any other Senior Priority Debt Document or any Second Priority Debt Document.

SECTION 8.22. *Survival Of Agreement.* All covenants, agreements, representations and warranties made by any party in this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement.

[*Signatures Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MORGAN STANLEY SENIOR FUNDING, INC., as
First Lien Administrative Agent

By: _____
Name:
Title:

MORGAN STANLEY SENIOR FUNDING, INC., as
Second Lien Administrative Agent

By: _____
Name:
Title:

GLOBE INTERMEDIATE CORP.

By: _____
Name:
Title:

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

AMELIA'S, LLC

By: _____
Name:
Title:

GOBP MIDCO, INC.

By: _____
Name:
Title:

GROCERY OUTLET INC.

By: _____
Name:
Title:

ANNEX I

[FORM OF] SUPPLEMENT NO. [ ] dated as of [ ], 20[ ] to the FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT dated as of October 22, 2018 (the "First Lien/Second Lien Intercreditor Agreement"), among GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof) ("Holdings"), GOBP HOLDINGS, INC., a Delaware corporation, (the "Borrower"), certain subsidiaries and affiliates of the Borrower (each a "Grantor"), MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the First Lien Credit Agreement, MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the Second Lien Credit Agreement, and the additional Representatives from time to time a party thereto.

A. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the First Lien/Second Lien Intercreditor Agreement.

B. The Grantors have entered into the First Lien/Second Lien Intercreditor Agreement. Pursuant to the First Lien Credit Agreement, certain Additional Senior Priority Debt Documents and certain Second Priority Debt Documents, certain newly acquired or organized Subsidiaries of the Borrower are required to enter into the First Lien/Second Lien Intercreditor Agreement. Section 8.07 of the First Lien/Second Lien Intercreditor Agreement provides that such Subsidiaries may become party to the First Lien/Second Lien Intercreditor Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Grantor") is executing this Supplement in accordance with the requirements of the First Lien Credit Agreement, the Second Priority Debt Documents and Additional Senior Priority Debt Documents.

Accordingly, the Designated Senior Priority Representative and the New Subsidiary Grantor agree as follows:

SECTION 1. In accordance with Section 8.07 of the First Lien/Second Lien Intercreditor Agreement, the New Grantor by its signature below becomes a Grantor under the First Lien/Second Lien Intercreditor Agreement with the same force and effect as if originally named therein as a Grantor, and the New Grantor hereby agrees to all the terms and provisions of the First Lien/Second Lien Intercreditor Agreement applicable to it as a Grantor thereunder. Each reference to a "Grantor" in the First Lien/Second Lien Intercreditor Agreement shall be deemed to include the New Grantor. The First Lien/Second Lien Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Designated Senior Priority Representative and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Designated Senior Priority Representative shall have received a counterpart of this Supplement that bears the signature of the New Grantor. Delivery of an executed signature page to this Supplement by facsimile transmission or other electronic method shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. Except as expressly supplemented hereby, the First Lien/Second Lien Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the First Lien/Second Lien Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 8.11 of the First Lien/Second Lien Intercreditor Agreement. All communications and notices hereunder to the New Grantor shall be given to it in care of the Borrower as specified in the First Lien/Second Lien Intercreditor Agreement.

SECTION 8. The Borrower agrees to reimburse each of the Designated Senior Priority Representative and the Designated Second Priority Representative for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Designated Senior Priority Representative and the Designated Second Priority Representative.

IN WITNESS WHEREOF, the New Grantor, and the Designated Senior Priority Representative have duly executed this Supplement to the First Lien/Second Lien Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW SUBSIDIARY GRANTOR],

By: _____
Name:
Title:

Acknowledged by:
[ ], as Designated Senior Priority Representative,

By: _____
Name:
Title:

[ ], as Designated Second Priority Representative,

By: _____
Name:
Title:

ANNEX II

[FORM OF] REPRESENTATIVE SUPPLEMENT NO. [ ] dated as of [ ], 20[ ] to the FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT dated as of October 22, 2018 (the "First Lien/Second Lien Intercreditor Agreement"), among GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof) ("Holdings"), GOBP HOLDINGS, INC., a Delaware corporation, (the "Borrower"), certain subsidiaries and affiliates of the Borrower (each a "Grantor"), MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the First Lien Credit Agreement, MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the Second Lien Credit Agreement, and the additional Representatives from time to time a party thereto.

A. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the First Lien/Second Lien Intercreditor Agreement.

B. As a condition to the ability of the Borrower, Holdings or any other Grantor to incur Second Priority Class Debt and to secure such Second Priority Class Debt with the Second Priority Lien and to have such Second Priority Class Debt guaranteed by the Grantors on a subordinated basis, in each case under and pursuant to the Second Priority Collateral Documents, the Second Priority Class Representative in respect of such Second Priority Class Debt is required to become a Representative under, and such Second Priority Class Debt and the Second Priority Class Debt Parties in respect thereof are required to become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement. Section 8.09 of the First Lien/Second Lien Intercreditor Agreement provides that such Second Priority Class Debt Representative may become a Representative under, and such Second Priority Class Debt and such Second Priority Class Debt Parties may become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement, pursuant to the execution and delivery by the Second Priority Class Debt Representative of an instrument in the form of this Representative Supplement and the satisfaction of the other conditions set forth in Section 8.09 of the First Lien/Second Lien Intercreditor Agreement. The undersigned Second Priority Class Debt Representative (the "New Representative") is executing this Supplement in accordance with the requirements of the Senior Priority Debt Documents and the Second Priority Debt Documents.

Accordingly, the Designated Senior Priority Representative and the New Representative agree as follows:

SECTION 1. In accordance with Section 8.09 of the First Lien/Second Lien Intercreditor Agreement, the New Representative by its signature below becomes a Representative under, and the related Second Priority Class Debt and Second Priority Class Debt Parties become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement with the same force and effect as if the New Representative had originally been named therein as a Representative, and the New Representative, on behalf of itself and such Second Priority Class Debt Parties, hereby agrees to all the terms and provisions of the First Lien/Second Lien Intercreditor Agreement applicable to it as a Second Priority Representative and to the Second Priority Class Debt Parties that it represents as Second Priority Secured Parties. Each reference to a "Representative" or "Second Priority Representative" in the First Lien/Second Lien Intercreditor Agreement shall be deemed to include the New Representative. The First Lien/Second Lien Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Representative represents and warrants to the Designated Senior Priority Representative and the other Secured Parties that (i) it has full power and authority to enter into this Representative Supplement, in its capacity as [agent] [trustee], (ii) this Representative Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms of such Agreement and (iii) the Second Priority Debt Documents relating to such Second Priority Class Debt provide that, upon the New Representative's entry into this Agreement, the Second Priority Class Debt Parties in respect of such Second Priority Class Debt will be subject to and bound by the provisions of the First Lien/Second Lien Intercreditor Agreement as Second Priority Secured Parties.

SECTION 3. This Representative Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Representative Supplement shall become effective when the Designated Senior Priority Representative shall have received a counterpart of this Representative Supplement that bears the signature of the New Representative. Delivery of an executed signature page to this Representative Supplement by facsimile transmission or other electronic method shall be effective as delivery of a manually signed counterpart of this Representative Supplement.

SECTION 4. Except as expressly supplemented hereby, the First Lien/Second Lien Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS REPRESENTATIVE SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Representative Supplement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the First Lien/Second Lien Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 8.11 of the First Lien/Second Lien Intercreditor Agreement. All communications and notices hereunder to the New Representative shall be given to it at the address set forth below its signature hereto.

SECTION 8. The Borrower agrees to reimburse the Designated Senior Priority Representative for its reasonable out-of-pocket expenses in connection with this Representative Supplement, including the reasonable fees, other charges and disbursements of counsel for the Designated Senior Priority Representative.

IN WITNESS WHEREOF, the New Representative and the Designated Senior Priority Representative have duly executed this Representative Supplement to the First Lien/Second Lien Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW REPRESENTATIVE], as [ ] for the holders of [ ],

By: _____
Name:
Title:

Address for notices:

_____

attention of: _____

Telecopy: _____

[ ],
as Designated Senior Priority Representative,

By: _____
Name:
Title:

Acknowledged by:

[
]

By: _____
Name:
Title:

[
]

By: _____
Name:
Title:

THE GRANTORS LISTED ON SCHEDULE I HERETO

By: _____
Name:
Title:

ANNEX III

[FORM OF] REPRESENTATIVE SUPPLEMENT NO. [ ] dated as of [ ], 20[ ] to the FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT dated as of October 22, 2018 (the "First Lien/Second Lien Intercreditor Agreement"), among GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof) ("Holdings"), GOBP HOLDINGS, INC., a Delaware corporation, (the "Borrower"), certain subsidiaries and affiliates of the Borrower (each a "Grantor"), MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, and Collateral Agent under the First Lien Credit Agreement, MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the Second Lien Credit Agreement, and the additional Representatives from time to time a party thereto.

A. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the First Lien/Second Lien Intercreditor Agreement.

B. As a condition to the ability of the Borrower, Holdings or any other Grantor to incur Senior Priority Class Debt after the date of the First Lien/Second Lien Intercreditor Agreement and to secure such Senior Priority Class Debt with the Senior Lien and to have such Senior Priority Class Debt guaranteed by the Grantors on a senior basis, in each case under and pursuant to the Senior Priority Collateral Documents, the Senior Priority Class Debt Representative in respect of such Senior Priority Class Debt is required to become a Representative under, and such Senior Priority Class Debt and the Senior Priority Class Debt Parties in respect thereof are required to become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement. Section 8.09 of the First Lien/Second Lien Intercreditor Agreement provides that such Senior Priority Class Debt Representative may become a Representative under, and such Senior Priority Class Debt and such Senior Priority Class Debt Parties may become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement, pursuant to the execution and delivery by the Senior Priority Class Debt Representative of an instrument in the form of this Representative Supplement and the satisfaction of the other conditions set forth in Section 8.09 of the First Lien/Second Lien Intercreditor Agreement. The undersigned Senior Priority Class Debt Representative (the "New Representative") is executing this Supplement in accordance with the requirements of the Senior Priority Debt Documents and the Second Priority Debt Documents.

Accordingly, the Designated Senior Priority Representative and the New Representative agree as follows:

SECTION 1. In accordance with Section 8.09 of the First Lien/Second Lien Intercreditor Agreement, the New Representative by its signature below becomes a Representative under, and the related Senior Priority Class Debt and Senior Priority Class Debt Parties become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement with the same force and effect as if the New Representative had originally been named therein as a Representative, and the New Representative, on behalf of itself and such Senior Priority Class Debt Parties, hereby agrees to all the terms and provisions of the First Lien/Second Lien Intercreditor Agreement applicable to it as a Senior Priority Representative and to the Senior Priority Class Debt Parties that it represents as Senior Priority Secured Parties. Each reference to a "Representative" or "Senior Priority Representative" in the First Lien/Second Lien Intercreditor Agreement shall be deemed to include the New Representative. The First Lien/Second Lien Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Representative represents and warrants to the Designated Senior Priority Representative and the other Secured Parties that (i) it has full power and authority to enter into this Representative Supplement, in its capacity as [agent] [trustee] under [describe new facility], (ii) this Representative Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms of such Agreement and (iii) the Senior Priority Debt Documents relating to such Senior Priority Class Debt provide that, upon the New Representative's entry into this Agreement, the Senior Priority Class Debt Parties in respect of such Senior Priority Class Debt will be subject to and bound by the provisions of the First Lien/Second Lien Intercreditor Agreement as Senior Priority Secured Parties.

SECTION 3. This Representative Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Representative Supplement shall become effective when the Designated Senior Priority Representative shall have received a counterpart of this Representative Supplement that bears the signature of the New Representative. Delivery of an executed signature page to this Representative Supplement by facsimile transmission or other electronic method shall be effective as delivery of a manually signed counterpart of this Representative Supplement.

SECTION 4. Except as expressly supplemented hereby, the First Lien/Second Lien Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS REPRESENTATIVE SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Representative Supplement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the First Lien/Second Lien Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 8.11 of the First Lien/Second Lien Intercreditor Agreement. All communications and notices hereunder to the New Representative shall be given to it at the address set forth below its signature hereto.

SECTION 8. The Borrower agrees to reimburse the Designated Senior Priority Representative for its reasonable out-of-pocket expenses in connection with this Representative Supplement, including the reasonable fees, other charges and disbursements of counsel for the Designated Senior Priority Representative.

IN WITNESS WHEREOF, the New Representative and the Designated Senior Priority Representative have duly executed this Representative Supplement to the First Lien/Second Lien Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW REPRESENTATIVE], as [ ] for the holders of [ ],

By: _____
Name:
Title:

Address for notices:

_____

attention of: _____

Telecopy: _____

[ ],
as Designated Senior Priority Representative,

By: _____
Name:
Title:

Acknowledged by:

[ ]

By: _____
Name:
Title:

[ ]

By: _____
Name:
Title:

THE GRANTORS LISTED ON SCHEDULE I HERETO

By: _____
Name:
Title:

FORM OF ASSIGNMENT AND ACCEPTANCE

This Assignment and Acceptance (the "Assignment and Acceptance") is dated as of the Effective Date (as defined below) and is entered into by and between [the][each][1] Assignor identified in item 1 below ([the][each, an] "Assignor") and [the][each][2] Assignee identified in item 2 below ([the][each, an] "Assignee"). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees][3] hereunder are several and not joint.][4] Capitalized terms used in this Assignment and Acceptance and not otherwise defined herein shall have the meanings specified in the First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC**., a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender, receipt of a copy of which is hereby acknowledged by [the][each] Assignee.

The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Acceptance as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions set forth in Annex 1 hereto and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of [the Assignor's][the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective Credit Facilities identified below (including without limitation any letters of credit and guarantees included in such Credit Facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)] [the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii)

1 For bracketed language here and elsewhere in this form relating to the Assignor[s], if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

2 For bracketed language here and elsewhere in this form relating to the Assignee[s], if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

3 Select as appropriate.

4 Include bracketed language if there are either multiple Assignors or multiple Assignees.

above being referred to herein collectively as [the][an] "Assigned Interest"). [Such][Each such] sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Acceptance, without representation or warranty by [the][any] Assignor.

1. Assignor[s]: [NAME OF ASSIGNOR[S]]

2. Assignee[s]: [NAME OF ASSIGNEE[S]]

   [Assignee is an [Affiliate][Approved Fund] of [*identify Lender*]]

   Address for Notices:

   [ADDRESS FOR NOTICES]

3. Borrower: GOBP HOLDINGS, INC.

4. Assigned Interest[s]:

Assignor[s][5]	Assignee[s][6]	Credit Facility Assigned[7]	Total Commitment/ Loans of all Lenders under each Credit Facility[8]	Amount of Credit Facility Assigned	Percentage Assigned of Total Commitment/Loans of all Lenders under each Credit Facility[9]	CUSIP Number
		Initial Term Loan Facility	$ [ ]	$[ ]	[0.000000000]%	
		Revolving Credit Commitment	$ [ ]	$[ ]	[0.000000000]%	
		[Incremental Term Loan Facility	$ [ ]	$[ ]	[0.000000000]%]	
		[Additional/Replacement Revolving Credit Facility	$ [ ]	$[ ]	[0.000000000]%]	
		[Extended Term Loan Facility	$ [ ]	$[ ]	[0.000000000]%]	
		[Extended Revolving Credit Facility	$ [ ]	$[ ]	[0.000000000]%]	

5 List each Assignor, as appropriate.
6 List each Assignee, as appropriate.
7 Fill in the appropriate terminology for the types of Credit Facilities under the Credit Agreement that are being assigned under this Assignment.
8 Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date
9 To be set forth, to at least 9 decimals, as a percentage of the Total Commitment/Loans of all Lenders under each assigned Credit Facility.

5. [Trade Date: , 20][10]

6. Effective Date of Assignment (the "Effective Date"): , 20 .[11] [subject to the payment of an assignment fee in an amount of $3,500 to the Administrative Agent][12].

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10 To be completed if the Assignor[s] and the Assignee[s] intend that the minimum assignment amount is to be determined as of the Trade Date.

11 To be inserted by Administrative Agent and which shall be the effective date of recordation of transfer in the Register therefor.

12 To be deleted for assignment made by the Joint Bookrunners, the Lead Arrangers or any of their respective Affiliates in connection with the primary syndication of the Initial Term Loan Facility.

The terms set forth in this Assignment and Acceptance are hereby agreed to:

[NAME OF ASSIGNOR], as Assignor

By: _____
Name:
Title:

[NAME OF ASSIGNOR], as Assignor

By: _____
Name:
Title:

[NAME OF ASSIGNEE], as Assignee

By: _____
Name:
Title:

[NAME OF ASSIGNEE], as Assignee

By: _____
Name:
Title:

[Consented to and][13] Accepted:

[ ],
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

GOBP HOLDINGS, INC.

By: _____
Name:
Title:][14]

13 If required by Section 13.6(b)(i)(B) of Credit Agreement.
14 If required by Section 13.6(b)(i)(A) of Credit Agreement.

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ACCEPTANCE

1. Representations and Warranties and Agreements.

1.1 Assignor[s]. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any Lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of Holdings, the Borrower or any of their Subsidiaries or (iv) the performance or observance by any of Holdings, the Borrower or any of their Subsidiaries of any of their respective obligations under any Credit Document.

1.2 Assignee[s]. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire [the][the relevant] Assigned Interest and become a Lender thereunder, (iii) from and after the Effective Date, it shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender under the Credit Agreement, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it is not a Disqualified Lender and (vi) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 9.1 of the Credit Agreement, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase [the][such] Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, (b) appoints and authorizes the Administrative Agent and the Collateral Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Credit Documents as are delegated to the Administrative Agent and the Collateral Agent, respectively, by the terms thereof, together with such powers as are reasonably incidental thereto and (c) agrees that (i) it will, independently and without reliance on the Administrative Agent, [the][any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender, including, if it is a Non-U.S. Lender, its obligations pursuant to Section 5.4 of the Credit Agreement.

2. Payments: From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to [the][the relevant] Assignee.

3. General Provisions.

3.1 In accordance with Section 13.6 of the Credit Agreement, upon execution, delivery, acceptance and recording of this Assignment and Acceptance, from and after the Effective Date, (a) [the][each] Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender under the Credit Agreement with [Loans] [and] [Commitments] as set forth herein and (b) [the][each] Assignor shall, to the extent of [the][the relevant] Assigned Interest assigned pursuant to this Assignment and Acceptance, be released from its obligations under the Credit Agreement (and if this Assignment and Acceptance covers all of [the][such] Assignor's rights and obligations under the Credit Agreement, [the][such] Assignor shall cease to be a party to the Credit Agreement but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 3.5, 5.4, 13.5, 13.12 and 13.15 thereof).

3.2 This Assignment and Acceptance shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed by one or more of the parties to this Assignment and Acceptance on any number of separate counterparts (including by facsimile or other electronic transmission (*e.g.*, a "PDF or "TIF" file)), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Assignment and Acceptance and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by and interpreted under the law of the state of New York.

FORM OF AFFILIATED LENDER ASSIGNMENT AND ACCEPTANCE

This Affiliated Lender Assignment and Acceptance (the "Assignment and Acceptance") is dated as of the Effective Date (as defined below) and is entered into by and between the Assignor (as defined below) and the Assignee (as defined below). Capitalized terms used in this Assignment and Acceptance and not otherwise defined herein shall have the meanings specified in the First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender.

The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Acceptance as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions set forth in Annex 1 hereto and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective Credit Facility identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Acceptance, without representation or warranty by the Assignor.

1. Assignor (the "Assignor"): [NAME OF ASSIGNOR]

2. Assignee (the "Assignee"): [NAME OF ASSIGNEE]

3. Borrower: **GOBP HOLDINGS, INC.**

4. Assigned Interest:

Credit Facility	Total Commitment/Loans of all Lenders under each Credit Facility	Amount of Credit Facility Assigned[1][2]	Percentage Assigned of Total Commitment/Loans of all Lenders under each Credit Facility[3]	CUSIP Number
Initial Term Loan Facility	$ [ ]	$ [ ]	[0.000000000]%	
[Incremental Term Loan Facility	$ [ ]	$ [ ]	[0.000000000]%]	
[Extended Term Loan Facility	$ [ ]	$ [ ]	[0.000000000]%]	

4. [Trade Date: , 20][4]

5. Effective Date of Assignment (the "Effective Date"): , 20 ,[5] [subject to the payment of an assignment fee in an amount of $3,500 to the Administrative Agent][6].

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1 Lenders shall not be permitted to assign Revolving Credit Commitments, Revolving Credit Loans, Additional/Replacement Revolving Credit Loans, Additional/Replacement Revolving Credit Commitments, Extended Revolving Credit Commitments or Extended Revolving Credit Loans to any Purchasing Borrower Party or any Affiliated Lender.

2 Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

3 To be set forth, to at least 9 decimals, as a percentage of the Total Commitments/Loans of all Lenders under each assigned Credit Facility.

4 To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

5 To be inserted by Administrative Agent and which shall be the effective date of recordation of transfer in the Register therefor.

6 To be deleted for assignment made by Joint Bookrunners, the Lead Arrangers or any of their respective Affiliates in connection with the primary syndication of the Initial Term Loan Facility.

The terms set forth in this Assignment and Acceptance are hereby agreed to:

[NAME OF ASSIGNOR], as Assignor

By: _____
Name:
Title:

[NAME OF ASSIGNEE], as Assignee

By: _____
Name:
Title:

Exhibit I

[Consented to and][7] Accepted:

[ ],
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

GOBP HOLDINGS, INC.

By: _____
Name:
Title:][8]

---

7 If required by Section 13.6(b)(i)(B) of Credit Agreement.
8 If required by Section 13.6(b)(i)(A) of Credit Agreement.

STANDARD TERMS AND CONDITIONS FOR
AFFILIATED LENDER ASSIGNMENT AND ACCEPTANCE

1. Representations and Warranties and Agreements.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any Lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of Holdings, the Borrower or any of their Subsidiaries or (iv) the performance or observance by any of Holdings, the Borrower or any of their Subsidiaries of any of their respective obligations under any Credit Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender thereunder, (iii) from and after the Effective Date, it shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender under the Credit Agreement, (iv) it is a [Purchasing Borrower Party][Affiliated Lender], as such term is defined in the Credit Agreement, (v) after giving pro forma effect to the purchase, assumption and assignment of Term Loans pursuant to Section 13.6(g) of the Credit Agreement, the aggregate principal amount of all Term Loans of such Class outstanding held by Affiliated Lenders that are Non-Debt Fund Affiliates as of the Effective Date does not exceed 30% of all Term Loans of such Class then outstanding under the Credit Agreement, (vi) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (vii) it is not a Disqualified Lender[,][and] (viii) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 9.1 of the Credit Agreement, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender [and (ix) it is not using the proceeds from Revolving Credit Loans, Extended Revolving Credit Loans, Swingline Loans or Additional/Replacement Revolving Credit Loans (or any other revolving credit facility that is effective in reliance on Section 10.1(a) or Section 10.1(u) of the Credit Agreement) to purchase any Term Loans][9], (b) appoints and authorizes the Administrative Agent and the Collateral Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Credit Documents as are delegated to the Administrative Agent and the Collateral Agent, respectively, by the terms thereof, together with such powers as are reasonably incidental thereto and (c) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in

9 To be inserted if assignment to a Purchasing Borrower Party.

taking or not taking action under the Credit Documents and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender, including, if it is a Non-U.S. Lender, its obligations pursuant to Section 5.4 of the Credit Agreement.

2. Payments: From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the relevant Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee.

3. General Provisions.

3.1 In accordance with Section 13.6 of the Credit Agreement, upon execution, delivery, acceptance and recording of this Assignment and Acceptance, from and after the Effective Date, (a) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance (subject to the limitations set forth in Section 13.6(g)(ii) and Section 13.6(h) of the Credit Agreement), have the rights and obligations of a Lender under the Credit Agreement with Commitments as set forth herein and (b) the Assignor shall, to the extent of the Assigned Interest assigned pursuant to this Assignment and Acceptance, be released from its obligations under the Credit Agreement (and if this Assignment and Acceptance covers all of the Assignor's rights and obligations under the Credit Agreement, the Assignor shall cease to be a party to the Credit Agreement but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 3.5, 5.4, 13.5, 13.12, 13.15 and 13.16 thereof).

3.2 This Assignment and Acceptance shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed by one or more of the parties to this Assignment and Acceptance on any number of separate counterparts (including by facsimile or other electronic transmission (*e.g.*, a "PDF or "TIF" file)), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Assignment and Acceptance and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by and interpreted under the law of the state of New York.

FORM OF SOLVENCY CERTIFICATE

To the Administrative Agents and each of the Lenders party to the Credit Agreements referred to below:

I, the undersigned, the Chief Financial Officer of **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), in that capacity only and not in my individual capacity (and without personal liability), do hereby certify as of the date hereof, and based upon facts and circumstances as they exist as of the date hereof (and disclaiming any responsibility for changes in such facts and circumstances after the date hereof), that:

1. This certificate is furnished to the Administrative Agents and the Lenders pursuant to (i) Section 6.8 of the First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Credit Agreement"), among the Borrower, **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "First Lien Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender, and (ii) Section 6.8 of the Second Lien Credit Agreement, dated as of [●], 2018 (the "Second Lien Credit Agreement" and, together with the First Lien Credit Agreement, the "Credit Agreements"), among the Borrower, Holdings, the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Second Lien Administrative Agent" and, together with the First Lien Administrative Agent, the "Administrative Agents"), as the Administrative Agent and the Collateral Agent. Unless otherwise defined herein, capitalized terms used in this certificate shall have the meanings set forth in the First Lien Credit Agreement or the Second Lien Credit Agreement, as applicable.

2. For purposes of this certificate, the terms below shall have the following definitions:

(a) "Fair Value"

The amount at which the assets (both tangible and intangible), in their entirety, of the Borrower and its Subsidiaries taken as a whole would change hands between a willing buyer and a willing seller, within a commercially reasonable period of time, each having reasonable knowledge of the relevant facts, with neither being under any compulsion to act.

(b) "Present Fair Salable Value"

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 Borrower and its 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.

(c) "Stated Liabilities"

The recorded liabilities (including contingent liabilities that would be recorded in accordance with GAAP) of the Borrower and its 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 the First Lien Credit Agreement and the Second Lien Credit Agreement, the making of the Loans and the use of proceeds of such Loans on the date hereof), determined in accordance with GAAP consistently applied.

(d) "Identified Contingent Liabilities"

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 Borrower and its Subsidiaries taken as a whole after giving effect to the Transactions (including the execution and delivery of the First Lien Credit Agreement and the Second Lien Credit Agreement, the making of the Loans and the use of proceeds of such Loans on the date hereof) (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.

(e) "Can pay their Stated Liabilities and Identified Contingent Liabilities as they mature"

The Borrower and its Subsidiaries taken as a whole after giving effect to the Transactions (including the execution and delivery of the First Lien Credit Agreement and the Second Lien Credit Agreement, the making of the Loans and the use of proceeds of such Loans on the date hereof) have sufficient assets and cash flow to pay their respective Stated Liabilities and Identified Contingent Liabilities as those liabilities mature or (in the case of contingent liabilities) otherwise become payable.

(f) "Do not have Unreasonably Small Capital"

The Borrower and its Subsidiaries taken as a whole after giving effect to the Transactions (including the execution and delivery of the First Lien Credit Agreement and the execution and delivery of the Second Lien Credit Agreement, the making of the Loans under each such agreement and the use of proceeds of such Loans on the date hereof) have sufficient capital to ensure that it is a going concern.

3. For purposes of this certificate, I, or officers of the Borrower under my direction and supervision, have performed the following procedures as of and for the periods set forth below.

(a) I have reviewed the financial statements referred to in Section 6.9 of the First Lien Credit Agreement and Section 6.9 of the Second Lien Credit Agreement.

(b) I have knowledge of and have reviewed to my satisfaction the First Lien Credit Agreement and the Second Lien Credit Agreement.

(c) As chief financial officer, I am familiar with the financial condition of the Borrower and its Subsidiaries.

4. Based on and subject to the foregoing, I hereby certify on behalf of the Borrower that after giving effect to the consummation of the Transactions (including the execution and delivery of the First Lien Credit Agreement and the Second Lien Credit Agreement, the making of the Loans and the use of proceeds of such Loans on the date hereof), it is my opinion that (i) each of the Fair Value and the Present Fair Salable Value of the assets of the Borrower and its Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; (ii) the Borrower and its Subsidiaries taken as a whole do not have Unreasonably Small Capital; and (iii) the Borrower and its Subsidiaries taken as a whole can pay their Stated Liabilities and Identified Contingent Liabilities as they mature.

[*Signature page follows*]

Exhibit J

IN WITNESS WHEREOF, the Borrower has caused this certificate to be executed on its behalf by its Chief Financial Officer as of the date set forth above.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

Exhibit J

FORM OF UNITED STATES TAX COMPLIANCE CERTIFICATES

FORM OF
TAX CERTIFICATE
(For Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC**., a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.4(d) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. person status on Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent in writing and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payment.

[Signature Page Follows]

[Lender]

By: _____
Name:
Title:

[Address]

Dated: , 20[ ]

Exhibit K

FORM OF
TAX CERTIFICATE
(For Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC**., a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.4(d) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Credit Agreement or any other Credit Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with Internal Revenue Service Form W-8IMY accompanied by one of the following forms from each of its partners/members claiming the portfolio interest exemption: (i) an Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable or (ii) an Internal Revenue Service Form W-8IMY accompanied by Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent in writing and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent in writing with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payment.

[Signature Page Follows]

[Lender]

By: _____
Name:
Title:

[Address]

Dated: , 20[ ]

Exhibit K

FORM OF
TAX CERTIFICATE
(For Non-U.S. Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC**., a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.4(d) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. person status on Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payment.

[Signature Page Follows]

[Participant]

By: _____
Name:
Title:

[Address]

Dated: , 20[ ]

Exhibit K

FORM OF
TAX CERTIFICATE
(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC**., a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP**., a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.4(d) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect to such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with Internal Revenue Service Form W-8IMY accompanied by one of the following forms from each of its partners/members claiming the portfolio interest exemption: (i) an Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable or (ii) an Internal Revenue Service Form W-8IMY accompanied by an Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payment.

[Signature Page Follows]

[Participant]

By: _____
Name:
Title:

[Address]

Dated: , 20[ ]

Exhibit K

FORM OF INTERCOMPANY SUBORDINATED NOTE

New York
[●], 2018

FOR VALUE RECEIVED, each of the undersigned, to the extent a borrower from time to time from any other entity listed on the signature page hereto (each, in such capacity, a "Payor"), hereby promises to pay on demand to the order of such other entity listed below that is a Credit Party (or a Person required to become a Subsidiary Guarantor pursuant to Section 9.10 of either of the Credit Agreements (as defined below)) (each, in such capacity, a "Payee"), in lawful money of the United States of America, or in such other currency as agreed to by such Payor and such Payee, in immediately available funds, at such location as a Payee shall from time to time designate, the unpaid principal amount of all loans and advances (including trade payables) made by such Payee to such Payor. Each Payor promises also to pay interest on the unpaid principal amount of all such loans and advances in like money at said location from the date of such loans and advances until paid at such rate per annum as shall be agreed upon from time to time by such Payor and such Payee.

Capitalized terms used in this Intercompany Subordinated Note (this "Note") but not otherwise defined herein shall have the meanings given to them, as applicable, in (i) that certain First Lien Credit Agreement, dated as of [●], 2018 (as the same may be amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "First Lien Credit Agreement"), among **GOBP HOLDINGS, INC.,** a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.**, as the Administrative Agent (in such capacity, the "First Lien Administrative Agent"), the Collateral Agent (in such capacity, the "First Lien Collateral Agent") and the Swingline Lender, (ii) that certain Second Lien Credit Agreement, dated as of [●], 2018 (as the same may be amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "Second Lien Credit Agreement" and, together with the First Lien Credit Agreement, the "Credit Agreements"), among the Borrower, Holdings, the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.**, as the Administrative Agent (in such capacity, the "Second Lien Administrative Agent"), the Collateral Agent (in such capacity, the "Second Lien Collateral Agent" and, collectively with the First Lien Collateral Agent, the "Collateral Agents") and (iii) that certain First Lien/Second Lien Intercreditor Agreement, dated as of [●], 2018 (as the same may be amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "Intercreditor Agreement") among the Borrower, Holdings, the other Grantors party thereto, the First Lien Collateral Agent and the Second Lien Collateral Agent, and each additional Senior Priority Representative and Second Priority Representative that from time to time becomes a party thereto.

This Note shall be pledged by each Payee that is a Credit Party (a "Credit Party Payee") (i) to the First Lien Collateral Agent (or any agent or designee thereof), for the benefit of the First Lien Secured Parties (as defined in the Security Agreement (as defined in the First Lien Credit Agreement), the "First Lien Secured Parties"), pursuant to the Pledge Agreement (as defined in the First Lien Credit Agreement, the "First Lien Pledge Agreement") as collateral security for such Payee's Senior Priority Obligations (as defined in the Intercreditor Agreement) and (ii) to the Second Lien Collateral Agent (or any agent or designee thereof), for the benefit of the Second Lien Secured Parties (as defined in the Security Agreement (as defined in the Second Lien Credit Agreement), the "Second Lien Secured Parties" and, together with the First Lien Secured Parties, the "Secured Parties"), pursuant to the Pledge Agreement (as

defined in the Second Lien Credit Agreement, the "Second Lien Pledge Agreement") as collateral security for such Payee's Second Priority Debt Obligations (as defined in the Intercreditor Agreement). Each Payee hereby acknowledges and agrees that (i) after the occurrence of and during the continuance of an Event of Default under and as defined in the First Lien Credit Agreement, the First Lien Collateral Agent may exercise all rights of the Credit Party Payees with respect to this Note and (ii) after the occurrence of and during the continuance of an Event of Default under and as defined in the Second Lien Credit Agreement, but subject to the terms of the Intercreditor Agreement, the Second Lien Collateral Agent may exercise all rights of the Credit Party Payees with respect to this Note.

Upon the commencement of any insolvency or bankruptcy proceeding, or any receivership, liquidation, reorganization or other similar proceeding in connection therewith, relating to any Payor owing any amounts evidenced by this Note to any Credit Party, or to any property of any such Payor, or upon the commencement of any proceeding for voluntary liquidation, dissolution or other winding up of any such Payor, all amounts evidenced by this Note owing by such Payor to any and all Credit Parties shall become immediately due and payable, without presentment, demand, protest or notice of any kind.

Anything in this Note to the contrary notwithstanding, the indebtedness evidenced by this Note owed by any Payor that is a Credit Party to any Payee shall be subordinate and junior in right of payment, to the extent and in the manner hereinafter set forth, to all Senior Priority Obligations of such Payor until the Termination Date (as defined in the First Lien Pledge Agreement) and to all Second Priority Debt Obligations of such Payor until the Termination Date (as defined in the Second Lien Pledge Agreement) (the Senior Priority Obligations, the Second Priority Debt Obligations and other indebtedness and obligations in connection with any renewal, refunding, restructuring or refinancing thereof, including interest thereon accruing after the commencement of any proceedings referred to in clause (i) below, whether or not such interest is an allowed claim in such proceeding, being hereinafter collectively referred to as "Senior Indebtedness").

(i) In the event of any insolvency or bankruptcy proceedings, and any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to any Payor or to its property, and in the event of any proceedings for voluntary liquidation, dissolution or other winding up of such Payor (except as expressly permitted by the Credit Agreements), whether or not involving insolvency or bankruptcy, then, if an Event of Default (under and as defined in either of the Credit Agreements) has occurred and is continuing after prior written notice from the Collateral Agents to the Borrower, (x) the holders of Senior Indebtedness shall be irrevocably paid in full in cash in respect of all amounts constituting Senior Indebtedness (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations) before any Payee is entitled to receive (whether directly or indirectly), or make any demands for, any payment on account of this Note and (y) until the holders of Senior Indebtedness are irrevocably paid in full in cash in respect of all amounts constituting Senior Indebtedness (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations), any payment or distribution to which such Payee would otherwise be entitled (other than debt securities of such Payor that are subordinated, to at least the same extent as this Note, to the payment of all Senior Indebtedness then outstanding (such securities being hereinafter referred to as "Restructured Debt Securities")) shall be made to the holders of Senior Indebtedness;

(ii) If any Event of Default (under and as defined in either of the Credit Agreements) occurs and is continuing after prior written notice from either Collateral Agent to the Borrower, then (x) no payment or distribution of any kind or character shall be made by or on behalf of the Payor or any other Person on its behalf with respect to this Note and (y) upon the request of either of the

Collateral Agents, no amounts evidenced by this Note owing by any Payor to any Payee that is a Credit Party shall be forgiven or otherwise reduced in any way, other than as a result of payment in full thereof made in cash;

(iii) If any payment or distribution of any character, whether in cash, securities or other property (other than Restructured Debt Securities), in respect of this Note shall (despite these subordination provisions) be received by any Payee in violation of clause (i) or (ii) above before all Senior Indebtedness shall have been irrevocably paid in full in cash (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations), such payment or distribution shall be held in trust (segregated from other property of such Payee) for the benefit of the Collateral Agents, and shall be paid over or delivered in accordance with the Intercreditor Agreement; and

(iv) Each Payee agrees to file all claims against each relevant Payor in any bankruptcy or other proceeding in which the filing of claims is required by law in respect of any Senior Indebtedness, and the Collateral Agents shall be entitled to all of such Payee's rights thereunder. If for any reason a Payee fails to file such claim at least ten Business Days prior to the last date on which such claim should be filed, such Payee hereby irrevocably appoints each Collateral Agent as its true and lawful attorney-in-fact and each Collateral Agent is hereby authorized to act as attorney-in-fact in such Payee's name to file such claim or, in such Collateral Agent's discretion, to assign such claim to and cause proof of claim to be filed in the name of the relevant Collateral Agent or its nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to the Collateral Agents the full amount payable on the claim in the proceeding, and, to the full extent necessary for that purpose, each Payee hereby assigns to the Collateral Agents all of such Payee's rights to any payments or distributions to which such Payee otherwise would be entitled. If the amount so paid is greater than such Payee's liability hereunder, the Collateral Agents shall pay the excess amount to the party entitled thereto. In addition, each Payee hereby irrevocably appoints each Collateral Agent as its attorney in fact to exercise all of such Payee's voting rights in connection with any bankruptcy proceeding or any plan for the reorganization of each relevant Payor.

To the fullest extent permitted by law, no present or future holder of Senior Indebtedness shall be prejudiced in its right to enforce the subordination of this Note by any act or failure to act on the part of any Payor or by any act or failure to act on the part of such holder or any trustee or agent for such holder. Each Payee and each Payor hereby agree that the subordination of this Note is for the benefit of the Collateral Agents and the other Secured Parties. The Collateral Agents and the other Secured Parties are obligees under this Note to the same extent as if their names were written herein as such and the respective Collateral Agent may, on behalf of itself, and the Secured Parties, proceed to enforce the subordination provisions herein.

The indebtedness evidenced by this Note owed by any Payor that is not a Credit Party shall not be subordinated to, and shall rank *pari passu* in right of payment with, any other obligation of such Payor.

Nothing contained in the subordination provisions set forth above is intended to or will impair, as between each Payor and each Payee, the obligations of such Payor, which are absolute and unconditional, to pay to such Payee the principal of and interest on this Note as and when due and payable in accordance with its terms, or is intended to or will affect the relative rights of such Payee and other creditors of such Payor other than the holders of Senior Indebtedness.

Each Payee is hereby authorized to record all loans and advances made by it to any Payor (all of which shall be evidenced by this Note), and all repayments or prepayments thereof, in its books and records, such books and records constituting prima facie evidence of the accuracy of the information contained therein; provided that the failure of any Payee to record such information shall not affect any Payor's obligations in respect of intercompany Indebtedness extended by such Payee to such Payor.

Each Payor hereby waives presentment, demand, protest or notice of any kind in connection with this Note. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

It is understood that this Note shall only evidence Indebtedness.

This Note shall be binding upon each Payor and its successors and assigns, and the terms and provisions of this Note shall inure to the benefit of each Payee and their respective successors and assigns, including subsequent holders hereof. Notwithstanding anything to the contrary contained herein, in any other Credit Document or in any other promissory note or other instrument, this Note replaces and supersedes any and all promissory notes or other instruments which create or evidence any loans or advances made on, before or after the date hereof by any Payee to any other Subsidiary.

From time to time after the date hereof, additional Subsidiaries of Holdings may become parties hereto (as Payor and/or Payee, as the case may be) by executing a counterpart signature page hereto, which shall automatically be incorporated into this Note (each additional Subsidiary, an "Additional Party"). Upon delivery of such counterpart signature page to the Payees, notice of which is hereby waived by the other Payors, each Additional Party shall be a Payor and/or a Payee, as the case may be, and shall be as fully a party hereto as if such Additional Party were an original signatory hereof. Each Payor expressly agrees that its obligations arising hereunder shall not be affected or diminished by the addition or release of any other Payor or Payee hereunder. This Note shall be fully effective as to any Payor or Payee that is or becomes a party hereto regardless of whether any other person becomes or fails to become or ceases to be a Payor or Payee hereunder.

In the event either of the Collateral Agents enter into any Customary Intercreditor Agreement, the Collateral Agents shall be authorized (without the consent of any Lender) to enter into such amendments to this Note as may be necessary to reflect the provisions of such Customary Intercreditor Agreement.

THIS NOTE AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Notwithstanding anything herein to the contrary, the lien and security interest granted to the Collateral Agents or other Person, as applicable, pursuant to this Note and the exercise of any right or remedy by the Collateral Agents or other Person, as applicable, hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Note, the terms of the Intercreditor Agreement shall govern and control.

[*Signature Page Follows*]

GOBP HOLDINGS, INC.

By: _____

Name:
Title:

Exhibit L

FORM OF PERFECTION CERTIFICATE

Attached.

PERFECTION CERTIFICATE

Reference is made to (a) the First Lien Credit Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Credit Agreement"), by and among Globe Intermediate Corp., ("Holdings"), GOBP Holdings, Inc. (the "Borrower"), the lenders from time to time parties thereto (each a "First Lien Lender" and, collectively, the "First Lien Lenders"), Morgan Stanley Senior Funding, Inc., as the Administrative Agent (in such capacity, the "First Lien Administrative Agent"), Collateral Agent (in such capacity, the "First Lien Collateral Agent") and Swingline Lender, and the other parties thereto; (b) the First Lien Security Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Security Agreement"), by and among Holdings, the Borrower, the First Lien Collateral Agent and each of the subsidiaries of the Borrower from time to time party thereto; (c) the First Lien Pledge Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Pledge Agreement" and together with the Security Agreement, the "First Lien Collateral Documents"), by and among Holdings, the Borrower, the First Lien Collateral Agent and each of the subsidiaries of the Borrower from time to time party thereto; (d) the Second Lien Credit Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Second Lien Credit Agreement" and together with the First Lien Credit Agreement, the "Credit Agreements"), by and among Holdings, the Borrower, the lenders from time to time parties thereto (each a "Second Lien Lender" and, collectively, the "Second Lien Lenders"), Morgan Stanley Senior Funding, Inc., as the Administrative Agent (in such capacity, the "Second Lien Administrative Agent") and Collateral Agent (in such capacity, the "Second Lien Collateral Agent" and together with the First Lien Collateral Agent, the "Collateral Agents"), and the other agents party thereto; (e) the Second Lien Security Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Second Lien Security Agreement" and together with the First Lien Security Agreement, the "Security Agreements"), by and among Holdings, the Borrower, the Second Lien Collateral Agent and each of the subsidiaries of the Borrower from time to time party thereto and (f) the Second Lien Pledge Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Second Lien Pledge Agreement" and together with the Second Lien Security Agreement, the "Second Lien Collateral Documents" and together with the First Lien Collateral Documents, the "Collateral Documents"), by and among Holdings, the Borrower, the Second Lien Collateral Agent and each of the subsidiaries of the Borrower from time to time party thereto.

Capitalized terms used but not defined herein have the meanings assigned in the Credit Agreements or the Security Agreements, as applicable.

The undersigned Authorized Officer of the Borrower hereby certifies to the Collateral Agents and each other Secured Party, solely in respect of Holdings, the Borrower and each of its Subsidiary Guarantors party to each Collateral Document (each party a "Grantor"), as follows:

1. Names.

(a) The exact legal name of each Grantor, as such name appears in its respective Organizational Documents, and the type of organization of each Grantor is as listed in Schedule 1(a) attached hereto.

(b) Set forth in Schedule 1(b) attached hereto is each other legal name each Grantor has had or used on any filings with the Internal Revenue Service at any time within the in the past five years, together with the date of the relevant change.

(c) Except as set forth in Schedule 1(c) attached hereto, no Grantor has become successor by merger, consolidation, or acquisition to any other business or organization in the preceding five years, in each case to the extent such merger, consolidation or acquisition exceeded $10,000.000. If any such merger, consolidation, or acquisition or any other change in the form, nature or jurisdiction of organization has occurred, include in Schedule 1(c) the information required by Sections 1(a) and 2(b) of this certificate as to each acquiree or constituent party to a merger or consolidation, as applicable.

(d) Set forth in Schedule 1(d) attached hereto is the Organizational Identification Number, if any, issued by the jurisdiction of organization of each Grantor that is a registered organization.

(e) Set forth in Schedule 1(e) attached hereto is the Federal Taxpayer Identification Number of each Grantor.

2. Current Locations.

(a) The chief executive office of each Grantor is located at the address set forth opposite its name in Schedule 2(a) attached hereto. None of the Borrower or any Grantor has changed its chief executive office within the past five (5) years, except that the Borrower, GOBP Midco, Inc. and Grocery Outlet Inc. each changed the address of its chief executive office from 2000 Fifth Street, Berkeley, California 94710 to the address listed in Schedule 2(a) within the past five (5) years.

(b) The jurisdiction of organization of each Grantor that is a registered organization is set forth opposite its name in Schedule 2(b) attached hereto.

3. Unusual Transactions. All Accounts have been originated by the Grantors and all assets with a value in excess of $10,000,000 have been acquired in the ordinary course of business from a person in the business of selling goods of that kind except to the extent listed on Schedule 3 hereto.

4. File Search Reports. File search reports have been obtained from (i) the Uniform Commercial Code filing office of the jurisdiction of organization of each Grantor and each entity merged into such Grantor as described on Schedule 1(c) hereto and (ii) each local jurisdiction listed in Schedule 2(a) hereof with respect to judgment liens and tax liens, and such search reports reflect no liens against any of the Collateral other than those permitted under each Credit Agreement or which shall be terminated on the Closing Date as set forth in Section 7 hereof.

5. UCC Filings; PPSA/RPMRR Filings. Financing statements (duly authorized by each Grantor constituting the debtor therein) in substantially the form of Schedule 5 hereto have been prepared by counsel to the Collateral Agent in the appropriate form for filing in the proper Uniform Commercial Code filing office in the jurisdiction in which each Grantor is organized, in each case as set forth with respect to such Grantor in Section 2(b) hereof.

6. Schedule of Filings. Attached hereto as Schedule 6 is a schedule setting forth, with respect to the filings described in Section 5 above, the filing office in which such filing is to be made.

7. Termination Statements. Attached hereto as Schedule 7(a) are the duly authorized termination statements in the appropriate form for filing in each applicable jurisdiction identified in Schedule 7(b) hereto with respect to each Lien described therein.

8. Stock Ownership and Other Equity Interests. Attached hereto as Schedule 8 is a true and correct list of all the issued and outstanding Capital Stock owned by each Grantor that is required to be pledged under the Pledge Agreements and the record and beneficial owners of such Capital Stock, and the percentage ownership of each other equity investment held by each Grantor that represents more than 50% of the equity of the entity in which such investment was made.

9. Debt Instruments. Except with respect to intercompany indebtedness owed by Holdings, the Borrower or a Restricted Subsidiary, attached hereto as Schedule 9 is a true and correct list of all promissory notes, instruments, tangible chattel paper, electronic chattel paper and other evidence of indebtedness (other than checks to be deposited in the ordinary course of business) in a principal amount in excess of $10,000,000 (individually) held by each Grantor that are required to be pledged under any Collateral Document. All intercompany indebtedness owed by Holdings, the Borrower and each Restricted Subsidiary as of the Closing Date is evidenced by the Intercompany Note.

10. Advances. Attached hereto as Schedule 10 is a true and correct list of all advances in respect of Indebtedness made by any Grantor to Holdings, the Borrower or any of their respective Subsidiaries in excess of $10,000,000 in aggregate principal amount (other than those identified on Schedule 9), which advances will be on and after the date hereof evidenced by the Intercompany Note pledged to the Collateral Agent under the Security Agreements.

11. Intellectual Property.

(a) Attached hereto as Schedule 11(A) in proper form for filing with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, is a true and correct list of all of each Grantor's United States (i) federal issued Patents and pending Patent applications, (ii) Trademark registrations and pending Trademark applications and (iii) Copyright registrations (collectively, the "Registered Intellectual Property"), in each case owned in whole or in part by a Grantor as of the date hereof, indicating for each such item, as applicable, the title, application and/or registration number, and the identity of the current applicant or registered owner.

(b) Attached hereto as Schedule 11(B) is a true and correct list of all of each Grantor's IP Agreements which accounted for aggregate revenue to the Borrower or any of its Subsidiaries of more than $10,000,000 during the Borrower's most recent fiscal year (other than non-exclusive license agreements or licenses of commercially available off-the-shelf software) in which a Grantor is, as of the date hereof, the exclusive licensee of any United States Patent, Patent Application, Trademark registration, Trademark application, or Copyright registration (collectively, the "Exclusive IP Agreements"), indicating for each such Exclusive IP Agreement the parties and date, as well as the registration number, date of registration and identity of the registered owner of the Patent, Trademark or Copyright registration licensed thereunder.

12. Commercial Tort Claims.

Attached hereto as Schedule 12 is a true and correct list of all Commercial Tort Claims in excess of $10,000,000 held by each Grantor, including a brief description thereof.

13. Real Property.

Attached hereto as Schedule 13 is a list of all real property owned by each Grantor that (i) is located in the United States as of the Closing Date and (ii) has a Fair Market Value (on a per property basis) of at least $10,000,000.

14. Letter of Credit Rights.

Attached hereto as Schedule 14 is a list of all Letters of Credit (other than supporting obligations with respect to any of the Collateral) with a face value in excess of $10,000,000 issued in favor of the Borrower or any Grantor, as a beneficiary thereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned have duly executed this certificate as of the date first above written.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

[Signature Page to Perfection Certificate]

Schedule 1(a)*

Legal Name of Each Grantor and Type of Organization

Grantor	Type of Organization
Globe Intermediate Corp.	Corporation
GOBP Holdings, Inc.	Corporation
GOBP Midco, Inc.	Corporation
Grocery Outlet Inc.	Corporation
Amelia's, LLC	Limited liability company

* All schedules are prepared after giving effect to the Transactions, unless otherwise noted.

Schedule 1(b)

Other Legal Names

Grantor	Other Legal Names
Globe Intermediate Corp.	Cannery Sales Intermediate Corp.
GOBP Holdings, Inc.	None
GOBP Midco, Inc.	None
Grocery Outlet Inc.	None
Amelia's, LLC	None

Schedule 1(c)

Changes in Identity or Corporate Structure

Date	Change
10/7/2014	Globe Merger Corp. merged into GOBP Holdings, Inc.

Schedule 1(d)

Organizational Identification Number

Grantor	Organizational Identification Number
Globe Intermediate Corp.	5601808
GOBP Holdings, Inc.	4735740
GOBP Midco, Inc.	4741999
Grocery Outlet Inc.	C0418678
Amelia’s, LLC	5060815

Schedule 1(e)

Federal Taxpayer Identification Number

Grantor	Federal Taxpayer Identification Number
Globe Intermediate Corp.	32-0448965
GOBP Holdings, Inc.	27-1200482
GOBP Midco, Inc.	27-1200209
Grocery Outlet Inc.	94-1513561
Amelia’s, LLC	32-0358070

Schedule 2(a)

Chief Executive Office

Grantor	Mailing Address	County	State	Country
Globe Intermediate Corp.	5650 Hollis Street, Emeryville, CA 94608	Alameda	CA	USA
GOBP Holdings, Inc.	5650 Hollis Street, Emeryville, CA 94608	Alameda	CA	USA
GOBP Midco, Inc.	5650 Hollis Street, Emeryville, CA 94608	Alameda	CA	USA
Grocery Outlet Inc.	5650 Hollis Street, Emeryville, CA 94608	Alameda	CA	USA
Amelia’s, LLC	43 Graybill Road, Leola, PA 17540	Lancaster	PA	USA

Schedule 2(b)

Jurisdiction of Organization

Grantor	Jurisdiction of Organization
Globe Intermediate Corp.	Delaware
GOBP Holdings, Inc.	Delaware
GOBP Midco, Inc.	Delaware
Grocery Outlet Inc.	California
Amelia's, LLC	Delaware

Schedule 3

Transactions Other Than in the Ordinary Course of Business

None.

Schedule 5

Financing Statements

Schedule 6

Uniform Commercial Code Filings

Debtor	Filing Jurisdiction
Globe Intermediate Corp.	Delaware
GOBP Holdings, Inc.	Delaware
GOBP Midco, Inc.	Delaware
Grocery Outlet Inc.	California
Amelia's, LLC	Delaware

Schedule 7(a)

Termination Statements

[See attached]

Schedule 7(b)

Uniform Commercial Code Terminations

Debtor	Filing Jurisdiction
UCC Termination Statements	California Delaware
IP Releases	United States Patent and Trademark Office, United States Copyright Office

Schedule 8

Stock Ownership and Other Equity Interests

Pledgor/ Record & Beneficial Owner	Issuing Entity	Class of Issued Stock/Units	Certificate Nos. of Issued Shares/Units	Number of Shares/Units Issued & Percentage of Class
Globe Intermediate Corp.	GOBP Holdings, Inc.	(i) Common Stock (ii) Series A Preferred	N/A	N/A
GOBP Holdings, Inc.	GOBP Midco, Inc.	Common Stock	CS-1	1,000
GOBP Midco, Inc.	Grocery Outlet Inc.	Series A Voting Common Stock	No. 21	1,000
Grocery Outlet Inc.	Amelia's, LLC	Membership Units	No. 2	100

Schedule 9

Debt Instruments

None.

Schedule 10

Advances

Intercompany Loan Agreement (On Loan Agreement), dated as of October 7, 2014, by and among GOBP Holdings, Inc. and Grocery Outlet Inc.

Schedule 11(A)

Registered Intellectual Property

A. COPYRIGHTS AND COPYRIGHT APPLICATIONS

Copyright (Work)	Reg. No.	Owner
Ben Saven (Frugal Friends)	VA0001816784	Grocery Outlet Inc.
Doug (Frugal Friends)	VA0001816783	Grocery Outlet Inc.
Lois Prices (Frugal Friends)	VA0001816782	Grocery Outlet Inc.
Tammy Underspend (Frugal Friends)	VA0001816786	Grocery Outlet Inc.
WOW! Bottlenecker.	VA0001795425	Grocery Outlet Inc.

B. PATENTS AND PATENT APPLICATIONS

None.

C. TRADEMARK REGISTRATIONS AND TRADEMARK APPLICATIONS

Trademark[1]	App. No.	Trademark No.	Owner
AMELIA'S	85509370	4190703	Grocery Outlet Inc.
AMELIA'S GROCERY OUTLET	85509375	4205087	Grocery Outlet Inc.
BARGAIN MINUTE	85808393	4518765	Grocery Outlet Inc.
BARGAINOMICS	87213160	5313378	Grocery Outlet, Inc.
BARGAINS ON BRANDS YOU TRUST!	78424125	2964247	Grocery Outlet Inc.
BEN SAVEN	85597891	4249974	Grocery Outlet Inc.
BIG BRANDS. LITTLE PRICES.	85505693	4190431	Grocery Outlet Inc.
CANNED FOODS GROCERY OUTLETS	77699947	3701241	Grocery Outlet Inc.
DOUG	85597895	4249975	Grocery Outlet Inc.
ECO-FRUGAL	77867458	4112260	Grocery Outlet Inc.
FRUGAL FRIENDS	85597910	4245918	Grocery Outlet Inc.

1 Grantors have abandoned the following trademark registrations and make no representations, warranties, or covenants under the First Lien Security Agreement, First Lien Credit Agreement, Second Lien Security Agreement or the Second Lien Credit Agreement with respect to such trademark registrations: Registration No. 4190703 and Registration No. 4205087.

Trademark[1]	App. No.	Trademark No.	Owner
	86135411	4769584	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	86532165	4888093	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	77561753	3604714	Grocery Outlet Inc.
	86032740	4479224	Grocery Outlet Inc.
	87108931	N/A	Grocery Outlet Inc.
GROCERY OUTLET BARGAINS ONLY!	76314254	2715156	Grocery Outlet Inc.
	78143358	2775580	Grocery Outlet Inc.
HARVEST DAY	78832121	3782829	Grocery Outlet, Inc.
HARVEST DAY	87164529	5325344	Grocery Outlet, Inc.
INDEPENDENCE FROM HUNGER	85410590	4135086	Grocery Outlet Inc.
INDEPENDENCE FROM HUNGER	85410597	4135088	Grocery Outlet Inc.
LADY LEE	78831598	3779585	Grocery Outlet, Inc.
LOIS PRICES	85597916	4249976	Grocery Outlet Inc.
NOSH	85128472	4247576	Grocery Outlet Inc.
NOSH	86780435	5067165	Grocery Outlet Inc.
	86795040	5093914	Grocery Outlet Inc.
	86795037	5093913	Grocery Outlet Inc.
OVERSHOP. UNDERSPEND.	77856328	3802978	Grocery Outlet Inc.
TAMMY UNDERSPEND	85597923	4249977	Grocery Outlet Inc.
WOW!	86573220	5306956	Grocery Outlet Inc.
	86578051	5218984	Grocery Outlet Inc.
	87206798	5372725	Grocery Outlet Inc.

Schedule 11(B)

Exclusive IP Agreements

None.

Schedule 12

Commercial Tort Claims

None.

Schedule 13

Real Property

None.

Schedule 14

Letter of Credit Rights

None.

EXHIBIT N
TO THE FIRST LIEN CREDIT AGREEMENT

FORM OF NOTICE OF PREPAYMENT

[Date]

Morgan Stanley Senior Funding, Inc.
as Administrative Agent
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

Re: GOBP Holdings, Inc. – First Lien Credit Agreement

Ladies and Gentlemen:

This Notice of Prepayment is delivered to you pursuant to Section 5.1 of the First Lien Credit Agreement, dated as of [●], 2018 (as the same may be amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "First Lien Credit Agreement"), among **GOBP HOLDINGS, INC.,** a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender.

The undersigned Borrower hereby notifies the Administrative Agent that such Borrower shall prepay [Term Loans] [Revolving Credit Loans] [Extended Revolving Credit Loans] [Additional/Replacement Revolving Credit Loans] [Swingline Loans], on , 20 , in aggregate principal amount[s] of [$[ ] of [Term Loans] [Revolving Credit Loans] [Extended Revolving Credit Loans] [Additional/Replacement Revolving Credit Loans] [Swingline Loans] outstanding as ABR Loans] [$[ ] of [Term Loans] [Revolving Credit Loans] [Extended Revolving Credit Loans] [Additional/Replacement Revolving Credit Loans] outstanding as Eurodollar Loans].

[Signature page follows]

The undersigned Borrower has caused this Notice of Prepayment to be executed and delivered by its duly authorized officer as of the date first written above.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

Exhibit N

Exhibit 10.2

Execution Version

FIRST LIEN SECURITY AGREEMENT

FIRST LIEN SECURITY AGREEMENT, dated as of October 22, 2018 (this "Agreement"), among **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), each of the subsidiaries of the Borrower listed on Annex A hereto or that becomes a party hereto pursuant to Section 7.13 (each such subsidiary, individually, a "Subsidiary Grantor" and, collectively, the "Subsidiary Grantors"; and, together with Holdings and the Borrower, collectively, the "Grantors"), and **MORGAN STANLEY SENIOR FUNDING, INC.**, as collateral agent for the First Lien Secured Parties (as defined below) (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Collateral Agent").

W I T N E S S E T H:

WHEREAS, (a) Holdings and the Borrower are parties to that certain First Lien Credit Agreement, dated as of the date hereof (the "First Lien Credit Agreement"), with the several Lenders from time to time party thereto, the Letter of Credit Issuers from time to time party thereto, MORGAN STANLEY SENIOR FUNDING, INC., as the Administrative Agent, the Collateral Agent and the Swingline Lender, and the other parties party thereto, pursuant to which the Lenders have severally agreed to make Loans to the Borrower and the Letter of Credit Issuers have agreed to issue letters of credit for the account of the Borrower upon the terms and subject to the conditions set forth therein, (b) one or more Hedge Banks may from time to time enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary, (c) one or more Cash Management Banks may from time to time provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary and (d) the Credit Parties may incur Additional First Lien Obligations (as defined below) from time to time to the extent permitted by the First Lien Credit Agreement and each Additional First Lien Agreement (as defined below) (clauses (a), (b), (c) and (d), collectively, the "Extensions of Credit");

WHEREAS, pursuant to the First Lien Guarantee, dated as of the date hereof (the "First Lien Guarantee"), each Grantor (other than the Borrower in respect of its own obligations) has agreed to guarantee to the Collateral Agent, for the benefit of the First Lien Secured Parties, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the First Lien Obligations;

WHEREAS, Holdings, the Borrower (other than in respect of its own obligations) and each of the Subsidiary Grantors may also unconditionally and irrevocably guaranty, as primary obligors and not merely as sureties, for the benefit of the First Lien Secured Parties under any Additional First Lien Agreements, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Additional First Lien Obligations;

WHEREAS, Holdings is an affiliate of the Borrower and each Subsidiary Grantor is a Subsidiary of the Borrower;

WHEREAS, the proceeds of the Extensions of Credit will be used in part to pay the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and for other general corporate purposes of the Borrower and its subsidiaries;

WHEREAS, it is a condition precedent to the obligations of the Lenders and the Letter of Credit Issuers to make their respective Extensions of Credit to the Borrower under the First Lien Credit Agreement that the Grantors shall have executed and delivered this Agreement to the Collateral Agent, for the benefit of the First Lien Secured Parties; and

WHEREAS, the Grantors acknowledge that they will derive substantial direct and indirect benefit from the Extensions of Credit and have agreed to secure their obligations with respect thereto pursuant to this Agreement, on a first priority basis (subject to Liens permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreement).

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and to induce the Agents, the Lenders and the Letter of Credit Issuers to enter into the First Lien Credit Agreement and to induce the Lenders and the Letter of Credit Issuers to make their respective Extensions of Credit to the Borrower under the First Lien Credit Agreement, to induce the holders of any Additional First Lien Obligations to make their advances under the applicable Additional First Lien Agreement, to induce one or more Hedge Banks to enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary and to induce one or more Cash Management Banks to provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary, the Grantors hereby agree with the Collateral Agent, for the benefit of the First Lien Secured Parties, as follows:

1. Defined Terms.

(a) (i) Unless otherwise defined herein, terms defined in the First Lien Credit Agreement and used herein (including terms used in the preamble and the recitals) shall have the meanings given to them in the First Lien Credit Agreement and (ii) all terms defined in the Uniform Commercial Code from time to time in effect in the State of New York (the "NY UCC") and used but not defined herein or in the First Lien Credit Agreement shall have the meanings specified therein (and if defined in more than one article of the NY UCC, shall have the meaning specified in Article 9 thereof).

(b) The rules of construction and other interpretive provisions specified in Sections 1.2, 1.5, 1.6, 1.7, 1.8 and 1.11 of the First Lien Credit Agreement shall apply to this Agreement, including terms defined in the preamble and recitals to this Agreement.

(c) The following terms shall have the following meanings:

"Additional First Lien Agreement" shall mean any indenture, credit agreement, loan agreement, note purchase agreement or other document, instrument or agreement, if any, pursuant to which any Grantor has or will Incur Additional First Lien Obligations as permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreement then in effect; provided that, in each case, the Indebtedness thereunder has been designated as Additional First Lien Obligations pursuant to and in accordance with Section 7.16.

"Additional First Lien Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Grantor arising under any Additional First Lien Agreement relating to Indebtedness Incurred by, or provided to, the Borrower and/or any other Credit Party including, without limitation, Permitted Additional Debt Obligations and Permitted Equal Priority Refinancing Debt in respect of the Obligations, 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 Grantor of any proceeding under any Debtor Relief Law naming such Person as the debtor in such proceeding (or that would accrue but for the operation of applicable Debtor Relief Law), regardless of whether such interest and fees are allowed claims in such proceeding, in each case, that have been designated as Additional First Lien Obligations pursuant to and in accordance with Section 7.16.

"Additional Secured Party Consent" shall mean a consent in the form of Exhibit 3 to this Agreement.

"After-Acquired Intellectual Property Collateral" shall have the meaning assigned to such term in Section 4.1(c).

"Agreement" shall have the meaning assigned to such term in the preamble to this Agreement.

"Authorized Representative" shall mean (a) the Administrative Agent with respect to the First Lien Credit Agreement and (b) any duly authorized agent, trustee or representative of any other First Lien Secured Party under Additional First Lien Agreements designated as "Authorized Representative" for any First Lien Secured Party in an Additional Secured Party Consent delivered to the Collateral Agent.

"Collateral" shall have the meaning assigned to such term in Section 2.

"Collateral Account" shall mean any collateral account established by the Collateral Agent as provided in Section 5.1(b).

"Collateral Agent" shall have the meaning assigned to such term in the preamble to this Agreement.

"Control" shall mean in the case of any Deposit Account, "control," as such term is defined in Section 9-104 of the NY UCC.

"Copyrights" shall mean all (a) copyrights, rights in works of authorship, mask works and integrated circuit designs and other rights subject to the copyright laws of the United States, or of any other country or any group of countries, including copyrights and other rights in Software, data, databases, Internet web sites and the proprietary content thereof, (b) registrations, renewals, rights of reversion, extensions, supplemental registrations, recordings and applications for registration of any of the foregoing in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, and (c) rights to obtain all renewals, reversions and extensions thereof.

"Credit Party" shall mean the Borrower, Holdings, the Subsidiary Grantors and each other Subsidiary of the Borrower that is a party to the First Lien Credit Agreement, any other Credit Document or any Additional First Lien Agreement.

"Default" or "Event of Default" shall mean a "default" or "event of default" under the First Lien Credit Agreement or under any Additional First Lien Agreement.

"Equipment" shall mean all "equipment," as such term is defined in Article 9 of the NY UCC, now or hereafter owned by any Grantor or to which any Grantor has rights and, in any event, shall include all machinery, equipment, furnishings, movable trade fixtures and vehicles now or hereafter owned by any Grantor or to which any Grantor has rights and any and all additions, substitutions and replacements of any of the foregoing, wherever located, together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto.

"Excluded Property" shall mean (a) (i) any fee owned real property that is not Material Real Property and (ii) all real property leasehold interests (including requirements to deliver landlord lien waivers, estoppels and collateral access letters), (b) any Subject Property, (c) any property included in the definition of "Collateral" in the First Lien Pledge Agreement, (d) any Excluded Capital Stock, (e) any property with respect to which the Collateral Agent and the Borrower reasonably agree in writing that the costs or other consequences of granting or perfecting a security interest therein is excessive in view of the benefits to be obtained by the First Lien Secured Parties therefrom, (f) any "intent-to-use" trademark application filed with the United States Patent and Trademark Office prior to the filing and acceptance of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, (g) any cash, Cash Equivalents, Deposit Accounts, Securities Accounts (including securities entitlements and related assets) or Commodity Accounts (but, in each case, not including cash or Cash Equivalents representing the proceeds of assets otherwise constituting Collateral), in each case, other than any Collateral Account, (h) any Capital Stock of any Immaterial Subsidiary or Special Purpose Subsidiary, (i) any motor vehicles, aircraft, aircraft engines and other assets subject to certificates of title where perfection may not be obtained solely by the filing of a UCC financing statement and (j) and any property to the extent a security interest in such property would result in material adverse tax consequences to the Borrower or any Subsidiary of the Borrower as reasonably determined by the Borrower in consultation with (but without requiring the consent of) the Collateral Agent; provided, however, that Excluded Property shall not include any Proceeds, substitutions or replacements of any property referred to in clauses (a) through (j) above (unless such Proceeds, substitutions or replacements would constitute Excluded Property referred to in clauses (a) through (j) above).

"Extensions of Credit" shall have the meaning assigned to such term in the recitals to this Agreement.

"First Lien Credit Agreement" shall have the meaning assigned to such term in the recitals to this Agreement.

"First Lien Guarantee" shall have the meaning assigned to such term in the recitals to this Agreement.

"First Lien Obligations" shall mean, collectively, the Obligations and any Additional First Lien Obligations.

"First Lien Secured Parties" shall mean, collectively, the Secured Parties (as defined in the First Lien Credit Agreement) and, if any, the holders of Additional First Lien Obligations and any Authorized Representative with respect thereto.

"General Intangibles" shall mean all "general intangibles" as such term is defined in Article 9 of the NY UCC and, in any event, including with respect to any Grantor, all contracts, agreements, instruments and indentures in any form, and portions thereof, to which such Grantor is a party or under which such Grantor has any right, title or interest or to which such Grantor or any property of such Grantor is subject, as the same may from time to time be amended, restated, supplemented, amended and restated or otherwise modified, including (a) all rights of such Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (b) all rights of such Grantor to receive proceeds of any insurance, indemnity, warranty or

guarantee with respect thereto, (c) all claims of such Grantor for damages arising out of any breach of or default thereunder and (d) all rights of such Grantor to terminate, amend, supplement, modify or exercise rights or options thereunder, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder.

"Grantors" shall have the meaning assigned to such term in the preamble to this Agreement.

"Intellectual Property" shall mean any and all intellectual property and all rights therein, including Trade Secrets, Copyrights, Patents, Trademarks and IP Agreements, and all rights to sue at law or in equity for any past, present, or future infringement, misappropriation, dilution, violation, misuse or other impairment thereof or unfair competition therewith, including the right to receive and collect injunctive or other equitable relief and damages and compensation, and all rights to receive and collect Proceeds therefrom.

"Intellectual Property Collateral" shall mean the Collateral constituting Intellectual Property, including the U.S. Recordable Intellectual Property set forth in Schedule 1 hereto.

"Intellectual Property Security Agreement" shall have the meaning assigned to such term in Section 4.4(e).

"IP Agreements" shall mean any and all written agreements, contracts, permits, consents, orders and franchises, now or hereafter in effect, to which any Grantor, now or hereafter, is a party, relating to the license, sublicense, development, use, manufacture, disclosure, or distribution of any Intellectual Property.

"NY UCC" shall have the meaning assigned to such term in Section 1(a)(ii).

"Patents" shall mean all (a) patents, statutory invention registrations, certificates of invention, industrial designs and utility models, and all pending applications of the foregoing, (b) provisionals, reissues, reexaminations, continuations, divisionals, continuations-in-part, renewals or extensions thereof and (c) the inventions, discoveries and designs disclosed or claimed therein and all improvements thereto, including the right to make, use and/or sell the inventions, discoveries and designs disclosed or claimed therein.

"Proceeds" shall mean all "proceeds" as such term is defined in Article 9 of the NY UCC and, in any event, shall include with respect to any Grantor, any consideration received from the sale, exchange, license, lease or other Disposition of any asset or property that constitutes Collateral, any value received as a consequence of the possession of any Collateral and any payment received from any insurer or other Person as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property that constitutes Collateral, and shall include (a) all cash and negotiable instruments received by or held on behalf of the Collateral Agent, (b) any claim of any Grantor against any third party for (and the right to sue and recover for and the rights to damages or profits due or accrued arising out of or in connection with) (i) past, present or future infringement, misappropriation, dilution, violation, misuse or other impairment or unfair competition, where applicable, of any Patent, Trademark, Copyright or Trade Secret, now or hereafter owned by any Grantor, or licensed to any Grantor under an IP Agreement or injury to the goodwill associated with or symbolized by any Trademark now or hereafter owned by any Grantor, and (ii) past, present or future breach of any IP Agreement and (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Secured Debt Documents" shall mean, collectively, the Credit Documents, each Secured Hedging Agreement entered into with a Hedge Bank and each Secured Cash Management Agreement entered into with a Cash Management Bank.

"Securities Account" shall mean all "securities accounts," as such term is defined in Article 8 of the NY UCC.

"Security Interest" shall have the meaning assigned to such term in Section 2(a).

"Software" shall mean all "software," as such term is defined in Article 9 of the NY UCC, and shall further include all source code, object code, processes, algorithms, methods, data structures, interfaces and documentation related thereto.

"Subject Property" shall have the meaning assigned to such term in the proviso to Section 2(a).

"Subsidiary Grantor" shall have the meaning assigned to such term in the preamble to this Agreement.

"Termination Date" shall mean the date on which all First Lien Obligations (other than (i) Hedging Obligations in respect of any Secured Hedging Agreements, (ii) Cash Management Obligations in respect of any Secured Cash Management Agreements and (iii) any contingent obligations or other contingent indemnification obligations not then due and payable) have been paid in full, all Commitments have terminated or expired and no Letter of Credit shall be outstanding that is not Cash Collateralized or back-stopped to the reasonable satisfaction of the applicable Letter of Credit Issuer.

"Trademarks" shall mean all United States (a) trademarks, service marks, domain names, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, slogans, other source or business identifiers, now existing or hereafter adopted or acquired, whether registered or unregistered, and all registrations, recordings and applications for registration filed in connection with the foregoing, including registrations, recordings and applications for registration in the United States Patent and Trademark Office or any similar offices in any State of the United States or any political subdivision thereof, and all common-law rights related thereto, (b) all goodwill associated therewith or symbolized thereby and (c) all extensions or renewals thereof.

"Trade Secrets" shall mean all confidential and proprietary information, including technology, know-how, trade secrets, manufacturing and production processes and techniques, inventions, research and development information, databases and data, including, without limitation, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information, in each case, to the extent arising under applicable Law.

"Uniform Commercial Code" shall mean the Uniform Commercial Code as in effect from time to time (except as otherwise specified) in any applicable state or jurisdiction.

"U.S. Recordable Intellectual Property" shall have the meaning set forth in Section 3.2.

"U.S. Registered Intellectual Property" shall have the meaning set forth in Section 3.2.

"Vehicles" shall mean all cars, trucks, trailers, and other vehicles covered by a certificate of title law of any state or other jurisdiction and all tires and other appurtenances to any of the foregoing.

(d) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant part thereof.

2. Grant of Security Interest.

(a) As security for the prompt and complete payment when due (whether at the stated maturity, by acceleration or otherwise) of the First Lien Obligations, each Grantor hereby transfers, assigns and pledges to the Collateral Agent, for the benefit of the First Lien Secured Parties, and hereby grants to the Collateral Agent, for the benefit of the First Lien Secured Parties, a security interest in and continuing lien on (the "Security Interest") all of such Grantor's right, title and interest in (subject only to Liens permitted under each of the First Lien Credit Agreement and any Additional First Lien Agreement) and to all of the following assets and properties, whether now owned or existing or hereafter acquired or existing or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"):

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Commercial Tort Claims described in Schedule 2 to this Agreement;

(iv) all Documents;

(v) all Equipment;

(vi) all Fixtures;

(vii) all General Intangibles;

(viii) all Goods;

(ix) all Instruments;

(x) all Intellectual Property;

(xi) all Inventory;

(xii) all Investment Property;

(xiii) all letters of credit and Letter-of-Credit Rights;

(xiv) all Supporting Obligations;

(xv) such Grantor's ownership interest in (1) any Collateral Account, (2) all cash held in a Collateral Account and (3) all money that was withdrawn by the Collateral Agent from the Collateral Account or deposited by the Borrower with the Collateral Agent, in each case, pending prompt payment to Lenders;

(xvi) all books and records pertaining to the Collateral; and

(xvii) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to the foregoing;

provided, however, that notwithstanding any other provision of this Agreement:

(A) this Agreement shall not constitute a grant of a security interest in or Lien on (1) any property to the extent that such grant of a security interest in or Lien on such property is prohibited by any Applicable Law or requires a consent not obtained of any Governmental Authority pursuant to any Applicable Law, (2) any contract, license, lease, agreement, permit, instrument, security or franchise agreement or other document (a "Contract") to which any Grantor is a party or any asset, right or property (including any property that is subject to a Lien permitted pursuant to the following clauses of Section 10.2 of the First Lien Credit Agreement: (c), (d), (e) (but only as it relates to clauses (c), (d) or (f) of Section 10.2 of the First Lien Credit Agreement), (f), (p), or (ff)) (and accessions and additions to such assets, rights or property, replacements and products thereof and customary security deposits, related contract rights and payment intangibles) of a Grantor that is subject to a purchase money security interest, Financing Lease Obligation, similar arrangement or Contract and any of its rights or interests thereunder, in each case only to the extent and for so long as the grant of such security interest or Lien in such Contract or such asset, right or property is prohibited by or constitutes or results or would constitute or result in the invalidation, violation, breach, default, forfeiture or unenforceability of any right, title or interest of such Grantor under such Contract or purchase money, capital lease or similar arrangement or Contract or creates or would create a right of termination in favor of any other party thereto (other than Holdings, the Borrower or any wholly owned Restricted Subsidiary of the Borrower), or requires consent not obtained of any third party (it being understood and agreed that no Grantor or Restricted Subsidiary shall be required to seek any such consent), after giving effect to the applicable anti-assignment clauses of the Uniform Commercial Code and Applicable Laws, other than the Proceeds thereof the assignment of which is expressly deemed effective under the Uniform Commercial Code or any similar Applicable Laws notwithstanding such prohibition, (3) any Governmental Authority licenses or state or local Governmental Authority franchises, charters or authorizations, to the extent the grant of a security interest in any such licenses, franchise, charter or authorization would be prohibited or restricted by such license, franchise, charter or authorization or (4) any property to the extent that such grant of a security interest would result in the forfeiture of the Grantor's rights in the property (including any legally effective prohibition or restriction) (the property described in any of clauses (1), (2), (3) or (4), collectively the "Subject Property"); provided, however, that the foregoing exclusions shall not apply to the extent that any such prohibition, default or other term would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code of any relevant jurisdiction, or any other Applicable Law or principles of equity; and provided, further, that the Security Interest shall attach immediately to any property (or any portion thereof) that would otherwise constitute Collateral but for the operation of clauses (1), (2), (3) or (4) above upon such property (or any portion thereof) ceasing to constitute Subject Property;

(B) the Collateral shall not include any Excluded Property and no Grantor shall be deemed to have granted a Security Interest in any of such Grantor's rights or interests in any Excluded Property; and

(C) notwithstanding anything herein to the contrary, the Grantors shall not be required to take any action intended to cause "Excluded Property" to constitute Collateral (but without limitation of any requirements set forth in clause (i) of the definition of "Excluded Subsidiary").

(b) Each Grantor hereby irrevocably authorizes the Collateral Agent at any time and from time to time to file in any relevant jurisdiction any initial financing statements (including fixture filings) with respect to the Collateral or any part thereof and amendments thereto and continuations thereof that contain the information required by Article 9 of the Uniform Commercial Code of each applicable jurisdiction for the filing of any financing statement or amendment or continuation, including whether such Grantor is an organization, the type of organization and any organizational identification number issued to such Grantor. Such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner such as "all assets" or "all personal property, whether now owned or hereafter acquired" of such Grantor or words of similar effect as being of an equal or lesser scope or with greater detail and in the case of a financing statement filed as a fixture filing or covering the Collateral constituting minerals or the like to be extracted or timber to be cut, a sufficient description of the real property to which such Collateral relates. Each Grantor agrees to provide such information to the Collateral Agent promptly upon request.

Each Grantor also ratifies any authorization previously given in writing to the Collateral Agent to file in any relevant jurisdiction any initial financing statements or amendments thereto or continuations thereof if filed prior to the date hereof.

The Collateral Agent is further authorized to file with the United States Patent and Trademark Office or United States Copyright Office (or any successor office) such documents executed by any Grantor as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing, protecting or providing notice of the Security Interests granted by such Grantor in respect of U.S. Recordable Intellectual Property, executed by such Grantor, and naming the applicable Grantor or the Grantors as debtors and the Collateral Agent as secured party.

This Agreement secures the payment of all the First Lien Obligations. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts that constitute part of the First Lien Obligations and would be owed to the Collateral Agent or the First Lien Secured Parties but for the fact that they are unenforceable or not allowable due to the existence of a proceeding under any Debtor Relief Law involving any Grantor.

The Security Interests created hereby are granted as security only and shall not subject the Collateral Agent or any other First Lien Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Collateral.

3. Representations and Warranties.

Each Grantor hereby represents and warrants to the Collateral Agent and each other First Lien Secured Party that:

3.1. Title; No Other Liens. Except for (a) the Security Interest granted to the Collateral Agent, for the benefit of the First Lien Secured Parties, pursuant to this Agreement and (b) Liens permitted under each of the First Lien Credit Agreement and any Additional First Lien Agreements, such Grantor owns each item of the Collateral free and clear of any and all Liens or claims of others and has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of this Agreement and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of this Agreement. To the knowledge of such Grantor, no action or proceeding seeking to limit, cancel or question the validity of such Grantor's ownership interest in the Collateral, that would reasonably be expected to result in a Material Adverse Effect, is pending or threatened. None of the Grantors has filed or consented to the filing of any (x) security agreement, financing statement or analogous document under the Uniform Commercial Code or any other Applicable Laws covering any Collateral, (y) assignment for security in which any Grantor assigns any U.S. Recordable Intellectual Property or any security agreement or similar instrument covering any U.S. Recordable Intellectual Property that is part of the Intellectual Property Collateral with the United States Patent and Trademark Office or the United States Copyright Office, which security agreement, financing statement or similar instrument or assignment is still in effect or (z) assignment for security in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with any foreign governmental, municipal or other office, which financing statement or analogous document, assignment, security agreement or similar instrument is still in effect, except in the case of each of clauses (x), (y) and (z) above, such as (i) have been filed in favor of the Collateral Agent for the benefit of the First Lien Secured Parties pursuant to this Agreement and the other Credit Documents or (ii) are filed in respect of Liens permitted under each of the First Lien Credit Agreement and any Additional First Lien Agreements. For the avoidance of doubt, any reference herein to Liens permitted under each of the First Lien Credit Agreement and any Additional First Lien Agreements shall mean only Liens permitted to be outstanding under both the First Lien Credit Agreement (so long as it is in effect) and any Additional First Lien Agreement (but only to the extent such agreement exists and is in effect).

3.2. Intellectual Property.

(a) As of the Closing Date, Schedule 1 hereto contains a true and correct list of all (i) United States federal issued patents, pending patent applications, trademark registrations, pending trademark applications and copyright registrations (collectively, the "U.S. Registered Intellectual Property"), owned by each Grantor, and indicating for each such item, as applicable, the application and/or registration number and the identity of the current applicant or registered owner, and (ii) exclusive licenses of third party U.S. Registered Intellectual Property to which a Grantor is an exclusive licensee (together with the U.S. Registered Intellectual Property, the "U.S. Recordable Intellectual Property"), and indicating for each item the name of the agreement, the parties, the date, and a list of any U.S. Registered Intellectual Property exclusively licensed pursuant thereto. Except as set forth on Schedule 1, each Grantor exclusively owns all right, title and interest in and to the U.S. Registered Intellectual Property identified on Schedule 1.

(b) Except as would not reasonably be expected to result in a Material Adverse Effect:

(i) the Intellectual Property Collateral is subsisting, and to such Grantor's knowledge, valid and enforceable and there are no pending or, to such Grantor's knowledge, threatened (in writing) claims challenging the ownership, right to use, validity or enforceability of the Intellectual Property Collateral owned by each Grantor; and

(ii) to such Grantor's knowledge, no Person is engaging in any activity that infringes, misappropriates, dilutes or otherwise violates the Intellectual Property Collateral owned by each Grantor or the Grantor's rights in or use thereof.

3.3. Perfected Security Interests.

(a) Subject to the limitations set forth in clause (b) of this Section 3.3, the First Lien Pledge Agreement and Section 9.11 of the First Lien Credit Agreement, the Security Interests granted pursuant to this Agreement (i) will constitute legal and valid perfected security interests in the Collateral in favor of the Collateral Agent, for the benefit of the First Lien Secured Parties, as collateral security for the First Lien Obligations, upon (A) in the case of Collateral in which a security interest may be perfected by filing a financing statement under the Uniform Commercial Code of any jurisdiction, the filing of financing statements naming each Grantor as "debtor" and the Collateral Agent as "secured party" and describing the Collateral in the applicable filing offices, (B) in the case of Instruments, Tangible Chattel Paper, negotiable Documents and Certificated Securities, the earlier of the delivery thereof to the Collateral Agent and the filing of the financing statements referred to in clause (A), and/or (C) in the case of U.S. Recordable Intellectual Property that is part of the Intellectual Property Collateral in which a security interest may be perfect by such filings, the filing of the financing statements referred to in clause (A) and the completion of the filing and recordation of fully executed agreements in the form of the Intellectual Property Security Agreement set forth in Exhibit 2 hereto with, as applicable, (x) the United States Patent and Trademark Office or (y) the United States Copyright Office and (ii) are prior to all other Liens on the Collateral other than Liens permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreements or Liens having priority over the Collateral Agent's Lien by operation of Applicable Law. No Grantor shall be required to complete any filings or otherwise take any action with respect to the perfection of the Security Interests created hereby in any jurisdiction outside of the United States or incur or reimburse any expense in connection therewith.

(b) Notwithstanding anything to the contrary herein, no Grantor shall be required to perfect the Security Interests created hereby by any means other than (i) filings pursuant to the Uniform Commercial Code, (ii) filings with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, with respect to U.S. Recordable Intellectual Property, (iii) in the case of Collateral that constitutes Tangible Chattel Paper, Instruments, negotiable Documents or Certificated Securities, in each case, to the extent included in the Collateral and required by Section 4.5, delivery to the Collateral Agent to be held in its possession in the United States and (iv) in the case of Collateral that constitutes Commercial Tort Claims taking the actions specified by Section 4.1(d). No Grantor shall be required to (1) (x) enter into any security agreements governed under foreign law or (y) complete any filings or take any other actions in any foreign jurisdiction or required by foreign law to create any security interest in Collateral located or titled outside the United States or to perfect or make enforceable any Security Interest in any foreign jurisdiction or required by foreign law, (2) except as described in clauses (iii) and (iv) above, take actions to perfect by Control, including delivering control agreements with respect to Deposit Accounts, Securities Accounts or Commodity Accounts, (3) take any perfection actions with respect to (x) Letter of Credit Rights, except to the extent constituting Supporting Obligations of other Collateral as to which perfection is accomplished by the filing of a Uniform Commercial Code financing statement or equivalent (it being understood that no actions shall be required to perfect a security interest in Letter of Credit Rights, other than the filing of a Uniform Commercial Code financing statement or equivalent) and (y) Vehicles and other assets subject to certificates of title or (4) deliver Certificated Securities, if any, representing or evidencing the Securities of an Immaterial Subsidiary or Special Purpose Subsidiary or of any Person that is not a Subsidiary.

(c) It is understood and agreed that the Security Interests created hereby shall not prevent the Grantors from using the Collateral in the ordinary course of their respective businesses or as otherwise permitted by the First Lien Credit Agreement and any Additional First Lien Agreements.

(d) The Perfection Certificate has been duly prepared, completed and executed and the information set forth therein (including, without limitation, (i) the exact legal name of each Grantor and (ii) the jurisdiction of organization of each Grantor) is correct and complete in all material respects as of the Closing Date.

4. Covenants.

Each Grantor hereby covenants and agrees with the Collateral Agent and the other First Lien Secured Parties that, from and after the date of this Agreement until the Termination Date:

4.1. Maintenance of Perfected Security Interest; Further Documentation.

(a) Such Grantor shall (i) maintain the Security Interests created hereby as perfected first priority security interests (subject to Section 3.3(b) and to any Lien permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreements) unless such Security Interests cease to be perfected first priority security interests (x) as a result of a release of Collateral permitted under Section 13.17 of the First Lien Credit Agreement or (y) as a result of the Collateral Agent's failure to (1) maintain possession of any Tangible Chattel Paper, Instruments or Certificated Securities delivered to it under the Security Documents or (2) file and maintain proper Uniform Commercial Code statements (including continuation statements) and (ii) subject to Section 3.3(b), take any such actions as may be required under Applicable Law or which the Collateral Agent or the Required Lenders may reasonably request to defend the Security Interests created hereby and the priority thereof against the claims and demands not expressly permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreements of all Persons whomsoever.

(b) Such Grantor will furnish to the Collateral Agent from time to time statements, at such Grantor's sole cost and expense, and schedules further identifying and describing the assets and property of such Grantor and such other reports in connection therewith as the Collateral Agent may reasonably request, all in such detail as the Collateral Agent may reasonably request.

(c) Each Grantor agrees that should it, after the Closing Date, (i) obtain an ownership interest in or become a party to any U.S. Recordable Intellectual Property or (ii) obtain an ownership interest in any United States "intent-to-use" trademark application for which an "Amendment to Allege Use" or a verified "Statement of Use" has been filed and accepted by the United States Patent and Trademark Office that would, in each case, had it been owned on the Closing Date, be considered a part of the Intellectual Property Collateral (collectively, "After-Acquired Intellectual Property Collateral"), such After-Acquired Intellectual Property Collateral shall automatically become part of the Intellectual Property Collateral, subject to the terms and conditions of this Agreement with respect thereto. In addition, such Grantor shall, on the date the Borrower is required to deliver the Section 9.1 Financials for the immediately succeeding fiscal period of the Borrower occurring after the acquisition of such After-Acquired Intellectual Property Collateral, execute and deliver to the Collateral Agent agreements substantially in the form of Exhibit 2 hereto (an "Intellectual Property Security Agreement") covering such After-Acquired Intellectual Property Collateral to be recorded with the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

(d) As of the Closing Date, each Grantor hereby represents and warrants that it holds no individual Commercial Tort Claim with a value in excess of $10,000,000 other than those listed in

Schedule 2. If any Grantor shall at any time hold or acquire a Commercial Tort Claim for which a claim or counterclaim has been filed and is known to an Authorized Officer of the applicable Grantor, such Grantor shall, on each date that the Borrower is required to deliver Section 9.1 Financials for the next fiscal period of the Borrower to occur after first holding or acquiring such Commercial Tort Claim, notify the Collateral Agent in writing signed by such Grantor setting forth in reasonable detail the basis for and nature of such Commercial Tort Claim and promptly thereafter grant to the Collateral Agent a Security Interest therein and in the Proceeds thereof, all upon the terms of this Agreement. The requirement in the preceding sentence shall not apply to the extent that the amount of any such individual Commercial Tort Claim does not exceed $10,000,000 or the extent that such Grantor shall have previously notified the Collateral Agent with respect to any previously held or acquired Commercial Tort Claim.

(e) Subject to Section 3.3(b), each Grantor agrees that at any time and from time to time, at the expense of such Grantor, it will 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 and other documents or authorizing the Collateral Agent or its designees or sub-agents to do so), which may be required under any Applicable Law or which the Collateral Agent or the Required Lenders (or if there are any Additional First Lien Obligations outstanding, subject to the terms of any intercreditor agreement among the holders of First Lien Obligations, the requisite holders or lenders of such Additional First Lien Obligations) may reasonably request, in order (x) to grant, preserve, protect and perfect the validity and priority of the Security Interests created or intended to be created hereby or (y) to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral, including the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the Security Interests created hereby, all at the expense of such Grantor. Without limiting the generality of the foregoing, such Grantor shall comply with Section 9.14 of the First Lien Credit Agreement and any equivalent provision of any Additional First Lien Agreement.

4.2. Changes in Locations, Name, etc. Each Grantor will furnish to the Collateral Agent prompt written notice (which shall in any event be provided within 60 days of such change or such longer period as the Collateral Agent may agree) of any change (i) in its legal name, (ii) in its jurisdiction of incorporation or organization, (iii) in its identity or type of organization or corporate structure or (iv) in its Federal Taxpayer Identification Number or organizational identification number, if any, to the extent such Federal Taxpayer Identification Number or organizational identification number is required to be listed on Uniform Commercial Code financing statements for purposes of perfecting any Security Interest, in each case to the extent required in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected Security Interest in the Collateral for the benefit of the First Lien Secured Parties. Each Grantor agrees promptly to provide the Collateral Agent with certified Organizational Documents reflecting any of the changes described in the first sentence of this paragraph.

4.3. Notices.

(a) Each Grantor will advise the Collateral Agent in reasonable detail, of any Lien of which it has knowledge (other than the Security Interests created hereby and other Liens permitted under each of the First Lien Credit Agreement and any Additional First Lien Agreements) on any of the Collateral which would adversely affect, in any material respect, the ability of the Collateral Agent to exercise any of its remedies hereunder.

(b) Upon the occurrence and during the continuation of any Event of Default, and after written notice is delivered to the applicable Grantor, (i) the Collateral Agent may adjust settlement for any insurance policy covering the Collateral in the event of any loss thereunder and/or approve any award granted in any condemnation or similar proceeding affecting the Collateral and (ii) all insurance payments or condemnation awards in respect of any Collateral shall be paid to and applied by the Collateral Agent as specified in Section 5.4.

4.4. Intellectual Property.

(a) With respect to each item of Intellectual Property Collateral owned by each Grantor, each Grantor agrees to take, at its expense, all commercially reasonable steps, including, as applicable, in the United States Patent and Trademark Office, the United States Copyright Office and any other Governmental Authority located in the United States, to (i) maintain the validity and enforceability of such Intellectual Property Collateral and maintain such Intellectual Property Collateral in full force and effect, and (ii) pursue the registration and maintenance of each Patent, Trademark, or Copyright registration or application for registration, now or hereafter included in such Intellectual Property Collateral of such Grantor, in each case except to the extent otherwise permitted by the First Lien Credit Agreement or to the extent failure to do any of the foregoing would not reasonably be expected to result in a Material Adverse Effect.

(b) Such Grantor shall (and shall take reasonable efforts to cause all its licensees to), in such Grantor's reasonable business judgment (i) (1) continue to use each Trademark included in the Intellectual Property Collateral in order to maintain such Trademark in full force and effect with respect to each class of goods or services for which such Trademark is currently used, free from any claim of abandonment for non-use, (2) maintain at least the same standards of quality of products and services offered under such Trademark as are currently maintained, (3) use such Trademark with the appropriate notice of registration and all other notices and legends required by Applicable Law and (ii) not do any act or omit to do any act whereby (w) such Trademark (or any goodwill associated therewith) may become destroyed, invalidated, impaired or harmed in any way, (x) any Patent included in the Intellectual Property Collateral may become forfeited, misused, unenforceable, abandoned or dedicated to the public or (y) any portion of the Copyrights included in the Intellectual Property Collateral may become invalidated, otherwise impaired or fall into the public domain, in each case except to the extent otherwise permitted by the First Lien Credit Agreement or to the extent failure to do any of the foregoing would not reasonably be expected to result in a Material Adverse Effect.

(c) Except as permitted by the First Lien Credit Agreement or except to the extent any of the following actions would not reasonably be expected to result in a Material Adverse Effect, no Grantor shall abandon or allow to lapse any owned Intellectual Property Collateral unless such Grantor shall have determined that the pursuit or maintenance of such Intellectual Property Collateral is no longer desirable in the conduct of such Grantor's business.

(d) In the event that any Grantor becomes aware after the Closing Date that any item of its material Intellectual Property Collateral is being infringed, diluted, violated or misappropriated by a third party in any way that would reasonably be expected to have a Material Adverse Effect, such Grantor shall promptly notify the Collateral Agent and take such actions, at its expense, as such Grantor deems to be reasonable and appropriate under the circumstances to protect or enforce such Intellectual Property Collateral, including, if such Grantor deems it necessary, suing for infringement, dilution, violation or misappropriation and for an injunction against such infringement, dilution violation or misappropriation.

(e) With respect to its U.S. Recordable Intellectual Property owned by such Grantor in its own name or to which such Grantor is a party on the Closing Date, as and when required by Section 4.1(c), each Grantor agrees to execute and deliver an Intellectual Property Security Agreement, to the Collateral Agent covering such U.S. Recordable Intellectual Property to be recorded with, as applicable, the United States Patent and Trademark Office or the United States Copyright Office.

(f) Notwithstanding anything to the contrary, nothing in this Agreement prevents any Grantor from disposing of, discontinuing the use or maintenance of, failing to pursue, or otherwise allowing to lapse, terminate or put into the public domain any of its Intellectual Property Collateral to the extent determined in its reasonable business judgment or as permitted by the First Lien Credit Agreement.

4.5. Investment Property. Subject to Section 3.3(b) and the First Lien Pledge Agreement, and limited to the requirements of Section 9.11 of the First Lien Credit Agreement, if any of the Collateral (other than any property included in the definition of "Collateral" in the First Lien Pledge Agreement) is or shall become evidenced or represented by any Instrument, negotiable Document, Certificated Security or Tangible Chattel Paper, such Instrument (other than checks received in the ordinary course of business), negotiable Document, Certificated Security or Tangible Chattel Paper shall, in each case, be promptly delivered to the Collateral Agent on each date that the Borrower is required to deliver Section 9.1 Financials for the next fiscal period of the Borrower to occur after such Collateral first is or becomes evidenced or represented by any Instrument, negotiable Document, Certificated Security or Tangible Chattel Paper, duly endorsed in a manner reasonably satisfactory to the Collateral Agent, to be held as Collateral pursuant to this Agreement, if the Fair Market Value of any such individual Instrument, negotiable Document or Tangible Chattel Paper exceeds $10,000,000, in each case except to the extent constituting Excluded Capital Stock, Capital Stock of an Immaterial Subsidiary or Special Purpose Subsidiary or Capital Stock of a Minority Investment.

5. Remedial Provisions.

5.1. Certain Matters Relating to Accounts.

(a) At any time after the occurrence and during the continuation of an Event of Default, and after prior written notice is delivered to the Grantor, the Collateral Agent shall have the right to make test verifications of the Accounts in any manner and through any medium that it reasonably considers advisable, and each Grantor shall furnish all such assistance and information as the Collateral Agent may reasonably require in connection with such test verifications. The Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any First Lien Secured Party; provided that the provisions of Section 13.16 of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement shall apply to such information.

(b) The Collateral Agent hereby authorizes each Grantor to collect such Grantor's Accounts and the Collateral Agent may curtail or terminate said authority at any time upon three Business Days' prior written notice after the occurrence and during the continuation of an Event of Default. If required in writing by the Collateral Agent at any time after the occurrence and during the continuation of an Event of Default, any payments of Accounts, when collected by any Grantor, (i) shall be forthwith (and, in any event, within three Business Days) deposited by such Grantor in the exact form received, duly endorsed by such Grantor to the Collateral Agent if required, in a Deposit Account maintained under the sole dominion and control of and on terms and conditions reasonably satisfactory to the Collateral Agent (the "Collateral Account"), subject to withdrawal by the Collateral Agent for the account of the First Lien Secured Parties only as provided in Sections 5.4 and 5.5, and (ii) until so turned over, shall be held by such Grantor in trust for the Collateral Agent and the other First Lien Secured Parties, segregated from other funds of such Grantor. Each such deposit of Proceeds of Accounts shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(c) At the Collateral Agent's written request at any time after the occurrence and during the continuation of an Event of Default, each Grantor shall deliver to the Collateral Agent all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to the Accounts, including all original orders, invoices and shipping receipts.

(d) Upon the occurrence and during the continuation of an Event of Default, and after prior written notice thereof is delivered to the Grantor, a Grantor shall not grant any extension of the time of payment of any of the Accounts, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any person liable for the payment thereof, or allow any credit or discount whatsoever thereon if the Collateral Agent shall have instructed such Grantor in writing not to grant or make any such extension, credit, discount, compromise, or settlement under any circumstances during the continuation of such Event of Default.

(e) Except as otherwise provided in this Section 5.1, each Grantor may continue to collect, at its own expense, all amounts due or to become due to such Grantor under the Accounts. In connection with such collections, each Grantor may take such action as such Grantor may deem necessary or advisable to enforce collection of amounts due or to become due under the Accounts.

5.2. Communications with Obligors; Grantors Remain Liable.

(a) The Collateral Agent in its own name or in the name of others may at any time after the occurrence and during the continuation of an Event of Default, after giving reasonable prior written notice to the relevant Grantor of its intent to do so, communicate with obligors under the Accounts to verify with them to the Collateral Agent's satisfaction the existence, amount and terms of any Accounts. The Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any First Lien Secured Party; provided, that the provisions of Section 13.16 of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement shall apply to such information.

(b) Upon the prior written request of the Collateral Agent at any time after the occurrence and during the continuation of an Event of Default (it being understood that the exercise of remedies by the First Lien Secured Parties in connection with an Event of Default under Section 11.5 of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement shall be deemed to constitute a request by the Collateral Agent for the purposes of this sentence and in such circumstances, no such written notice shall be required), each Grantor shall notify obligors on the Accounts that the Accounts have been assigned to the Collateral Agent, for the benefit of the First Lien Secured Parties, and that payments in respect thereof shall be made directly to the Collateral Agent and that the Collateral Agent may enforce such Grantor's rights against such obligors.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Accounts to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Neither the Collateral Agent nor any First Lien Secured Party shall have any obligation or liability under any Account (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Collateral Agent or any First Lien Secured Party of any payment relating thereto, nor shall the Collateral Agent or any First Lien Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Account (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

5.3. Proceeds to be Turned Over To Collateral Agent. In addition to the rights of the Collateral Agent and the other First Lien Secured Parties specified in Section 5.1 with respect to payments of Accounts, if an Event of Default shall occur and be continuing and the Collateral Agent gives prior notice in writing to the relevant Grantor (it being understood that the exercise of remedies by

the First Lien Secured Parties in connection with an Event of Default under Section 11.5 of the Credit Agreement or any equivalent provision of any Additional First Lien Agreement shall be deemed to constitute a request by the Collateral Agent for the purposes of this sentence and in such circumstances, no such written notice shall be required), all Proceeds received by any Grantor consisting of cash, checks and other near-cash items shall be held by such Grantor in trust for the Collateral Agent and the other First Lien Secured Parties, segregated from other funds of such Grantor, and shall, forthwith upon receipt by such Grantor, be turned over to the Collateral Agent in the exact form received by such Grantor (duly endorsed by such Grantor to the Collateral Agent, if required). All Proceeds received by the Collateral Agent under this Section 5.3 shall be held by the Collateral Agent in a Collateral Account maintained under its sole dominion and control and on terms and conditions reasonably satisfactory to the Collateral Agent. All Proceeds while held by the Collateral Agent in a Collateral Account (or by such Grantor in trust for the Collateral Agent and the other First Lien Secured Parties) shall continue to be held as collateral security for all the First Lien Obligations and shall not constitute payment thereof until applied as provided in Section 5.4.

5.4. Application of Proceeds.

(a) Except as expressly provided elsewhere in this Agreement or any other Credit Document, all proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral (including, for the avoidance of doubt, all amounts on deposit in the Collateral Account) shall be applied as follows:

(i) FIRST, to the payment of all reasonable and documented out-of-pocket costs and expenses incurred by the Collateral Agent in connection with such sale, collection or realization or otherwise in connection with this Agreement, the other Credit Documents, any Additional First Lien Agreement or any of the First Lien Obligations, including all court costs and the reasonable and documented fees and expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent hereunder or under any other Credit Document on behalf of any Grantor and any other reasonable and documented out-of-pocket costs or expenses incurred in connection with the exercise of any right or remedy hereunder, under any other Credit Document or under any Additional First Lien Agreement;

(ii) SECOND, to the First Lien Secured Parties, an amount equal to all First Lien Obligations owing to them on the date of any such distribution, and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such First Lien Secured Parties in proportion to the unpaid amounts thereof;

(iii) THIRD, any balance of such proceeds shall be applied as set forth in Section 4.01 of the First Lien/Second Lien Intercreditor Agreement; and

(iv) FOURTH, any surplus then remaining shall be paid to the Grantors 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.

Notwithstanding the foregoing, (i) no amounts received from any Grantor shall be applied to any Excluded Swap Obligation of such Grantor and (ii) after the payments pursuant to clause FIRST above, if an intercreditor agreement (including an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) has been entered into among the holders of First Lien Obligations which provides for the application of proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral, then such

proceeds shall be applied pursuant to the terms of such intercreditor agreement (including an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) and in making the determination and allocations required in any intercreditor agreement the Collateral Agent may conclusively rely upon information supplied by the applicable Authorized Representatives as to the amounts of unpaid principal and interest and other amounts outstanding with respect to such First Lien Obligations and the Collateral Agent shall have no liability to any of the First Lien Secured Parties for actions taken in reliance on such information.

(b) The Collateral Agent shall have absolute discretion as to the time of the application of any such proceeds in accordance with this Section 5.4. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

5.5. Code and Other Remedies. If an Event of Default shall occur and be continuing, the Collateral Agent may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party upon default under the NY UCC or any other Applicable Law or in equity and also may without demand of performance or other demand, presentment, protest, advertisement or notice of any kind except as specified below, withdraw all amounts held in the Collateral Account and sell the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange broker's board or at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, at such price or prices and upon such other terms as are commercially reasonable irrespective of the impact of any such sales on the market price of the Collateral. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers of Collateral to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and, upon consummation of any such sale, the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by Applicable Law) all rights of redemption, stay and/or appraisal that it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent or any First Lien Secured Party shall have the right upon any such public sale, and, to the extent permitted by Applicable Law, upon any such private sale, to purchase the whole or any part of the Collateral so sold and the Collateral Agent or such First Lien Secured Party may, subject to (x) the satisfaction in full in cash of all payments due pursuant to Section 5.4(a)(i) hereof and (y) the satisfaction of the First Lien Obligations in accordance with the priorities set forth in Section 5.4(a) hereof, pay the purchase price by crediting the amount thereof against the First Lien Obligations. Each Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to such Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. To the extent permitted by Applicable Law, each Grantor hereby waives any claim against the Collateral Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree. Each Grantor further agrees, at the Collateral Agent's

request, to assemble the Collateral and make it available to the Collateral Agent at places which the Collateral Agent shall reasonably select, whether at such Grantor's premises or elsewhere. The Collateral Agent shall apply the net proceeds of any action taken by it pursuant to this Section 5.5 in accordance with the provisions of Section 5.4 hereof. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 5.5 shall be deemed to conform to the commercially reasonable standards as provided in Section 9-610(b) of the NY UCC or its equivalent in other jurisdictions.

5.6. Deficiency. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the First Lien Obligations and the fees and disbursements of any attorneys employed by the Collateral Agent or any First Lien Secured Party to collect such deficiency.

5.7. Amendments, etc. with Respect to the First Lien Obligations; Waiver of Rights. Except for the termination of a Grantor's First Lien Obligations hereunder as provided in Section 6.5, each Grantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Grantor and without notice to or further assent by any Grantor, (a) any demand for payment of any of the First Lien Obligations made by the Collateral Agent or any other First Lien Secured Party may be rescinded by such party and any of the First Lien Obligations continued, (b) the First Lien Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Collateral Agent or any other First Lien Secured Party, (c) the Secured Debt Documents, any Additional First Lien Agreement and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, in accordance with the terms of the applicable Secured Debt Document or Additional First Lien Agreement and (d) any collateral security, guarantee or right of offset at any time held by the Collateral Agent or any other First Lien Secured Party for the payment of the First Lien Obligations may be sold, exchanged, waived, surrendered or released. Neither the Collateral Agent nor any other First Lien Secured Party shall have any obligation to protect, perfect or insure any Lien at any time held by it as security for the First Lien Obligations or for this Agreement or any property subject thereto. When making any demand hereunder against any Grantor, the Collateral Agent or any other First Lien Secured Party may, but shall be under no obligation to, make a similar demand on the Borrower or any other Grantor, and any failure by the Collateral Agent or any other First Lien Secured Party to make any such demand or to collect any payments from the Borrower or any other Grantor or any release of the Borrower or any other Grantor shall not relieve any Grantor in respect of which a demand or collection is not made or any Grantor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Collateral Agent or any other First Lien Secured Party against any Grantor. For the purpose hereof "demand" shall include the commencement and continuance of any legal proceedings.

5.8. Conflict with First Lien Credit Agreement and Intercreditor Agreements. In the event of any conflict between the terms of this Section 5 and the First Lien Credit Agreement, any Equal Priority Intercreditor Agreement or any Customary Intercreditor Agreement, the First Lien Credit Agreement, such Equal Priority Intercreditor Agreement or such Customary Intercreditor Agreement, as applicable, shall prevail.

5.9. Intellectual Property. Each Grantor hereby grants to the Collateral Agent, for use solely upon the occurrence and during the continuance of an Event of Default and after prior written

notice from the Collateral Agent to the Grantors, a non-exclusive, irrevocable, fully paid-up, royalty-free, worldwide license to use, assign, or license or sublicense the rights to use, copy, display, perform, distribute and/or make derivative works of the Intellectual Property Collateral now owned or hereafter acquired by such Grantor. Such license shall include reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs and equipment used for the compilation or printout thereof, in each case, subject to Applicable Law and any Grantor's reasonable security policies and obligations of confidentiality; provided, however, that nothing in this Section 5.9 shall require any Grantor to grant any license, sublicense or assignment that is prohibited by any Applicable Law or is prohibited by, or constitutes a breach of default under or results in the termination of or gives rise to any right of acceleration, modification or cancellation under any contract, license, agreement, instrument or other document evidencing, giving rise to a right to use or theretofore granted with respect to such Intellectual Property Collateral, provided, further, that such licenses to be granted hereunder with respect to Trademarks shall be subject to the quality control standards applicable to each such Trademark as in effect as of the date such licenses hereunder are granted; provided, further, that any licenses granted hereunder by the Collateral Agent shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default.

6. The Collateral Agent.

6.1. Collateral Agent's Appointment as Attorney-in-Fact, etc.

(a) Each Grantor hereby appoints, which appointment is irrevocable and coupled with an interest, effective upon the occurrence and during the continuation of an Event of Default, the Collateral Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, for the purpose of carrying out the terms of this Agreement, the other Credit Documents and any Additional First Lien Agreement, to take any and all appropriate action and to execute any and all documents and instruments which the Collateral Agent may deem necessary or desirable to accomplish the purposes of this Agreement, the other Credit Documents and any Additional First Lien Agreement and, without limiting the generality of the foregoing, each Grantor hereby gives the Collateral Agent the power and right, on behalf of such Grantor, either in the Collateral Agent's name or in the name of such Grantor or otherwise, without assent by such Grantor, to do any or all of the following at the same time or at different times, in each case after the occurrence and during the continuation of an Event of Default and after written notice by the Collateral Agent of its intent to do so:

(i) take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Account or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Collateral Agent for the purpose of collecting any and all such moneys due under any Account or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property Collateral, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Agent may reasonably request to evidence the Collateral Agent's and the First Lien Secured Parties' Security Interest in such Intellectual Property Collateral and the goodwill and general intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against any Collateral;

(iv) execute, in connection with any sale provided for in Section 5.5, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral;

(v) obtain, pay and adjust insurance required to be maintained by such Grantor or paid to the Collateral Agent pursuant to the First Lien Credit Agreement or any Additional First Lien Agreement;

(vi) send verifications of Accounts to any Person who is or who may become obligated to any Grantor under, with respect to or on account of an Account;

(vii) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Collateral Agent or as the Collateral Agent shall direct;

(viii) ask or demand for, collect and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral;

(ix) sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral;

(x) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral;

(xi) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral (with such Grantor's consent (not to be unreasonably withheld or delayed) to the extent such action or its resolution could materially affect such Grantor or any of its Affiliates in any manner other than with respect to its continuing rights in such Collateral; provided that such consent right shall not limit any other rights or remedies available to the Collateral Agent at law);

(xii) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Collateral Agent may deem appropriate (with such Grantor's consent (not to be unreasonably withheld or delayed) to the extent such action or its resolution could materially affect such Grantor or any of its Affiliates in any manner other than with respect to its continuing rights in such Collateral; provided that such consent right shall not limit any other rights or remedies available to the Collateral Agent at law);

(xiii) assign, license, prosecute or maintain any Intellectual Property Collateral throughout the world for such term or terms, on such conditions, and in such manner, as the Collateral Agent shall in its reasonable business discretion determine; and

(xiv) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Collateral Agent were the absolute owner thereof for all purposes, and do, at the Collateral Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things that the Collateral Agent deems necessary to protect, preserve or realize upon the Collateral and the Collateral Agent's and the First Lien Secured Parties' Security Interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

Anything in this Section 6.1(a) to the contrary notwithstanding, the Collateral Agent agrees that it will not exercise any rights under the power of attorney provided for in this Section 6.1(a) unless an Event of Default shall have occurred and be continuing.

(b) If any Grantor fails to perform or comply with any of its agreements contained herein, the Collateral Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) Each Grantor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created hereby are released.

6.2. Duty of Collateral Agent. The Collateral Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the NY UCC or otherwise, shall be to deal with it in the same manner as the Collateral Agent deals with similar property for its own account. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property. Neither the Collateral Agent, any other First Lien Secured Party nor any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Collateral Agent and the other First Lien Secured Parties hereunder are solely to protect the Collateral Agent's and the other First Lien Secured Parties' interests in the Collateral and shall not impose any duty upon the Collateral Agent or any other First Lien Secured Party to exercise any such powers. The Collateral Agent and the other First Lien Secured Parties shall be accountable only for the safe custody of any Collateral in its possession and for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

6.3. Authority of Collateral Agent. Each Grantor acknowledges that the rights and responsibilities of the Collateral Agent under this Agreement with respect to any action taken by the Collateral Agent or the exercise or non-exercise by the Collateral Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Collateral Agent and the other First Lien Secured Parties, be governed by this Agreement or, if there are any Additional First Lien Obligations, by this Agreement, an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement with respect thereto and such other agreements with respect thereto as may exist from time to time among them, but, as between the Collateral Agent and the Grantors, the Collateral Agent shall be conclusively presumed to be acting as agent for the applicable First Lien Secured Parties with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

6.4. Security Interest Absolute. All rights of the Collateral Agent hereunder, the Security Interests created hereby and all obligations of the Grantors hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the First Lien Credit Agreement,

any other Credit Document, any Additional First Lien Agreement, any agreement with respect to any of the First Lien Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the First Lien Obligations, or any other amendment or waiver of or any consent to any departure from the First Lien Credit Agreement, any other Credit Document, any Additional First Lien Agreement or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the First Lien Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the First Lien Obligations or this Agreement.

6.5. Continuing Security Interest; Assignments Under the Secured Debt Documents or any Additional First Lien Agreement; Release.

(a) This Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Grantor and the successors and assigns thereof and shall inure to the benefit of the Collateral Agent and the other First Lien Secured Parties and their respective successors, indorsees, transferees and assigns until the Termination Date.

(b) (i) A Subsidiary Grantor shall automatically be released from its obligations hereunder and the Security Interests in the Collateral of such Subsidiary Grantor created hereby shall be automatically released (x) as it relates to the Obligations, upon the consummation of any transaction permitted by the First Lien Credit Agreement, as a result of which such Subsidiary Grantor ceases to be a Restricted Subsidiary of the Borrower or otherwise becomes an Excluded Subsidiary, (y) as it relates to any Additional First Lien Obligations under any Additional First Lien Agreement, upon the consummation of any transaction permitted by such Additional First Lien Agreement, as a result of which such Subsidiary Grantor ceases to be a guarantor thereunder and (z) upon the effectiveness of any release (including any written consent to such release) of a Subsidiary Grantor in accordance with Section 13.17 of the First Lien Credit Agreement and any applicable provision in each Additional First Lien Agreement; and (ii) Holdings (or Previous Holdings, as the case may be) shall automatically be released from its obligations hereunder and the Security Interests in the Collateral of Holdings (or Previous Holdings, as the case may be) created hereby shall be automatically released upon a Holdings Termination Event and/or in accordance with the formation or acquisition of a New Holdings that satisfies the conditions set forth in (x) as it relates to the Obligations, the First Lien Credit Agreement and (y) as it relates to any Additional First Lien Obligations under any Additional First Lien Agreement, such Additional First Lien Agreement.

(c) The Security Interests created hereby in any Collateral shall be automatically released and such Collateral sold free and clear of the Lien and Security Interests created hereby (i) to the extent such Collateral is comprised of property leased to a Grantor by a Person that is not a Grantor, upon termination or expiration of such lease, (ii) as required by the Collateral Agent to effect any sale, transfer or other Disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to this Agreement, (iii) upon any sale, transfer or other Disposition by any Grantor of any Collateral that is permitted under the First Lien Credit Agreement and each Additional First Lien Agreement (other than to another Grantor), (iv) upon the effectiveness of any release (including any written consent to such release) of the Lien and Security Interests created hereby in any Collateral in accordance with Section 13.17 of the First Lien Credit Agreement and any applicable provision in each Additional First Lien Agreement, (v) upon such Collateral becoming Excluded Capital Stock or Excluded Property, (vi) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the First Lien Guarantee (in accordance with Section 13.17 of the First Lien Credit Agreement and the First Lien Guarantee) or (vii) as otherwise provided in any applicable intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) among holders of First Lien Obligations.

(d) In connection with any termination or release pursuant to paragraph (a), (b) or (c), the Collateral Agent shall execute and deliver to any Grantor or authorize the filing of, at such Grantor's expense, all documents that such Grantor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 6.5 shall be without recourse to or warranty by the Collateral Agent.

6.6. Reinstatement. This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the First Lien Obligations is rescinded or must otherwise be restored or returned by the Collateral Agent or any other First Lien Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any other Grantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any other Grantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

7. Miscellaneous.

7.1. Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Grantors and the Collateral Agent in accordance with Section 13.1 of the First Lien Credit Agreement; provided, however, that this Agreement may be supplemented (but no existing provisions may be modified and no Collateral may be released) through agreements substantially in the form of Exhibit 1, in each case duly executed by each Grantor directly affected thereby.

The Collateral Agent may, without the consent of any Lender, enter into any amendments to this Agreement (including modifications of the terms "Additional First Lien Agreement" and "Additional First Lien Obligations" and any provisions of this Agreement referencing such terms) to reflect the Incurrence of any Indebtedness secured by a Lien permitted by Section 10.2(a) of the Credit Agreement that is not secured by Liens granted under this Agreement.

7.2. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 13.2 of the First Lien Credit Agreement (whether or not then in effect). All communications and notices hereunder to any Subsidiary Grantor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the First Lien Credit Agreement (whether or not then in effect). All notices to any holder of Additional First Lien Obligations shall be given to it in care of the applicable Authorized Representative at such Authorized Representative's address set forth in the applicable Additional Secured Party Consent or Additional First Lien Agreement, as the case may be, as such address may be changed by written notice to the Collateral Agent and the Borrower.

7.3. No Waiver by Course of Conduct; Cumulative Remedies. Neither the Collateral Agent nor any other First Lien Secured Party shall by any act (except by a written instrument pursuant to Section 7.1 hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof or of any other applicable Secured Debt Document or of any Additional First Lien Agreement. No failure to exercise, nor any delay in exercising, on the part of the Collateral Agent or any other First Lien Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Agent or any other First Lien Secured Party of any right or remedy hereunder on any one

occasion shall not be construed as a bar to any right or remedy that the Collateral Agent or such other First Lien Secured Party would otherwise have on any other occasion. The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

7.4. Enforcement Expenses; Indemnification.

(a) Each Grantor agrees to pay any and all reasonable and documented expenses (including all reasonable fees, expenses, disbursements and other charges of counsel) that may be paid or incurred by the Collateral Agent in enforcing, or obtaining advice of counsel in respect of, any rights with respect to, or collecting, any or all of the First Lien Obligations and/or enforcing any rights with respect to, or collecting against, such Grantor under this Agreement to the extent the Borrower would be required to do so pursuant to Section 13.5 of the First Lien Credit Agreement.

(b) Without limitation of its indemnification obligations under the other Credit Documents or any Additional First Lien Agreements, each Grantor agrees to pay, indemnify and to hold harmless the Collateral Agent and the other First Lien Secured Parties (each, an "Indemnified Party") from and against any and all losses, claims, damages, liabilities or penalties (collectively, "Losses") of any kind or nature whatsoever and the reasonable and documented or invoiced out of pocket expenses, joint or several, to which any such Indemnified Party may become subject, in each case to the extent any such Losses and related expenses arise out of, result from, or are in connection with any action, claim, litigation, investigation or other proceeding (including any inquiry or investigation of the foregoing) (any of the foregoing, a "Proceeding") (regardless of whether such Indemnified Party is a party thereto or whether or not such Proceeding was brought by such Grantor, its equity holders, affiliates or creditors or any other third person), and, subject to Section 13.5(e) of the First Lien Credit Agreement, to reimburse each such Indemnified Party promptly for any reasonable and documented or invoiced out of pocket fees and expenses incurred in connection with investigating, responding to or defending any of the foregoing, in each case to the extent the Borrower would be required to do so pursuant to Section 13.5 of the First Lien Credit Agreement (whether or not then in effect) or any comparable provision of any Additional First Lien Agreement.

(c) Any such amounts payable as provided hereunder shall be Additional First Lien Obligations secured hereby and by the other Security Documents and any Additional First Lien Agreements. The agreements in this Section 7.4 shall survive termination of this Agreement, any other Credit Document or any Additional First Lien Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the First Lien Obligations, the invalidity or unenforceability of any term or provision of this Agreement, any other Credit Document or any Additional First Lien Agreement or any investigation made by or on behalf of the Collateral Agent or any other First Lien Secured Party. All amounts due under this Section 7.4 shall be payable on written demand therefor.

7.5. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective designees, sub-agents, successors and assigns permitted hereby, except that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Agent, except pursuant to a transaction permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreements.

7.6. 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 (i.e. a "pdf" or "tif')), 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 Collateral Agent and the Borrower.

7.7. 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. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

7.8. Section Headings. The section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

7.9. Integration. This Agreement, together with the other Credit Documents and each Additional First Lien Agreement represents the agreement of each of the Grantors with respect to the subject matter hereof and there are no promises, undertakings, representations or warranties by the Collateral Agent or any other First Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Secured Debt Documents or any Additional First Lien Agreement (and each other agreement or instrument executed or issued in connection therewith).

7.10. **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.**

7.11. Submission to Jurisdiction Waivers. Each Grantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement, the other Credit Documents to which it is a party and any Additional First Lien Agreement to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the County of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 Grantor at its address referred to in Section 7.2 or at such other address of which the Collateral Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right of the Collateral Agent or any other First Lien Secured Party to effect service of process in any other manner permitted by law or shall limit the right of the Collateral Agent or any other First Lien Secured Party to sue 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 7.11 any special, exemplary, punitive or consequential damages.

7.12. Acknowledgments. Each Grantor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Credit Documents to which it is a party;

(b) neither the Collateral Agent nor any other First Lien Secured Party has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Agreement or any of the other Credit Documents, and the relationship between the Grantors, on the one hand, and the Collateral Agent and the other First Lien Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor;

(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 First Lien Secured Parties or among the Grantors and the First Lien Secured Parties; and

(d) upon any Event of Default, the Collateral Agent may proceed against any Grantor and any Collateral to collect and recover the full amount of any First Lien Obligation then due, without first proceeding against any other Grantor, any other Credit Party or any other Collateral and without first joining any other Grantor or any other Credit Party in any proceeding.

7.13. Additional Grantors. Each Subsidiary of the Borrower that is required to become a party to this Agreement pursuant to Section 9.10 of the First Lien Credit Agreement and/or the equivalent provision of any Additional First Lien Agreement and the terms hereof shall become a Grantor, with the same force and effect as if originally named as a Grantor herein, for all purposes of this Agreement upon execution and delivery by such Subsidiary of a supplement substantially in the form of Exhibit 1 hereto. The execution and delivery of any instrument adding an additional Grantor as a party to this Agreement shall not require the consent of any other Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

7.14. **WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.**

7.15. Intercreditor Agreement. Notwithstanding any other provision contained herein, this Agreement, the liens and security interests created hereby and the exercise of any rights, remedies, duties and obligations provided for herein are subject in all respects to the provisions of any intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) and, to the extent provided therein, the First Lien Security Documents (as such term or similar term is defined in any applicable intercreditor agreement). In the event of any conflict or inconsistency between the provisions of this Agreement and any intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) among the holders of First Lien Obligations that relates solely to the rights or obligations of, or relationship between, the First Lien Secured Parties under the First Lien Credit Agreement and the First Lien Secured Parties under any Additional First Lien Agreement, the provisions of such intercreditor agreement shall control.

7.16. Additional First Lien Obligations. On or after the date hereof and so long as permitted by the First Lien Credit Agreement and each Additional First Lien Agreement then outstanding, the Borrower may from time to time designate Indebtedness at the time of Incurrence to be secured by Liens on the Collateral on a basis that rank equal in priority to the Liens on the Collateral securing the Obligations or any other First Lien Obligations if then in effect, as Additional First Lien Obligations hereunder by delivering to the Collateral Agent and if any Additional First Lien Agreement is then in effect, each Authorized Representative (a) a certificate signed by an Authorized Officer of the Borrower (i) identifying the obligations so designated and the initial aggregate principal amount or face amount thereof, (ii) stating that such obligations are designated as Additional First Lien Obligations for purposes hereof, (iii) representing that such designation of such obligations as Additional First Lien Obligations complies with the terms of the First Lien Credit Agreement and any Additional First Lien Agreement then outstanding and (iv) specifying the name and address of the Authorized Representative for such obligations, (b) if applicable, (i) a fully executed Additional Secured Party Consent (in the form attached as Exhibit 3) or (ii) any other instruments reasonably satisfactory to the Collateral Agent setting forth such Authorized Representative's agreement, on behalf of the First Lien Secured Parties under the Additional First Lien Agreement, to be bound by the terms of this Agreement, the First Lien Guarantee and the First Lien Pledge Agreement and (c)(i) a fully executed Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement or (ii) a fully executed joinder agreement to an Equal Priority Intercreditor Agreement if such agreement is then in effect; provided, however, that notwithstanding the foregoing, if the Collateral Agent, the Borrower, and/or any Authorized Representative decide not to execute an Additional Secured Party Consent or any other instrument setting forth such Authorized Representative's agreement, on behalf of the First Lien Secured Parties under the applicable Additional First Lien Agreement, to be bound by the terms of this Agreement, the First Lien Guarantee and the First Lien Pledge Agreement, the Borrower and such Authorized Representative may execute separate security agreements, pledge agreements and/or guarantees, subject to compliance with the provisions of the First Lien Credit Agreement. Notwithstanding any provision to the contrary in this Agreement, the Collateral Agent shall be under no obligation to serve as agent on behalf of the holders of any Additional First Lien Obligations (or their representatives) or under any Additional First Lien Agreement and may decide, in its sole discretion, not to serve in such role, it being understood that, in such circumstance, no provisions of this Agreement will benefit or apply to the holders of Additional First Lien Obligations (or their representatives). It being further understood that the Collateral Agent shall serve in such role only if it has countersigned an Additional Secured Party Consent and in such case solely with respect to the New Secured Obligation under and as defined in such Additional Secured Party Consent. For the avoidance of doubt, any refusal by the Collateral Agent to serve as collateral agent on behalf of the holders of any Additional First Lien Obligations (or their representatives) and the decision of the Collateral Agent, the Borrower and/or any Authorized Representative not to execute an Additional Secured Party Consent shall not limit the Borrower's ability to incur such obligations and secure them by Liens on the Collateral that rank equal in priority to the Liens on the Collateral securing the Obligations and any other First Lien Obligations if then in effect to the extent permitted to do so under each of the First Lien Credit Agreement and any Additional First Lien Agreement, and in such case the Collateral Agent is authorized to execute an Equal Priority Intercreditor Agreement or any other Customary Intercreditor Agreement (or any joinders thereto) and any related documentation to evidence and/or acknowledge the Liens securing any such Additional First Lien Obligations and the relationship between the Collateral Agent and the collateral agent appointed in respect of such Additional First Lien Obligations.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

GLOBE INTERMEDIATE CORP.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP HOLDINGS, INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP MIDCO, INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GROCERY OUTLET INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

AMELIA'S, LLC

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: /s/ Brendan MacBride

Name: Brendan MacBride

Title: Authorized Signatory

[Signature Page to First Lien Security Agreement]

ANNEX A
TO THE FIRST LIEN SECURITY AGREEMENT

SUBSIDIARY GRANTORS

1. GOBP Midco, Inc., a Delaware corporation
2. Grocery Outlet Inc., a California corporation
3. Amelia's, LLC, a Delaware limited liability company

U.S. RECORDABLE INTELLECTUAL PROPERTY

A. COPYRIGHTS AND COPYRIGHT APPLICATIONS

Copyright (Work)	Reg. No.	Owner
Ben Saven (Frugal Friends)	VA0001816784	Grocery Outlet Inc.
Doug (Frugal Friends)	VA0001816783	Grocery Outlet Inc.
Lois Prices (Frugal Friends)	VA0001816782	Grocery Outlet Inc.
Tammy Underspend (Frugal Friends)	VA0001816786	Grocery Outlet Inc.
WOW! Bottlenecker.	VA0001795425	Grocery Outlet Inc.

B. PATENTS AND PATENT APPLICATIONS

None.

C. TRADEMARKS AND TRADEMARK APPLICATIONS

Trademark[1]	App. No.	Trademark No.	Owner
AMELIA'S	85509370	4190703	Grocery Outlet Inc.
AMELIA'S GROCERY OUTLET	85509375	4205087	Grocery Outlet Inc.
BARGAIN MINUTE	85808393	4518765	Grocery Outlet Inc.
BARGAINOMICS	87213160	5313378	Grocery Outlet, Inc.
BARGAINS ON BRANDS YOU TRUST!	78424125	2964247	Grocery Outlet Inc.
BEN SAVEN	85597891	4249974	Grocery Outlet Inc.
BIG BRANDS. LITTLE PRICES.	85505693	4190431	Grocery Outlet Inc.
CANNED FOODS GROCERY OUTLETS	77699947	3701241	Grocery Outlet Inc.
DOUG	85597895	4249975	Grocery Outlet Inc.
ECO-FRUGAL	77867458	4112260	Grocery Outlet Inc.
FRUGAL FRIENDS	85597910	4245918	Grocery Outlet Inc.
	86135411	4769584	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	86532165	4888093	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	77561753	3604714	Grocery Outlet Inc.
	86032740	4479224	Grocery Outlet Inc.

1 Grantors have abandoned the following trademark registrations and make no representations, warranties, or covenants under the First Lien Security Agreement, First Lien Credit Agreement, Second Lien Security Agreement or the Second Lien Credit Agreement with respect to such trademark registrations: Registration No. 4190703 and Registration No. 4205087.

Trademark[1]	App. No.	Trademark No.	Owner
	87108931	N/A	Grocery Outlet Inc.
GROCERY OUTLET BARGAINS ONLY!	76314254	2715156	Grocery Outlet Inc.
	78143358	2775580	Grocery Outlet Inc.
			
HARVEST DAY	78832121	3782829	Grocery Outlet, Inc.
HARVEST DAY	87164529	5325344	Grocery Outlet, Inc.
INDEPENDENCE FROM HUNGER	85410590	4135086	Grocery Outlet Inc.
INDEPENDENCE FROM HUNGER	85410597	4135088	Grocery Outlet Inc.
LADY LEE	78831598	3779585	Grocery Outlet, Inc.
LOIS PRICES	85597916	4249976	Grocery Outlet Inc.
NOSH	85128472	4247576	Grocery Outlet Inc.
NOSH	86780435	5067165	Grocery Outlet Inc.
	86795040	5093914	Grocery Outlet Inc.
			
	86795037	5093913	Grocery Outlet Inc.
			
OVERSHOP. UNDERSPEND.	77856328	3802978	Grocery Outlet Inc.
TAMMY UNDERSPEND	85597923	4249977	Grocery Outlet Inc.
WOW!	86573220	5306956	Grocery Outlet Inc.
	86578051	5218984	Grocery Outlet Inc.
			
	87206798	5372725	Grocery Outlet Inc.

D. EXCLUSIVE LICENSES

None.

COMMERCIAL TORT CLAIMS

None.

Exhibit 10.3

Execution Version

FIRST LIEN PLEDGE AGREEMENT

FIRST LIEN PLEDGE AGREEMENT, dated as of October 22, 2018 (this "Agreement"), among **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"; as further defined in the Credit Agreement), **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), each of the subsidiaries of the Borrower listed on Schedule 1 hereto or that becomes a party hereto pursuant to Section 9(b) (each such subsidiary, individually, a "Subsidiary Pledgor" and, collectively, the "Subsidiary Pledgors"; and, together with Holdings and the Borrower, collectively, the "Pledgors"), and **MORGAN STANLEY SENIOR FUNDING, INC.**, as collateral agent for the First Lien Secured Parties (as defined below) (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Collateral Agent").

W I T N E S S E T H:

WHEREAS, (a) Holdings and the Borrower are parties to that certain First Lien Credit Agreement, dated as of the date hereof (the "First Lien Credit Agreement"), with the several Lenders from time to time party thereto, the Letter of Credit Issuers from time to time party thereto, MORGAN STANLEY SENIOR FUNDING, INC., as the Administrative Agent, the Collateral Agent and the Swingline Lender, and the other parties thereto, pursuant to which the Lenders have severally agreed to make Loans to the Borrower and the Letter of Credit Issuers have agreed to issue letters of credit for the account of the Borrower upon the terms and subject to the conditions set forth therein, (b) one or more Hedge Banks may from time to time enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary, (c) one or more Cash Management Banks may from time to time provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary and (d) the Credit Parties may incur Additional First Lien Obligations (as defined below) from time to time to the extent permitted by the First Lien Credit Agreement and each Additional First Lien Agreement (as defined below) (clauses (a), (b), (c) and (d), collectively, the "Extensions of Credit");

WHEREAS, each Subsidiary Pledgor is a Subsidiary of the Borrower or other Subsidiary Pledgor;

WHEREAS, the Pledgors are party to the First Lien Security Agreement dated as of the date hereof (the "First Lien Security Agreement"), among the Pledgors and the Collateral Agent;

WHEREAS, pursuant to the First Lien Guarantee, dated as of the date hereof (the "First Lien Guarantee"), among Holdings, the Borrower (other than with respect to its own obligations), each Subsidiary Pledgor and the Collateral Agent, Holdings, the Borrower and each of the Subsidiary Pledgors have agreed to guarantee, for the benefit of the First Lien Secured Parties, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the First Lien Obligations;

WHEREAS, Holdings, the Borrower (other than in respect of its own obligations) and each of the Subsidiary Pledgors may also unconditionally and irrevocably guaranty, as primary obligors and not merely as sureties, for the benefit of the First Lien Secured Parties under any Additional First Lien Agreements, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Additional First Lien Obligations;

WHEREAS, Holdings is an affiliate of the Borrower and each Subsidiary Pledgor is a Subsidiary of the Borrower;

WHEREAS, the proceeds of the Extensions of Credit will be used in part to finance the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and for other general corporate purposes of the Borrower and its subsidiaries;

WHEREAS, each Pledgor acknowledges that it will derive substantial direct and indirect benefit from the making of the Extensions of Credit and have agreed to secure their obligations with respect thereto pursuant to this Agreement on a first priority basis (subject to Liens permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreement);

WHEREAS, it is a condition precedent to the obligations of the Lenders and the Letter of Credit Issuers to make their respective Extensions of Credit to the Borrower under the First Lien Credit Agreement that the Pledgors shall have executed and delivered this Agreement to the Collateral Agent for the benefit of the First Lien Secured Parties; and

WHEREAS, (a) the Pledgors are the legal and beneficial owners of the Capital Stock described in Schedule 2 and issued by the entities named therein (such Capital Stock, together with all other Capital Stock required to be pledged pursuant to Section 9.11(a) of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement (the "After-acquired Shares"), are referred to collectively herein as the "Pledged Shares"), (b) each of the Pledgors is the legal and beneficial owner of the Certificated Securities, Tangible Chattel Paper or Instruments evidencing Indebtedness owed to it described in Schedule 2 and issued by the entities named therein (such Certificated Securities, Tangible Chattel Paper or Instruments, together with any other Indebtedness owed to any Pledgor hereafter and required to be pledged pursuant to Section 9.11(a) of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement (the "After-acquired Debt"), are referred to collectively herein as the "Pledged Debt"), in each case as such schedule may be amended or supplemented pursuant to Section 9.11(a) of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement and/or Section 9(b) hereof and (c) the Pledgors are the legal and beneficial owners of the Intercompany Note described in Schedule 2 and issued by the entities named therein, evidencing all Indebtedness of Holdings, the Borrower and each of its Restricted Subsidiaries that is owing to any Credit Party and required to be pledged pursuant to Section 9.11(b) of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement, in each case as such schedule may be amended or supplemented pursuant to Section 9(b) hereof.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and to induce the Agents, the Lenders and the Letter of Credit Issuers to enter into the First Lien Credit Agreement and to induce the Lenders and the Letter of Credit Issuers to make their respective Extensions of Credit to the Borrower under the First Lien Credit Agreement, to induce the holders of any Additional First Lien Obligations to make their advances under the applicable Additional First Lien Agreement, to induce one or more Hedge Banks to enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary and to induce one or more Cash Management Banks to provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary, the Pledgors hereby agree with the Collateral Agent, for the benefit of the First Lien Secured Parties, as follows:

1. Defined Terms.

(a) (i) Unless otherwise defined herein, terms defined in the First Lien Credit Agreement and used herein (including terms used in the preamble and the recitals) shall have the meanings given to them in the First Lien Credit Agreement and (ii) all terms defined in the Uniform Commercial Code from time to time in effect in the State of New York (the "NY UCC") and used herein and not defined herein or in the First Lien Credit Agreement shall have the meanings specified therein

(and if defined in more than one article of the NY UCC, shall have the meaning specified in Article 9 thereof). Furthermore, unless otherwise defined herein, in the First Lien Credit Agreement or the NY UCC, terms defined in the First Lien Security Agreement and used herein shall have the meanings assigned to them in the First Lien Security Agreement.

(b) The rules of construction and other interpretive provisions specified in Sections 1.2, 1.5, 1.6, 1.7, 1.8, 1.10 and 1.11 of the First Lien Credit Agreement shall apply to this Agreement, including terms defined in the preamble and recitals to this Agreement.

(c) The following terms shall have the following meanings:

"Additional First Lien Agreement" shall mean any indenture, credit agreement, loan agreement, note purchase agreement or other document, instrument or agreement, if any, pursuant to which any Pledgor has or will Incur Additional First Lien Obligations as permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreement then in effect; provided that, in each case, the Indebtedness thereunder has been designated as Additional First Lien Obligations pursuant to and in accordance with Section 7.16 of the First Lien Security Agreement.

"Additional First Lien Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Pledgor arising under any Additional First Lien Agreement relating to Indebtedness Incurred by, or provided to, the Borrower and/or any other Credit Party including, without limitation, Permitted Additional Debt Obligations and Permitted Equal Priority Refinancing Debt in respect of the Obligations, 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 Pledgor or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding (or that would accrue but for the operation of applicable Debtor Relief Laws), regardless of whether such interest and fees are allowed claims in such proceeding, in each case, that have been designated as Additional First Lien Obligations pursuant to and in accordance with Section 7.16 of the First Lien Security Agreement.

"Additional First Lien Secured Party Consent" shall mean a consent in the form of Exhibit 3 to the First Lien Security Agreement.

"After-acquired Debt" shall have the meaning assigned to such term in the recitals to this Agreement.

"After-acquired Shares" shall have the meaning assigned to such term in the recitals to this Agreement.

"Agreement" shall have the meaning assigned to such term in the preamble to this Agreement.

"Authorized Representative" shall mean (a) the Administrative Agent with respect to the First Lien Credit Agreement and (b) any duly authorized agent, trustee or representative of any other First Lien Secured Party under Additional First Lien Agreements designated as "Authorized Representative" for any First Lien Secured Party in an Additional First Lien Secured Party Consent delivered to the Collateral Agent.

"Collateral" shall have the meaning assigned to such term in Section 2.

"Collateral Agent" shall have the meaning assigned to such term in the preamble to this Agreement.

"Credit Party" shall mean the Borrower, Holdings, the Subsidiary Pledgors and each other Subsidiary of the Borrower that is a party to the First Lien Credit Agreement, any other Credit Document or any Additional First Lien Agreement.

"Default" or "Event of Default" shall mean a "default" or "event of default" under the First Lien Credit Agreement or under any Additional First Lien Agreement.

"Excluded Property" shall have the meaning assigned to such term in the First Lien Security Agreement; provided that clause (c) of such definition of "Excluded Property" shall not apply for purposes of this Agreement.

"Extensions of Credit" shall have the meaning assigned to such term in the recitals to this Agreement.

"First Lien Credit Agreement" shall have the meaning assigned to such term in the recitals to this Agreement.

"First Lien Guarantee" shall have the meaning assigned to such term in the recitals to this Agreement.

"First Lien Obligations" shall mean, collectively, the Obligations and any Additional First Lien Obligations.

"First Lien Secured Parties" shall mean, collectively, the Secured Parties (as defined in the First Lien Credit Agreement) and, if any, the holders of Additional First Lien Obligations and any Authorized Representative with respect thereto.

"First Lien Security Agreement" shall have the meaning assigned to such term in the recitals to this Agreement.

"NY UCC" shall have the meaning assigned to such term in Section 1(a)(ii).

"Permitted Pledged Collateral Liens" shall have the meaning assigned to such term in Section 5(b).

"Pledged Debt" shall have the meaning assigned to such term in the recitals to this Agreement.

"Pledged Shares" shall have the meaning assigned to such term in the recitals to this Agreement.

"Pledgors" shall have the meaning assigned to such term in the preamble to this Agreement.

"Proceeds" shall mean all "proceeds" as such term is defined in Article 9 of the NY UCC and, in any event, shall include with respect to any Pledgor, any consideration received from the sale, exchange, license, lease or other Disposition of any asset or property that constitutes Collateral, any value received as a consequence of the possession of any Collateral and any payment received from any insurer

or other Person as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property that constitutes Collateral, and shall include (a) all cash and negotiable instruments received by or held on behalf of the Collateral Agent and (b) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Secured Debt Documents" shall mean, collectively, the Credit Documents, each Secured Hedging Agreement entered into with a Hedge Bank and each Secured Cash Management Agreement entered into with a Cash Management Bank.

"Security Interest" shall have the meaning assigned to such term in Section 2.

"Subsidiary Pledgors" shall have the meaning assigned to such term in the preamble to this Agreement.

"Termination Date" shall mean the date on which all First Lien Obligations (other than (i) Hedging Obligations in respect of any Secured Hedging Agreements, (ii) Cash Management Obligations in respect of any Secured Cash Management Agreements and (iii) any contingent obligations or other contingent indemnification obligations not then due and payable) have been paid in full, all Commitments have terminated or expired and no Letter of Credit shall be outstanding that is not Cash Collateralized or back-stopped to the reasonable satisfaction of the applicable Letter of Credit Issuer.

"Uniform Commercial Code" shall mean the Uniform Commercial Code as in effect from time to time (except as otherwise specified) in any applicable state or jurisdiction.

(d) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Pledgor, shall refer to such Pledgor's Collateral or the relevant part thereof.

2. Grant of Security. As security for the prompt and complete payment when due (whether at the stated maturity, by acceleration or otherwise) of the First Lien Obligations, each Pledgor hereby transfers, assigns and pledges to the Collateral Agent, for the benefit of the First Lien Secured Parties, and hereby grants to the Collateral Agent, for the benefit of the First Lien Secured Parties, a security interest in and continuing lien on (the "Security Interest") all of such Pledgor's right, title and interest in (subject only to Liens permitted under each of the First Lien Credit Agreement and any Additional First Lien Agreement) and to all of the following assets and properties, whether now owned or existing or hereafter acquired or existing or in which such Pledgor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"):

(a) the Pledged Shares held by such Pledgor and the certificates, if any, representing such Pledged Shares and any interest of such Pledgor, including all interests documented in the entries on the books of the issuer of the Pledged Shares or any financial intermediary pertaining to the Pledged Shares and all dividends, cash, warrants, rights, instruments and other property or Proceeds from time to time received, receivable or otherwise distributed in respect of, or in exchange for, any or all of the Pledged Shares;

(b) the Pledged Debt and the Chattel Paper or Instruments evidencing the Pledged Debt owed to such Pledgor and all payments of principal or interest, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such Pledged Debt;

(c) all other property that may be delivered to and held by the Collateral Agent pursuant to the terms of this Section 2;

(d) subject to Section 8, all rights and privileges of such Pledgor with respect to the securities and other property referred to in clauses (a), (b) and (c) above;

(e) the Intercompany Note; and

(f) to the extent not covered by clauses (a), (b), (c), (d) and (e) above, respectively, all Proceeds of any or all of the foregoing Collateral.

Notwithstanding the foregoing or anything to the contrary contained herein:

(1) the Collateral for the First Lien Obligations shall not include any Excluded Capital Stock or any other Excluded Property, and no Pledgor shall be deemed to have granted a Security Interest in any of such Pledgor's rights or interests in any Excluded Capital Stock or any other Excluded Property;

(2) at the Borrower's option and if so specified by the Borrower in a writing delivered to the Collateral Agent at the time the applicable Additional First Lien Secured Party Consent is delivered, any Collateral securing any Additional First Lien Obligations (but not any other Obligations) shall not include, solely with respect to such Additional First Lien Obligations, any Capital Stock and other securities of a Subsidiary to the extent that the pledge of such Capital Stock would result in the Borrower, Holdings (or any Parent Entity thereof) or any Subsidiary being required to file separate financial statements of such Subsidiary with the SEC, but only to the extent necessary to not be subject to such requirement and only for so long as such requirement is in existence and only with respect to the relevant Additional First Lien Obligations affected; provided that neither Holdings, the Borrower nor any Subsidiary shall take any action in the form of a reorganization, merger or other restructuring a principal purpose of which is to provide for the release of the Lien on any Capital Stock pursuant to this clause (2). In addition, in any case described in clause (2) of the preceding sentence, in the event that Rule 3-16 of Regulation S-X under the Securities Act ("Rule 3-16") is amended, modified or interpreted by the SEC to require (or is replaced with another Applicable Law, or any other Applicable Law is adopted, that would require) the filing with the SEC (or any other Governmental Authority) of separate financial statements of any Subsidiary of Holdings due to the fact that such Subsidiary's Capital Stock secures the Additional First Lien Obligations affected thereby, then the Capital Stock of such Subsidiary will automatically be deemed not to be part of the Collateral securing the relevant Additional First Lien Obligations affected thereby but only to the extent necessary to not be subject to such requirement and only for so long as required to not be subject to such requirement. In such event, this Agreement may be amended or modified, without the consent of any First Lien Secured Party, to the extent necessary to release the Lien in favor of the Collateral Agent for the benefit of the holders of any such Additional First Lien Obligations on the Capital Stock shares that are so deemed to no longer constitute part of the Collateral for the relevant Additional First Lien Obligations only. In the event that Rule 3-16 is amended, modified or interpreted by the SEC to permit (or is replaced with another Applicable Law, or any other Applicable Law is adopted, that would permit) such Subsidiary's Capital Stock to secure the Additional First Lien Obligations in excess of the amount then pledged without the filing with the SEC (or any other Governmental Authority) of separate financial statements of such Subsidiary, then the Capital Stock of such Subsidiary will automatically be deemed to be a part of the Collateral for the relevant Additional First Lien Obligations. For the avoidance of doubt and notwithstanding anything to the contrary in this Agreement, nothing in this paragraph

shall limit the pledge of such Capital Stock and other securities from securing the Obligations at all times or from securing any Additional First Lien Obligations that are not in respect of securities subject to regulation by the SEC (or other Governmental Authority);

(3) Notwithstanding anything herein to the contrary, the Pledgors shall not be required to take any action intended to cause "Excluded Capital Stock" or any other "Excluded Property" to constitute Collateral (but without limitation of any requirements set forth in clause (i) of the definition of "Excluded Subsidiary").

TO HAVE AND TO HOLD the Collateral, together with all right, title, interest, powers, privileges and preferences pertaining or incidental thereto, unto the Collateral Agent, for the benefit of the First Lien Secured Parties, forever; subject, however, to the terms, covenants and conditions hereinafter set forth.

Each Pledgor hereby irrevocably authorizes the Collateral Agent at any time and from time to time to file in any relevant jurisdiction any initial financing statements with respect to the Collateral or any part thereof and amendments thereto and continuations thereof that contain the information required by Article 9 of the Uniform Commercial Code of each applicable jurisdiction for the filing of any financing statement or amendment or continuation, including whether such Pledgor is an organization, the type of organization and any organizational identification number issued to such Pledgor. Such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner such as "all assets" or "all personal property, whether now owned or hereafter acquired" of such Pledgor or words of similar effect as being of an equal or lesser scope or with greater detail. Each Pledgor agrees to provide such information to the Collateral Agent promptly upon request. Each Pledgor also ratifies any authorization previously given in writing to the Collateral Agent to file in any relevant jurisdiction any initial financing statements or amendments thereto or continuations thereof if filed prior to the Closing Date.

3. Security for the First Lien Obligations. This Agreement secures the payment of all the First Lien Obligations. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts that constitute part of the First Lien Obligations and would be owed to the Collateral Agent or the First Lien Secured Parties under the Secured Debt Documents or any Additional First Lien Agreement but for the fact that they are unenforceable or not allowable due to the existence of a proceeding under any Debtor Relief Law involving any Pledgor.

4. Delivery of the Collateral. All Certificated Securities, Tangible Chattel Paper or Instruments, if any, representing or evidencing the Collateral shall be promptly delivered to and held by or on behalf of the Collateral Agent pursuant hereto to the extent required by the First Lien Credit Agreement or any Additional First Lien Agreement then in effect and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Collateral Agent; provided that the foregoing shall only apply to Tangible Chattel Paper or an Instrument if the Fair Market Value of such Tangible Chattel Paper or Instrument as of the date acquired or created exceeds $10,000,000 (individually); provided, further, that the foregoing shall not apply to any Excluded Capital Stock, Capital Stock of an Immaterial Subsidiary or Special Purpose Subsidiary or Capital Stock of a Minority Investment. The Collateral Agent shall have the right, at any time after the occurrence and during the continuation of an Event of Default and upon three Business Days' prior written notice to any Pledgor (except as otherwise expressly provided herein), to transfer to or to register in the name of the Collateral Agent or any of its nominees any or all of the Pledged Shares. After the occurrence and during the continuance of an Event of Default,

each Pledgor will promptly give to the Collateral Agent copies of any notices or other communications received by it with respect to Pledged Shares registered in the name of such Pledgor. After the occurrence and during the continuance of an Event of Default, the Collateral Agent shall have the right to exchange the certificates representing Pledged Shares for certificates of smaller or larger denominations for any purpose consistent with this Agreement. Each delivery of Collateral (including any After-acquired Shares and After-acquired Debt) shall be accompanied by a schedule describing the securities and Indebtedness then being pledged hereunder, which shall be attached hereto as part of Schedule 2 and made a part hereof; provided that the failure to attach any such schedule hereto shall not affect the validity of such pledge of such securities and Indebtedness. Each schedule so delivered shall supplement any prior schedules so delivered.

5. Representations and Warranties. Each Pledgor represents and warrants to the Collateral Agent and each other First Lien Secured Party that:

(a) Schedule 2 hereto (i) correctly represents as of the Closing Date (A) the issuer, the issuer's jurisdiction of formation, the certificate number, if any, the Pledgor and the record owner, the number and class and the percentage of the issued and outstanding Capital Stock of such class of all Pledged Shares and (B) the issuer, the initial principal amount, the Pledgor and holder, date of issuance and maturity date (if applicable) of all Pledged Debt and (ii) together with the comparable schedule to each supplement hereto, includes, all Capital Stock, debt securities and promissory notes held by such Pledgor on the Closing Date and required to be pledged pursuant to Section 6.2(a) and 6.2(b) of the First Lien Credit Agreement or required to be pledged pursuant to Section 9.11(a) of the First Lien Credit Agreement, pursuant to any equivalent provision of any Additional First Lien Agreement and pursuant to Section 9(b) hereof, except in each case to the extent constituting (x) debt securities and promissory notes not required to be delivered hereunder pursuant to Section 4, (y) Excluded Capital Stock or (z) Excluded Property. Except as set forth on Schedule 2, the Pledged Shares represent all of the issued and outstanding Capital Stock of each class of Capital Stock (or 65% of all of the issued and outstanding voting Capital Stock and 100% of all issued and outstanding non-voting Capital Stock in the case of pledges of Capital Stock in Foreign Subsidiaries or FSHCOs) in the issuer on the Closing Date.

(b) Such Pledgor is the legal and beneficial owner of the Collateral pledged or assigned by such Pledgor hereunder free and clear of any Lien, except for (1) the Liens created by this Agreement and by any Additional First Lien Agreement, (2) any nonconsensual Liens permitted under each of the First Lien Credit Agreement and any Additional First Lien Agreement and (3) any consensual Liens permitted by Section 10.2 of the First Lien Credit Agreement to secure such Collateral (the Liens described in clauses (1), (2) and (3), collectively the "Permitted Pledged Collateral Liens").

(c) As of the Closing Date, the Pledged Shares pledged by such Pledgor hereunder have been duly authorized and validly issued and, in the case of Pledged Shares issued by a corporation, are fully paid and non-assessable.

(d) Except for restrictions and limitations imposed by (x) the Permitted Pledged Collateral Liens and the underlying documents thereof or securities laws generally, (y) Applicable Law or (z) agreements relating to Dispositions of Collateral permitted by the First Lien Credit Agreement, the Collateral is freely transferable and assignable, and none of the Collateral is subject to any option, right of first refusal, shareholders agreement, charter or bylaw provisions or contractual restriction of any nature that might prohibit, impair, delay or otherwise affect the pledge of such Collateral hereunder, the sale or Disposition thereof pursuant hereto or the exercise by the Collateral Agent of rights and remedies hereunder.

(e) No consent or approval of any Governmental Authority, any securities exchange or any other Person was or is necessary to the validity of the pledge effected hereby (other than such as have been obtained and are in full force and effect).

(f) The execution and delivery by such Pledgor of this Agreement and the pledge of the Collateral pledged by such Pledgor hereunder pursuant hereto create a legal, valid and enforceable security interest in such Collateral (in the case of the Capital Stock of Foreign Subsidiaries, to the extent the creation of such security interest in the Capital Stock of Foreign Subsidiaries is governed by the NY UCC) and (i) in the case of Certificated Securities, Tangible Chattel Paper or Instruments representing or evidencing the Collateral, upon the earlier of (x) delivery of such Collateral to the Collateral Agent in accordance with this Agreement and (y) the filing of the applicable Uniform Commercial Code financing statements described in Section 3.3(a) of the First Lien Security Agreement and (ii) in the case of all other Collateral in which a security interest may be perfected by filing a financing statement under the Uniform Commercial Code of any jurisdiction, upon the filing of the applicable Uniform Commercial Code financing statements described in Section 3.3(a) of the First Lien Security Agreement, shall create a perfected security interest in such Collateral (in the case of the Capital Stock of Foreign Subsidiaries, to the extent the creation of such security interest in the Capital Stock of Foreign Subsidiaries is governed by the NY UCC), securing the payment of the First Lien Obligations, in favor of the Collateral Agent, for the benefit of the First Lien Secured Parties, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

(g) The pledge effected hereby is effective to vest in the Collateral Agent, for the benefit of the First Lien Secured Parties, the rights of the Collateral Agent in the Collateral as set forth herein.

(h) Such Pledgor has full power, authority and legal right to pledge all the Collateral pledged by such Pledgor pursuant to this Agreement and this Agreement constitutes a legal, valid and binding obligation of such Pledgor (in the case of the Capital Stock of Foreign Subsidiaries, to the extent the creation of such security interest in the Capital Stock of Foreign Subsidiaries is governed by the NY UCC), enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

(i) The Pledged Debt constitutes all of the outstanding Indebtedness for borrowed money (except Indebtedness of Holdings, the Borrower and each Restricted Subsidiary that is owing to any Pledgor) which, in each case, is owed by any Person to such Pledgor and with an aggregate principal amount in excess of $10,000,000 as of the Closing Date and required to be pledged hereunder or pursuant to Section 6.2(b) or 9.11 of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement.

6. Certification of Limited Liability Company Interests, Limited Partnership Interests, Corporate Interests and Pledged Debt.

(a) Unless otherwise consented to by the Collateral Agent, Capital Stock required to be pledged hereunder in any Domestic Subsidiary that is organized as a limited liability company or limited partnership and pledged hereunder shall either (i) be represented by a certificate, and in the Organizational Documents of such Domestic Subsidiary the applicable Pledgor shall cause the issuer of such interests to elect to treat such interests as a "security" within the meaning of Article 8 of the Uniform Commercial Code of its jurisdiction of organization or formation, as applicable, by including in its

Organizational Documents language substantially similar to the following and, accordingly, such interests shall be governed by Article 8 of the Uniform Commercial Code:

> "The [partnership/limited liability company] hereby irrevocably elects that all [partnership/membership] interests in the [partnership/limited liability company] shall be securities governed by Article 8 of the Uniform Commercial Code of [jurisdiction of organization or formation, as applicable]. Each certificate evidencing [partnership/membership] interests in the [partnership/limited liability company] shall bear the following legend: "This certificate evidences an interest in [name of [partnership/limited liability company]] and shall be a security for purposes of Article 8 of the Uniform Commercial Code." No change to this provision shall be effective until all outstanding certificates have been surrendered for cancellation and any new certificates thereafter issued shall not bear the foregoing legend."

or (ii) not have elected to be treated as a "security" within the meaning of Article 8 of the Uniform Commercial Code by the issuer of such Capital Stock and shall not be represented by a certificate; provided that such Pledgor shall at no time elect to treat any such interest as a "security" within the meaning of Article 8 of the Uniform Commercial Code, nor shall such interest be represented by a certificate, unless such Pledgor provides prompt (and in any event within five (5) Business Days, subject to extension in the sole discretion of the Collateral Agent) written notification to the Collateral Agent of such election and such interest is thereafter represented by a certificate that is promptly delivered to the Collateral Agent pursuant to the terms hereof.

(b) Subject to the limitations set forth herein, in Section 9.11(a) of the First Lien Credit Agreement, in Section 3.3(b) of the First Lien Security Agreement or in any equivalent provision of any Additional First Lien Agreement, each Pledgor will cause each separate obligation of Indebtedness for borrowed money not already evidenced by an Intercompany Note, having an aggregate principal amount in excess of $10,000,000 owed to any Pledgor and required to be pledged pursuant to the First Lien Credit Agreement or any Additional First Lien Agreement to be evidenced by a duly executed promissory note that is pledged and delivered to the Collateral Agent pursuant to the terms hereof.

7. Further Assurances. Subject to the limitations set forth in this Agreement, the other Security Documents (including Section 3.3(b) of the First Lien Security Agreement) and in any Additional First Lien Agreement, each Pledgor agrees that at any time and from time to time, at the expense of such Pledgor, it will execute or otherwise authorize the filing of 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), which may be required under any Applicable Law, or which the Collateral Agent or the Required Lenders (or if there are any Additional First Lien Obligations outstanding, subject to the terms of any intercreditor agreement among the holders of First Lien Obligations, the requisite holders or lenders of such Additional First Lien Obligations) may reasonably request, in order (x) to perfect and protect any pledge, assignment or security interest granted or intended to be granted hereby (including the priority thereof) or (y) to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral.

8. Voting Rights; Dividends and Distributions; Etc.

(a) So long as no Event of Default shall have occurred and be continuing and three Business Days' prior written notice has not been received by the Borrower from the Collateral Agent:

(i) Each Pledgor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Collateral or any part thereof for any purpose not prohibited by the terms of this Agreement, the other Secured Debt Documents or any Additional First Lien Agreement.

(ii) The Collateral Agent shall execute and deliver (or cause to be executed and delivered) to each Pledgor all such proxies and other instruments as such Pledgor may reasonably request for the purpose of enabling such Pledgor to exercise the voting and other rights that it is entitled to exercise pursuant to paragraph (i) above.

(b) Subject to paragraph (c) below, each Pledgor shall be entitled to receive and retain and use, free and clear of the Lien of this Agreement, any and all dividends, distributions, redemptions, principal and interest made or paid in respect of the Collateral to the extent not prohibited by any Secured Debt Document or any Additional First Lien Agreement; provided, however, that any and all noncash dividends, interest, principal or other distributions that would constitute Pledged Shares or Pledged Debt, whether resulting from a subdivision, combination or reclassification of the outstanding Capital Stock of the issuer of any Pledged Shares or received in exchange for Pledged Shares or Pledged Debt or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be, and shall be forthwith delivered to the Collateral Agent to hold as, Collateral and shall, if received by such Pledgor, be received in trust for the benefit of the Collateral Agent, be segregated from the other property or funds of such Pledgor and be forthwith delivered to the Collateral Agent as Collateral in the same form as so received (with any necessary indorsement).

(c) Upon three Business Days' prior written notice to the Pledgors by the Collateral Agent following the occurrence and during the continuation of an Event of Default:

(i) all rights of such Pledgor to exercise or refrain from exercising the voting and other consensual rights that it would otherwise be entitled to exercise pursuant to Section 8(a)(i) shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall thereupon have the sole right to exercise or refrain from exercising such voting and other consensual rights during the continuation of such Event of Default; provided that, unless otherwise directed by the Required Lenders (or if there are any Additional First Lien Obligations outstanding, subject to the terms of any intercreditor agreement among the holders of First Lien Obligations, the requisite holders or lenders of such Additional First Lien Obligations), the Collateral Agent shall have the right from time to time following the occurrence and during the continuation of an Event of Default to permit the Pledgors to exercise such rights. After all Events of Default have been cured or waived or otherwise cease to be continuing and the Borrower has delivered to the Collateral Agent a certificate to that effect, each Pledgor will have the right to exercise the voting and consensual rights that such Pledgor would otherwise be entitled to exercise pursuant to the terms of Section 8(a)(i) (and the obligations of the Collateral Agent under Section 8(a)(ii) shall be reinstated);

(ii) all rights of such Pledgor to receive the dividends, distributions and principal and interest payments that such Pledgor would otherwise be authorized to receive and retain pursuant to Section 8(b) shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall thereupon have the sole right to receive and hold as Collateral such dividends,

distributions and principal and interest payments during the continuation of such Event of Default. After all Events of Default have been cured or waived or otherwise cease to be continuing and the Borrower has delivered to the Collateral Agent a certificate to that effect, the Collateral Agent shall repay to each Pledgor (without interest) and each Pledgor shall be entitled to receive, retain and use all dividends, distributions and principal and interest payments that such Pledgor would otherwise be permitted to receive, retain and use pursuant to the terms of Section 8(b);

(iii) all dividends, distributions and principal and interest payments that are received by such Pledgor contrary to the provisions of Section 8(b) shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of such Pledgor and shall forthwith be delivered to the Collateral Agent as Collateral in the same form as so received (with any necessary indorsements); and

(iv) in order to permit the Collateral Agent to receive all dividends, distributions and principal and interest payments to which it may be entitled under Section 8(b) above, to exercise the voting and other consensual rights that it may be entitled to exercise pursuant to Section 8(c)(i), and to receive all dividends, distributions and principal and interest payments that it may be entitled to under Sections 8(c)(ii) and (c)(iii), such Pledgor shall from time to time execute and deliver to the Collateral Agent, appropriate proxies, dividend payment orders and other instruments as the Collateral Agent may reasonably request.

(d) Any notice given by the Collateral Agent to the Pledgors suspending their rights under paragraph (c) of this Section 8, (i) may be given to one or more of the Pledgors at the same or different times and (ii) may suspend the rights of the Pledgors under paragraph (a)(i) or paragraph (b) of this Section 8 in part without suspending all such rights (as specified by the Collateral Agent in its sole and absolute discretion) and without waiving or otherwise affecting the Collateral Agent's rights to give additional notices from time to time suspending other rights so long as an Event of Default has occurred and is continuing.

9. Transfers and Other Liens; Additional Collateral; Etc. Each Pledgor shall:

(a) not, except as permitted by each of the First Lien Credit Agreement and each Additional First Lien Agreement (including pursuant to waivers and consents thereunder), (i) sell or otherwise Dispose of, or grant any option or warrant with respect to, any of the Collateral or (ii) create or suffer to exist any consensual Lien upon or with respect to any of the Collateral; provided that, in the event such Pledgor sells or otherwise Disposes of assets as permitted by each of the First Lien Credit Agreement and each Additional First Lien Agreement (including pursuant to waivers and consents thereunder) to a Person that is not a Pledgor and such assets are or include any of the Collateral, such Collateral shall automatically be released to such Pledgor free and clear of the Lien created by this Agreement concurrently with the consummation of such Disposition in accordance with Section 13.17 of the First Lien Credit Agreement, any equivalent provision of any Additional First Lien Agreement and with Section 14 hereof;

(b) pledge and, if applicable, cause each Subsidiary required to become a party hereto to pledge, to the Collateral Agent for the benefit of the First Lien Secured Parties, promptly upon acquisition thereof, all After-acquired Shares and After-acquired Debt required to be pledged pursuant to Section 9.11(a) of the First Lien Credit Agreement and any equivalent provision of any Additional First Lien Agreement, except in each case to the extent such After-acquired Shares and After-acquired Debt constitute Excluded Capital Stock or Excluded Property and in each case pursuant to a supplement to this Agreement substantially in the form of Annex A hereto or such other form reasonably satisfactory to the

Collateral Agent (it being understood that the execution and delivery of such a supplement shall not require the consent of any Pledgor hereunder and that the rights and obligations of each Pledgor hereunder shall remain in full force and effect notwithstanding the addition of any new Subsidiary Pledgor as a party to this Agreement); and

(c) take any actions required under Applicable Law or which the Collateral Agent or Required Lenders may reasonably request to defend its and the Collateral Agent's title or interest in and to all the Collateral (and in the Proceeds thereof) against any and all Liens (other than any Permitted Pledged Collateral Liens), however arising, and any and all Persons whomsoever and, subject to Section 13.17 of the First Lien Credit Agreement, any equivalent provision of any Additional First Lien Agreement and Section 14 hereof, to maintain and preserve the Lien and security interest created by this Agreement until the Termination Date.

10. Collateral Agent Appointed Attorney-in-Fact. Each Pledgor hereby appoints, which appointment is irrevocable and coupled with an interest, the Collateral Agent as such Pledgor's attorney-in-fact, with full authority in the place and stead of such Pledgor and in the name of such Pledgor or otherwise, to take any action and to execute any instrument, in each case after the occurrence and during the continuation of an Event of Default, that the Collateral Agent may deem reasonably necessary or advisable to accomplish the purposes of this Agreement, including to receive, indorse and collect all instruments made payable to such Pledgor representing any dividend, distribution or principal or interest payment in respect of the Collateral or any part thereof and to give full discharge for the same.

11. The Collateral Agent's Duties. The powers conferred on the Collateral Agent hereunder are solely to protect its interest and the interests of the First Lien Secured Parties in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Collateral Agent shall have no duty as to any Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Pledged Shares, whether or not the Collateral Agent or any other First Lien Secured Party has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property.

12. Remedies. If any Event of Default shall have occurred and be continuing:

(a) The Collateral Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party upon default under the NY UCC (whether or not the NY UCC applies to the affected Collateral) and also may without notice, except as otherwise specified in this Agreement, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange broker's board or at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, at such price or prices and upon such other terms as are commercially reasonable irrespective of the impact of any such sales on the market price of the Collateral. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers of Collateral to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and, upon consummation of any such sale, the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Pledgor, and each Pledgor hereby waives (to the extent permitted by Applicable Law) all rights of redemption, stay and/or appraisal that it now has or may at any

time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent or any First Lien Secured Party shall have the right upon any such public sale, and, to the extent permitted by Applicable Law, upon any such private sale, to purchase all or any part of the Collateral so sold and the Collateral Agent or such other First Lien Secured Party may, subject to (x) the satisfaction in full of all payments due pursuant to Section 12(b)(i) hereof and (y) the satisfaction of the First Lien Obligations in accordance with the priorities set forth in Section 12(b), pay the purchase price by crediting the amount thereof against the First Lien Obligations. Each Pledgor agrees that, to the extent notice of sale shall be required by Applicable Law, at least ten days' notice to such Pledgor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. To the extent permitted by Applicable Law, each Pledgor hereby waives any claim against the Collateral Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 12 shall be deemed to conform to the commercially reasonable standards as provided in Section 9-610(b) of the New York UCC or its equivalent in other jurisdictions.

(b) Except as expressly provided elsewhere in this Agreement or any other Credit Document, all proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral shall be applied after receipt as follows:

(i) FIRST, to the payment of all reasonable and documented out-of-pocket costs and expenses incurred by the Collateral Agent in connection with such collection or sale or otherwise in connection with this Agreement, the other Credit Documents, any Additional First Lien Agreement or any of the First Lien Obligations, including all court costs and the reasonable and documented fees and out-of-pocket expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent hereunder, under any other Credit Document or under any Additional First Lien Agreement on behalf of any Pledgor and any other reasonable and documented out-of-pocket costs or expenses incurred in connection with the exercise of any right or remedy hereunder, under any other Credit Document or under any Additional First Lien Agreement;

(ii) SECOND, to the First Lien Secured Parties, an amount equal to all First Lien Obligations owing to them on the date of any such distribution, and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such First Lien Secured Parties in proportion to the unpaid amounts thereof;

(iii) THIRD, any balance of such proceeds shall be applied as set forth in Section 4.01 of the First Lien/Second Lien Intercreditor Agreement; and

(iv) FOURTH, any surplus then remaining shall be paid to the Pledgors 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.

Notwithstanding the foregoing, (i) no amounts received from any Pledgor shall be applied to any Excluded Swap Obligation of such Pledgor and (ii) after the payments pursuant to clause FIRST above, if an intercreditor agreement (including an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) has been entered into among the holders of First Lien Obligations which provides for the application of proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral, then such proceeds shall be applied pursuant to the terms of such intercreditor agreement (including an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) and in making the determination and allocations required in any intercreditor agreement the Collateral Agent may conclusively rely upon information supplied by the applicable Authorized Representatives as to the amounts of unpaid principal and interest and other amounts outstanding with respect to such First Lien Obligations and the Collateral Agent shall have no liability to any of the First Lien Secured Parties for actions taken in reliance on such information.

The Collateral Agent shall have absolute discretion as to the time of the application of any such proceeds in accordance with this Section 12. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

(c) The Collateral Agent may exercise any and all rights and remedies of each Pledgor in respect of the Collateral.

(d) All payments received by any Pledgor after the occurrence and during the continuation of an Event of Default and after prior written notice from the Collateral Agent to the Borrower (it being understood that the exercise of remedies by the First Lien Secured Parties in connection with an Event of Default under Section 11.5 of the First Lien Credit Agreement or any equivalent provision of any Additional First Lien Agreement shall be deemed to constitute a request by the Collateral Agent for the purposes of this sentence and in such circumstances, no such written notice shall be required) in respect of the Collateral shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of such Pledgor and shall be forthwith delivered to the Collateral Agent as Collateral in the same form as so received (with any necessary indorsement).

(e) If the Collateral Agent shall determine to exercise its right to sell all or any of the Pledged Shares pursuant to this Section 12, each Pledgor recognizes that the Collateral Agent may be unable to effect a public sale of any or all of the Pledged Shares, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Pledgor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Collateral Agent shall be under no obligation to delay a sale of any of the Pledged Shares for the period of time necessary to permit the issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such issuer would agree to do so.

(f) If the Collateral Agent determines to exercise its right to sell any or all of the Collateral, upon written request, each Pledgor shall, from time to time, furnish to the Collateral Agent all such information as the Collateral Agent may reasonably request in order to determine the number of shares and other instruments included in the Collateral which may be sold by the Collateral Agent as exempt transactions under the Securities Act and rules of the SEC, as the same are from time to time in effect.

13. Amendments, etc. with Respect to the First Lien Obligations; Waiver of Rights. Except for the termination of a Pledgor's First Lien Obligations hereunder as provided in Section 14, each Pledgor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Pledgor and without notice to or further assent by any Pledgor, (a) any demand for payment of any of the First Lien Obligations made by the Collateral Agent or any other First Lien Secured Party may be rescinded by such party and any of the First Lien Obligations continued, (b) the First Lien Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Collateral Agent or any other First Lien Secured Party, (c) the Secured Debt Documents, any Additional First Lien Agreement and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, in accordance with the terms of the applicable Secured Debt Document or Additional First Lien Agreement and (d) any collateral security, guarantee or right of offset at any time held by the Collateral Agent or any other First Lien Secured Party for the payment of the First Lien Obligations may be sold, exchanged, waived, surrendered or released. Neither the Collateral Agent nor any other First Lien Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the First Lien Obligations or for this Agreement or any property subject thereto. When making any demand hereunder against any Pledgor, the Collateral Agent or any other First Lien Secured Party may, but shall be under no obligation to, make a similar demand on the Borrower (to the extent such demand is in respect of any First Lien Obligations owing by the Borrower) or any other Pledgor or pledgor, and any failure by the Collateral Agent or any other First Lien Secured Party to make any such demand or to collect any payments from the Borrower or any other Pledgor or pledgor or any release of the Borrower or any other Pledgor or pledgor shall not relieve any Pledgor in respect of which a demand or collection is not made or any Pledgor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Collateral Agent or any other First Lien Secured Party against any Pledgor. For the purposes hereof "demand" shall include the commencement and continuation of any legal proceedings. In the event of any conflict between the terms of this Section 13 and the First Lien Credit Agreement, the First Lien Credit Agreement shall prevail.

14. Continuing Security Interest; Assignments Under the Secured Debt Documents or any Additional First Lien Agreement; Release.

(a) This Agreement and the security interest granted hereunder shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Pledgor and the successors and assigns thereof and shall inure to the benefit of the Collateral Agent and the other First Lien Secured Parties and their respective successors, indorsees, transferees and assigns until the Termination Date, notwithstanding that from time to time prior to the Termination Date, the Pledgors may be free from any Obligations.

(b) (i) A Subsidiary Pledgor shall automatically be released from its obligations hereunder and the Liens and the Security Interests in the Collateral of such Subsidiary Pledgor created hereby shall be automatically released (x) as it relates to the Obligations, upon the consummation of any transaction permitted by the First Lien Credit Agreement, as a result of which such Subsidiary Pledgor

ceases to be a Restricted Subsidiary of the Borrower or otherwise becomes an Excluded Subsidiary and (y) as it relates to any Additional First Lien Obligations under any Additional First Lien Agreement, upon the consummation of any transaction permitted by such Additional First Lien Agreement, as a result of which such Subsidiary Pledgor ceases to be a guarantor thereunder; and (ii) Holdings (or the Previous Holdings, as the case may be) shall automatically be released from its obligations hereunder and the Security Interests in the Collateral of Holdings (or the Previous Holdings, as the case may be) created hereby shall be automatically released upon a Holdings Termination Event and/or in accordance with the formation or acquisition of a New Holdings, in each case, that satisfies the conditions set forth in (x) as it relates to the Obligations, the First Lien Credit Agreement and (y) as it relates to any Additional First Lien Obligations under any Additional First Lien Agreement, such Additional First Lien Agreement.

(c) The Security Interests created hereby in any Collateral shall be automatically released and such Collateral sold free and clear of the Liens and the Security Interests created hereby (i) as required by the Collateral Agent to effect any sale, transfer or other Disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to this Agreement, (ii) upon any sale, transfer or other Disposition by any Pledgor of any Collateral that is permitted under the First Lien Credit Agreement and each Additional First Lien Agreement (other than to another Pledgor), (iii) upon the effectiveness of any release (including any written consent to such release) of the Liens and the Security Interests created hereby in any Collateral in accordance with Section 13.17 of the First Lien Credit Agreement and any applicable provision in each Additional First Lien Agreement, (iv) upon such Collateral becoming Excluded Capital Stock or Excluded Property, (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 First Lien Guarantee (in accordance with Section 13.17 of the First Lien Credit Agreement and the First Lien Guarantee) or (vi) as otherwise provided in any applicable intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) among holders of First Lien Obligations.

(d) In connection with any termination or release pursuant to paragraph (a), (b) or (c), the Collateral Agent shall execute and deliver to any Pledgor or authorize the filing of, at such Pledgor's expense, all documents that such Pledgor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 14 shall be without recourse to or warranty by the Collateral Agent.

15. Reinstatement. This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the First Lien Obligations is rescinded or must otherwise be restored or returned by the Collateral Agent or any other First Lien Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Pledgor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any other Pledgor or any substantial part of its property, or otherwise, all as though such payments had not been made.

16. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 13.2 of the First Lien Credit Agreement (whether or not then in effect). All communications and notices hereunder to any Subsidiary Pledgor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the First Lien Credit Agreement (whether or not then in effect). All notices to any holder of Additional First Lien Obligations shall be given to it in care of the applicable Authorized Representative at such Authorized Representative's address set forth in the applicable Additional First Lien Secured Party Consent or Additional First Lien Agreement, as the case may be, as such address may be changed by written notice to the Collateral Agent and the Borrower.

17. 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 (i.e., a "PDF" or "TIF" file)), 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 Collateral Agent and the Borrower.

18. 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. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

19. Integration. This Agreement together with the other Credit Documents and each Additional First Lien Agreement represents the agreement of each of the Pledgors with respect to the subject matter hereof and there are no promises, undertakings, representations or warranties by the Collateral Agent or any other First Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Secured Debt Documents or any Additional First Lien Agreement (and each other agreement or instrument executed or issued in connection therewith).

20. Amendments in Writing; No Waiver; Cumulative Remedies.

(a) None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Pledgor(s) and the Collateral Agent in accordance with Section 13.1 of the First Lien Credit Agreement. The Collateral Agent may, without the consent of any Lender, enter into any amendments to this Agreement (including modifications of the terms "Additional First Lien Agreement" and "Additional First Lien Obligations" and any provisions of this Agreement referencing such terms) to reflect the issuance or Incurrence of any Indebtedness secured by a Lien permitted by Section 10.2(a) of the First Lien Credit Agreement that is not secured by Liens granted under this Agreement.

(b) Neither the Collateral Agent nor any other First Lien Secured Party shall by any act (except by a written instrument pursuant to Section 20(a) hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof or of any other applicable Secured Debt Document or of any Additional First Lien Agreement. No failure to exercise, nor any delay in exercising, on the part of the Collateral Agent or any other First Lien Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Agent or any other First Lien Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Collateral Agent or such other First Lien Secured Party would otherwise have on any other occasion.

(c) The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

21. Collateral Agent as Agent. Section 6.3 and Section 6.4 of the First Lien Security Agreement are incorporated herein, *mutatis mutandis*.

22. Section Headings. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

23. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, designees and sub-agent permitted hereby, except that no Pledgor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Agent, except pursuant to a transaction permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreements.

24. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

25. Submission to Jurisdiction; Waivers. Each Pledgor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement, the other Credit Documents to which it is a party and any Additional First Lien Agreement to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the County of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 Pledgor at its address referred to in Section 16 or at such other address of which the Collateral Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right of the Collateral Agent or any other First Lien Secured Party to effect service of process in any other manner permitted by law or shall limit the right of the Collateral Agent or any other First Lien Secured Party to sue 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 25 any special, exemplary, punitive or consequential damages.

26. 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.

27. Intercreditor Agreement. Notwithstanding any other provision contained herein, this Agreement, the liens and security interests created hereby and the exercise of any rights, remedies,

duties and obligations provided for herein are subject in all respects to the provisions of any intercreditor agreement and, to the extent provided therein, the First Lien Security Documents (as such term or similar term is defined in any applicable intercreditor agreement). In the event of any conflict or inconsistency between the provisions of this Agreement and any intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) among the holders of First Lien Obligations that relates solely to the rights or obligations of, or relationship between, the First Lien Secured Parties under the First Lien Credit Agreement and the First Lien Secured Parties under any Additional First Lien Agreement, the provisions of such intercreditor agreement shall control.

28. Additional First Lien Obligations. Notwithstanding any provision to the contrary in this Agreement, the Collateral Agent shall be under no obligation to serve as agent on behalf of the holders of any Additional First Lien Obligations (or their representatives) or under any Additional First Lien Agreement and may decide, in its sole discretion, not to serve in such role, it being understood that, in such circumstance, no provisions of this Agreement will benefit or apply to the holders of Additional First Lien Obligations (or their representatives). It being further understood that the Collateral Agent shall serve in such role only if it has countersigned an Additional First Lien Secured Party Consent and in such case solely with respect to the New Secured Obligation under and as defined in such Additional First Lien Secured Party Consent. For the avoidance of doubt, any refusal by the Collateral Agent to serve as collateral agent on behalf of the holders of any Additional First Lien Obligations (or their representatives) shall not limit the Borrower's ability to incur such obligations and secure them by Liens on the Collateral that rank equal in priority to the Liens on the Collateral securing the Obligations and any other First Lien Obligations if then in effect to the extent permitted to do so under each of the First Lien Credit Agreement and any Additional First Lien Agreement and in such case the Collateral Agent is authorized to execute an Equal Priority Intercreditor Agreement or any other Customary Intercreditor Agreement (or any joinders thereto) and any related documentation to evidence and/or acknowledge the Liens securing any such Additional First Lien Obligations and the relationship between the Collateral Agent and the collateral agent appointed in respect of such Additional First Lien Obligations.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

GLOBE INTERMEDIATE CORP., as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP HOLDINGS, INC., as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP MIDCO, INC., as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GROCERY OUTLET INC., as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

AMELIA'S, LLC, as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

[Signature Page to First Lien Pledge Agreement]

SCHEDULE 1
TO THE FIRST LIEN PLEDGE AGREEMENT

SUBSIDIARY PLEDGORS

1. GOBP Midco, Inc., a Delaware corporation
2. Grocery Outlet Inc., a California corporation
3. Amelia's, LLC, a Delaware limited liability company

PLEDGED SHARES AND PLEDGED DEBT

Pledged Shares

Pledgor	Issuing Entity	Class of Equity Interests	Certificate Nos. of Issued Shares /Units	Number of Shares/Units Issued & Percentage of Class
Globe Intermediate Corp.	GOBP Holdings, Inc.	(i) Common Stock (ii) Series A Preferred	N/A	N/A
GOBP Holdings, Inc.	GOBP Midco, Inc.	Common Stock	CS-1	1,000
GOBP Midco, Inc.	Grocery Outlet Inc.	Series A Voting Common Stock	No. 21	1,000
Grocery Outlet Inc.	Amelia's, LLC	Membership Units	No. 2	100

Pledged Debt

The Intercompany Note (as defined in the First Lien Credit Agreement), dated as of the Closing Date and executed by Holdings, the Borrower and each other Restricted Subsidiary of the Borrower.

Exhibit 10.4

Execution Version

FIRST LIEN COPYRIGHT SECURITY AGREEMENT

This FIRST LIEN INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "First Lien IP Security Agreement"), dated as of October 22, 2018, between the Person listed on the signature pages hereof (the "Grantor"), and MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent for the First Lien Secured Parties (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Collateral Agent").

A. Capitalized terms used herein and not otherwise defined herein (including terms used in the preamble and the recitals) shall have the meanings assigned to such terms in the First Lien Security Agreement, dated as of October 22, 2018 (as the same may be amended, supplemented, amended and restated or otherwise modified from time to time, the "First Lien Security Agreement") among GLOBE INTERMEDIATE CORP., a Delaware corporation, GOBP HOLDINGS, INC., a Delaware corporation (the "Borrower"), each of the subsidiaries of the Borrower listed on Annex A thereto or that becomes a party thereto pursuant to Section 7.13 thereof and the Collateral Agent.

B. The rules of construction and other interpretive provisions specified in First Lien Sections 1.2, 1.5, 1.6, 1.7, 1.8 and 1.11 of the First Lien Credit Agreement shall apply to this First Lien Copyright Security Agreement, including terms defined in the preamble and recitals hereto.

C. Pursuant to Section 4.4(e) of the First Lien Security Agreement, the Grantor has agreed to execute or otherwise authenticate and deliver this First Lien Copyright Security Agreement for recording the Security Interest granted under the First Lien Security Agreement to the Collateral Agent in such Grantor's U.S. Recordable Intellectual Property with the United States Copyright Office ("USCO").

Accordingly, the Collateral Agent and the Grantor agree as follows:

SECTION 1. Grant of Security The Grantor hereby grants to the Collateral Agent for the benefit of the First Lien Secured Parties a security interest (subject only to Liens permitted under each of the Credit Agreement and any Additional First Lien Agreement) in all of such Grantor's right, title and interest in and to the following (collectively, the "Collateral"):

(i) United States copyright registrations and exclusive licenses thereof set forth in Schedule A hereto (the "Copyrights");

(ii) all reissues, divisionals, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing;

(iii) all rights to sue at law or in equity for any past, present, or future infringement, misappropriation, dilution, violation, misuse or other impairment of or unfair competition with any of the foregoing, and to receive and collect injunctive or other equitable relief and damages and compensation; and

(iv) all rights to receive and collect Proceeds from any of the foregoing.

SECTION 2. Recordation. The Grantor authorizes and requests that the Register of Copyrights, and any other applicable governmental officer located in the United States to record this First Lien Copyright Security Agreement.

SECTION 3. Grants, Rights and Remedies. This First Lien Copyright Security Agreement has been entered into in conjunction with the provisions of the First Lien Security Agreement.

The Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Collateral Agent with respect to the Collateral are more fully set forth in the First Lien Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this First Lien Copyright Security Agreement and the terms of the First Lien Security Agreement, the terms of the First Lien Security Agreement shall govern.

SECTION 4. Counterparts. This First Lien Copyright Security Agreement may be executed by one or more of the parties to this First Lien IP Security Agreement on any number of separate counterparts (including by facsimile or other electronic transmission (i.e. a "pdf" or "tif")), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

SECTION 5. GOVERNING LAW. THIS FIRST LIEN IP SECURITY 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.

SECTION 6. Severability. Any provision of this First Lien IP Security 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 in the Security Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 7.2 of the First Lien Security Agreement. All communications and notices hereunder to the Grantor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the First Lien Credit Agreement (whether or not then in effect).

IN WITNESS WHEREOF, the Grantor and the Collateral Agent have duly executed this First Lien Copyright Security Agreement as of the day and year first above written.

GROCERY OUTLET INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

SCHEDULE A TO THE
FIRST LIEN COPYRIGHT PROPERTY
SECURITY AGREEMENT

UNITED STATES COPYRIGHTS AND COPYRIGHT APPLICATIONS

Copyright (Work)	Reg. No.	Owner
Ben Saven (Frugal Friends)	VA0001816784	Grocery Outlet Inc.
Doug (Frugal Friends)	VA0001816783	Grocery Outlet Inc.
Lois Prices (Frugal Friends)	VA0001816782	Grocery Outlet Inc.
Tammy Underspend (Frugal Friends)	VA0001816786	Grocery Outlet Inc.
WOW! Bottlenecker.	VA0001795425	Grocery Outlet Inc.

Exhibit 10.5

EXECUTION VERSION

FIRST LIEN TRADEMARK SECURITY AGREEMENT

This FIRST LIEN INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "First Lien IP Security Agreement"), dated as of October 22, 2018, between the Person listed on the signature pages hereof (the "Grantor"), and MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent for the First Lien Secured Parties (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Collateral Agent").

A. Capitalized terms used herein and not otherwise defined herein (including terms used in the preamble and the recitals) shall have the meanings assigned to such terms in the First Lien Security Agreement, dated as of October 22, 2018 (as the same may be amended, supplemented, amended and restated or otherwise modified from time to time, the "First Lien Security Agreement") among GLOBE INTERMEDIATE CORP., a Delaware corporation, GOBP HOLDINGS, INC., a Delaware corporation (the "Borrower"), each of the subsidiaries of the Borrower listed on Annex A thereto or that becomes a party thereto pursuant to Section 7.13 thereof and the Collateral Agent.

B. The rules of construction and other interpretive provisions specified in First Lien Sections 1.2, 1.5, 1.6, 1.7, 1.8 and 1.11 of the First Lien Credit Agreement shall apply to this First Lien Trademark Security Agreement, including terms defined in the preamble and recitals hereto.

C. Pursuant to Section 4.4(e) of the First Lien Security Agreement, the Grantor has agreed to execute or otherwise authenticate and deliver this First Lien Trademark Security Agreement for recording the Security Interest granted under the First Lien Security Agreement to the Collateral Agent in such Grantor's U.S. Recordable Intellectual Property with the United States Patent and Trademark Office ("USPTO").

Accordingly, the Collateral Agent and the Grantor agree as follows:

SECTION 1. Grant of Security The Grantor hereby grants to the Collateral Agent for the benefit of the First Lien Secured Parties a security interest (subject only to Liens permitted under each of the Credit Agreement and any Additional First Lien Agreement) in all of such Grantor's right, title and interest in and to the following (collectively, the "Collateral"):

(i) the United States trademark and service mark registrations and applications and exclusive licenses thereof set forth in Schedule A hereto (provided that no security interest shall be granted in any "intent-to-use" trademark application filed with the USPTO prior to the filing and acceptance of a "Statement of Use" or "Amendment to Allege Use" with respect thereto), including all goodwill associated therewith or symbolized thereby (the "Trademarks");

(ii) all reissues, divisionals, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing;

(iii) all rights to sue at law or in equity for any past, present, or future infringement, misappropriation, dilution, violation, misuse or other impairment of or unfair competition with any of the foregoing, and to receive and collect injunctive or other equitable relief and damages and compensation; and

(iv) all rights to receive and collect Proceeds from any of the foregoing.

SECTION 2. Recordation. The Grantor authorizes and requests that the Commissioner for Trademarks and any other applicable governmental officer located in the United States to record this First Lien Trademark Security Agreement.

SECTION 3. Grants, Rights and Remedies. This First Lien Trademark Security Agreement has been entered into in conjunction with the provisions of the First Lien Security Agreement. The Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Collateral Agent with respect to the Collateral are more fully set forth in the First Lien Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this First Lien Trademark Security Agreement and the terms of the First Lien Security Agreement, the terms of the First Lien Security Agreement shall govern.

SECTION 4. Counterparts. This First Lien Trademark Security Agreement may be executed by one or more of the parties to this First Lien IP Security Agreement on any number of separate counterparts (including by facsimile or other electronic transmission (i.e. a "pdf" or "tif")), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

SECTION 5. GOVERNING LAW. THIS FIRST LIEN IP SECURITY 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.

SECTION 6. Severability. Any provision of this First Lien IP Security 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 in the Security Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 7.2 of the First Lien Security Agreement. All communications and notices hereunder to the Grantor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the First Lien Credit Agreement (whether or not then in effect).

IN WITNESS WHEREOF, the Grantor and the Collateral Agent have duly executed this First Lien Trademark Security Agreement as of the day and year first above written.

GROCERY OUTLET, INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

SCHEDULE A TO THE
FIRST LIEN TRADEMARK PROPERTY
SECURITY AGREEMENT

UNITED STATES TRADEMARK REGISTRATIONS AND TRADEMARK APPLICATIONS

Trademark[1]	App. No.	Trademark No.	Owner
AMELIA'S	85509370	4190703	Grocery Outlet Inc.
AMELIA'S GROCERY OUTLET	85509375	4205087	Grocery Outlet Inc.
BARGAIN MINUTE	85808393	4518765	Grocery Outlet Inc.
BARGAINOMICS	87213160	5313378	Grocery Outlet, Inc.
BARGAINS ON BRANDS YOU TRUST!	78424125	2964247	Grocery Outlet Inc.
BEN SAVEN	85597891	4249974	Grocery Outlet Inc.
BIG BRANDS. LITTLE PRICES.	85505693	4190431	Grocery Outlet Inc.
CANNED FOODS GROCERY OUTLETS	77699947	3701241	Grocery Outlet Inc.
DOUG	85597895	4249975	Grocery Outlet Inc.
ECO-FRUGAL	77867458	4112260	Grocery Outlet Inc.
FRUGAL FRIENDS	85597910	4245918	Grocery Outlet Inc.
	86135411	4769584	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	86532165	4888093	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	77561753	3604714	Grocery Outlet Inc.
	86032740	4479224	Grocery Outlet Inc.
	87108931	N/A	Grocery Outlet Inc.
GROCERY OUTLET BARGAINS ONLY!	76314254	2715156	Grocery Outlet Inc.
	78143358	2775580	Grocery Outlet Inc.
HARVEST DAY	78832121	3782829	Grocery Outlet, Inc.
HARVEST DAY	87164529	5325344	Grocery Outlet, Inc.
INDEPENDENCE FROM HUNGER	85410590	4135086	Grocery Outlet Inc.
INDEPENDENCE FROM HUNGER	85410597	4135088	Grocery Outlet Inc.

1 Grantors have abandoned the following trademark registrations and make no representations, warranties, or covenants under the First Lien Security Agreement, First Lien Credit Agreement, Second Lien Security Agreement or the Second Lien Credit Agreement with respect to such trademark registrations: Registration No. 4190703 and Registration No. 4205087.

Trademark[1]	App. No.	Trademark No.	Owner
LADY LEE	78831598	3779585	Grocery Outlet, Inc.
LOIS PRICES	85597916	4249976	Grocery Outlet Inc.
NOSH	85128472	4247576	Grocery Outlet Inc.
NOSH	86780435	5067165	Grocery Outlet Inc.
	86795040	5093914	Grocery Outlet Inc.
	86795037	5093913	Grocery Outlet Inc.
OVERSHOP. UNDERSPEND.	77856328	3802978	Grocery Outlet Inc.
TAMMY UNDERSPEND	85597923	4249977	Grocery Outlet Inc.
WOW!	86573220	5306956	Grocery Outlet Inc.
	86578051	5218984	Grocery Outlet Inc.
	87206798	5372725	Grocery Outlet Inc.

Exhibit 10.6

Execution Version

FIRST LIEN GUARANTEE

FIRST LIEN GUARANTEE, dated as of October 22, 2018 (this "Guarantee"), made among GLOBE INTERMEDIATE CORP., a Delaware corporation ("Holdings"; as further defined in the Credit Agreement), GOBP HOLDINGS, INC., a Delaware corporation (the "Borrower" as further defined in the Credit Agreement), each of the subsidiaries of the Borrower listed on Annex A hereto or that becomes a party hereto pursuant to Section 21 hereof (each such subsidiary, individually, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"; and together with Holdings and, other than with respect to its own obligations, the Borrower, collectively, the "Guarantors"), and MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent for the First Lien Secured Parties (as defined below) (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "First Lien Collateral Agent").

W I T N E S S E T H:

WHEREAS, (a) pursuant to the First Lien Credit Agreement, dated as of October 22, 2018 (the "Credit Agreement"), among Holdings, the Borrower, the banks, financial institutions and other investors from time to time party thereto (the "Lenders"), the Letter of Credit Issuers from time to time party thereto, MORGAN STANLEY SENIOR FUNDING, INC., as Administrative Agent, Collateral Agent and Swingline Lender, and the other parties thereto, the Lenders have severally agreed to make Loans to the Borrower and the Letter of Credit Issuers have agreed to issue Letters of Credit for the account of the Borrower upon the terms and subject to the conditions set forth therein, (b) one or more Hedge Banks may from time to time enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary, (c) one or more Cash Management Banks may from time to time provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary and (d) the Credit Parties may incur Additional First Lien Obligations (as defined below) from time to time to the extent permitted by the Credit Agreement and each Additional First Lien Agreement (as defined below) (clauses (a), (b), (c) and (d), collectively, the "Extensions of Credit");

WHEREAS, Holdings is an affiliate of the Borrower and each Subsidiary Guarantor is a Subsidiary of the Borrower;

WHEREAS, the proceeds of the Extensions of Credit will be used in part to finance the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and for other general corporate purposes of the Borrower and its subsidiaries;

WHEREAS, each Guarantor acknowledges that it will derive a substantial direct and indirect benefit from the making of the Extensions of Credit; and

WHEREAS, it is a condition precedent to the obligations of the Lenders and the Letter of Credit Issuers to make their respective Extensions of Credit to the Borrower under the Credit Agreement that the Guarantors shall have executed and delivered this Guarantee to the First Lien Collateral Agent for the benefit of the First Lien Secured Parties.

NOW, THEREFORE, in consideration of the premises and to induce the Agents, the Lenders and the Letter of Credit Issuers to enter into the Credit Agreement and to induce the Lenders and the Letter of Credit Issuers to make their respective Extensions of Credit to the Borrower under the Credit Agreement, to induce the holders of any Additional First Lien Obligations to make their advances thereunder, to induce one or more Hedge Banks to enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary and to induce one or more Cash Management Banks pursuant to Secured Cash Management Agreements to provide Cash Management Services to any Credit Party or any

Restricted Subsidiary and the Guarantors, as applicable, hereby agree with the First Lien Collateral Agent, for the benefit of the First Lien Secured Parties, as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein (including terms used in the preamble and recitals hereto) shall have the meanings given to them in the Credit Agreement. Furthermore, unless otherwise defined herein or in the Credit Agreement, terms defined in the Security Agreement and used herein shall have the meanings assigned to them in the Security Agreement.

(b) The rules of construction and other interpretative provisions specified in Sections 1.2, 1.5, 1.6, 1.7, 1.8, 1.10 and 1.11 of the Credit Agreement shall apply to this Guarantee, including terms defined in the preamble and recitals hereto.

(c) As used herein, the term "Additional First Lien Agreement" shall have the meaning assigned to the term "Additional First Lien Agreement" in the Security Agreement.

(d) As used herein, the term "Additional First Lien Obligations" shall have the meaning assigned to the term "Additional First Lien Obligations" in the Security Agreement.

(e) As used herein, the term "First Lien Obligations" shall have the meaning assigned to the term "First Lien Obligations" in the Security Agreement.

(f) As used herein, the term "First Lien Secured Parties" shall have the meaning assigned to the term "First Lien Secured Parties" in the Security Agreement.

(g) As used herein, the term "Security Agreement" shall have the meaning assigned to the term "Security Agreement" in the Credit Agreement.

(h) As used herein, the term "Termination Date" shall have the meaning assigned to the term "Termination Date" in the Security Agreement.

2. Guarantee.

(a) Subject to the provisions of Section 2(b), each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantees, as primary obligor and not merely as surety, to the First Lien Collateral Agent for the benefit of the First Lien Secured Parties, the prompt and complete payment (and not of collection) and performance when due (whether at the stated maturity, by acceleration or otherwise) of the First Lien Obligations (other than, in the case of the Borrower, in respect of its own obligations), whether currently existing or hereafter incurred. In furtherance of the foregoing and not in limitation of any other right that the First Lien Collateral Agent or any other First Lien Secured Party has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Borrower or any other Credit Party to pay any First Lien Obligation when and as the same shall become due (whether at the stated maturity, by acceleration or otherwise), each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the First Lien Collateral Agent for distribution to the applicable First Lien Secured Parties the amount of such unpaid First Lien Obligation. Upon payment by any Guarantor of any sums to the First Lien Collateral Agent as provided above, all rights of such Guarantor against the Borrower or any other Guarantor arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subject to Sections 3 and 5 hereof.

(b) Anything herein or in any other Credit Document or in any Additional First Lien Agreement to the contrary notwithstanding, the maximum liability of each Subsidiary Guarantor hereunder and under the other Credit Documents and any Additional First Lien Agreement shall in no event exceed the amount that can be guaranteed by such Subsidiary Guarantor under Applicable Laws relating to the insolvency of debtors.

(c) To the extent the Borrower would be required to do so pursuant to Section 13.5 of the Credit Agreement (whether or not then in effect) or any comparable provision of any Additional First Lien Agreement, each Guarantor further agrees to pay any and all reasonable and documented out-of-pocket costs and expenses (including all reasonable fees and disbursements of counsel) that may be paid or incurred by the First Lien Collateral Agent or any other First Lien Secured Party in enforcing or preserving any rights with respect to, or collecting, any or all of the First Lien Obligations and/or enforcing any rights with respect to, or collecting against, such Guarantor under this Guarantee.

(d) Each Guarantor agrees that the First Lien Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing this Guarantee or affecting the rights and remedies of the First Lien Collateral Agent or any other First Lien Secured Party hereunder.

(e) No payment or payments made by the Borrower, any Guarantor, any other guarantor or any other Person or received or collected by the First Lien Collateral Agent or any other First Lien Secured Party from the Borrower, any Guarantor, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the First Lien Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder, which shall, notwithstanding any such payment or payments other than payments made by such Guarantor in respect of the First Lien Obligations or payments received or collected from such Guarantor in respect of the First Lien Obligations, remain liable for the First Lien Obligations up to the maximum liability of such Guarantor hereunder until the Termination Date.

(f) Each Guarantor agrees that whenever, at any time, or from time to time, it shall make any payment to the First Lien Collateral Agent or any other First Lien Secured Party on account of its liability hereunder, it will notify the First Lien Collateral Agent in writing that such payment is made under this Guarantee for such purpose.

(g) Each Guarantor assumes all responsibility for being and keeping itself informed of the Borrower's and each other Credit Party's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the First Lien Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that none of the First Lien Collateral Agent or the other First Lien Secured Parties will have any duty to advise such Guarantor of information known to it or any of them regarding such circumstances or risks.

(h) The Borrower, unconditionally and irrevocably, with respect to each other Guarantor (other than with respect to any Guarantor, any Excluded Swap Obligations of such Guarantor), guarantees such Guarantor's guarantee of any Hedging Agreement entered into by a Hedge Bank. The obligations of the Borrower under this Section 2(h) shall remain in full force and effect until the discharge of the First Lien Obligations in accordance with the Credit Documents. The Borrower intends that this Section 2(h) constitute, and this Section 2(h) shall be deemed to constitute, a guarantee or other agreement for the benefit of each other Guarantor for all purposes of section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

3. Right of Contribution. Each Guarantor hereby agrees that to the extent a Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder that has not paid its proportionate share of such payment. Each Guarantor's right of contribution shall be subject to the terms and conditions of Section 5 hereof. The provisions of this Section 3 shall in no respect limit the obligations and liabilities of any Guarantor to the First Lien Collateral Agent and the other First Lien Secured Parties, and each Guarantor shall remain liable to the First Lien Collateral Agent and the other First Lien Secured Parties for the full amount guaranteed by such Guarantor hereunder.

4. Right of Set-off. In addition to any rights and remedies of the First Lien Secured Parties provided by Applicable Law, each Guarantor hereby irrevocably authorizes each First Lien Secured Party at any time and from time to time following the occurrence and during the continuance of an Event of Default without notice to such Guarantor or any other Guarantor, any such notice being expressly waived by each Guarantor, upon any amount becoming due and payable by such Guarantor hereunder (whether at 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), 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 First Lien Secured Party to or for the credit or the account of such Guarantor. Each First Lien Secured Party shall notify such Guarantor and the First Lien Collateral Agent promptly of any such set-off and the appropriation and application made by such First Lien Secured Party; provided that the failure to give such notice shall not affect the validity of such set-off and appropriation and application.

5. No Subrogation. Notwithstanding any payment or payments made by any of the Guarantors hereunder or any set-off or appropriation and application of funds of any of the Guarantors by the First Lien Collateral Agent or any other First Lien Secured Party, no Guarantor shall be entitled to be subrogated to any of the rights of the First Lien Collateral Agent or any other First Lien Secured Party against the Borrower or any other Guarantor or any collateral security or guarantee or right of offset held by the First Lien Collateral Agent or any other First Lien Secured Party for the payment of the First Lien Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Borrower or any other Guarantor in respect of payments made by such Guarantor hereunder, until the Termination Date. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time prior to the Termination Date, such amount shall be held by such Guarantor in trust for the First Lien Collateral Agent and the other First Lien Secured Parties, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the First Lien Collateral Agent in the exact form received by such Guarantor (duly indorsed by such Guarantor to the First Lien Collateral Agent, if required), to be applied against the First Lien Obligations, whether due or to become due, in accordance with Section 5.4 of the Security Agreement.

6. Amendments, etc. with Respect to the First Lien Obligations; Waiver of Rights. Except for termination of a Guarantor's obligations hereunder as expressly provided in Section 25, each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, (a) any demand for payment of any of the First Lien Obligations made by the First Lien Collateral Agent or any other First Lien Secured Party may be rescinded by such party and any of the First Lien Obligations continued, (b) the First Lien Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the First Lien Collateral Agent or any other First Lien Secured Party, (c) the Credit Agreement, the other Credit Documents, any Additional First Lien Agreement and any other documents executed and delivered

in connection therewith, the Secured Hedging Agreements and any other documents executed and delivered in connection therewith and the Secured Cash Management Agreements and any other documents executed and delivered in connection therewith, may be amended, waived, modified, supplemented or terminated, in whole or in part, in accordance with the terms of the applicable document and (d) any collateral security, guarantee or right of offset at any time held by the First Lien Collateral Agent or any other First Lien Secured Party for the payment of the First Lien Obligations may be sold, exchanged, waived, surrendered or released. Neither the First Lien Collateral Agent nor any other First Lien Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the First Lien Obligations or for this Guarantee or any property subject thereto. When making any demand hereunder against any Guarantor, the First Lien Collateral Agent or any other First Lien Secured Party may, but shall be under no obligation to, make a similar demand on the Borrower or any other Guarantor or other guarantor, and any failure by the First Lien Collateral Agent or any other First Lien Secured Party to make any such demand or to collect any payments from the Borrower or any other Guarantor or other guarantor or any release of the Borrower or any other Guarantor or other guarantor shall not relieve any Guarantor in respect of which a demand or collection is not made or any Guarantor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the First Lien Collateral Agent or any other First Lien Secured Party against any Guarantor. For the purposes hereof, "demand" shall include the commencement and continuance of any legal proceedings.

7. Guarantee Absolute and Unconditional. Each Guarantor waives any and all notice of the creation, contraction, Incurrence, renewal, extension, amendment, waiver or accrual of any of the First Lien Obligations (including as a result of the Incurrence of Incremental Term Loans and/or the provision of any Incremental Revolving Credit Commitment Increase or Additional/Replacement Revolving Credit Commitments), and notice of or proof of reliance by the First Lien Collateral Agent or any other First Lien Secured Party upon this Guarantee or acceptance of this Guarantee, the First Lien Obligations or any of them, shall conclusively be deemed to have been created, contracted or Incurred, or renewed, extended, amended, waived or accrued, in reliance upon this Guarantee; and all dealings between the Borrower and any of the other Guarantors, on the one hand, and the First Lien Collateral Agent and the other First Lien Secured Parties, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon this Guarantee. Each Guarantor waives promptness, diligence, presentment, protest, notice of protest, demand for payment and notice of default, acceleration or nonpayment and any other notice to or upon the Borrower or any other Guarantor with respect to the First Lien Obligations. Each Guarantor understands and agrees that this Guarantee shall be construed as a continuing, absolute and unconditional guarantee of payment (and not of collection) without regard to (a) the validity, regularity or enforceability of the Credit Agreement, any other Credit Document, any Additional First Lien Agreement, any Secured Hedging Agreement or any Secured Cash Management Agreement, any of the First Lien Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the First Lien Collateral Agent or any other First Lien Secured Party, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to or be asserted by the Borrower against the First Lien Collateral Agent or any other First Lien Secured Party, (c) any default, failure or delay, willful or otherwise, in the performance of the First Lien Obligations by the Guarantors or (d) any other circumstance whatsoever (with or without notice to or knowledge of the Borrower or such Guarantor) that constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrower for the First Lien Obligations, or of such Guarantor under this Guarantee, in bankruptcy or in any other instance. When pursuing its rights and remedies hereunder against any Guarantor, the First Lien Collateral Agent and any other First Lien Secured Party may elect, but shall be under no obligation, to pursue such rights and remedies as it may have against the Borrower or any other Person or against any collateral security or guarantee for the First Lien Obligations or any right of offset with respect thereto,

and any failure by the First Lien Collateral Agent or any other First Lien Secured Party to pursue such other rights or remedies or to collect any payments from the Borrower or any such other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Borrower or any such other Person or any such collateral security, guarantee or right of offset, shall not relieve such Guarantor of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the First Lien Collateral Agent and the other First Lien Secured Parties against such Guarantor. To the fullest extent permitted by Applicable Law, each Guarantor waives any defense arising out of any such election even though such election operates, pursuant to Applicable Law, to impair or to extinguish any right of reimbursement, subrogation, exoneration, contribution or indemnification or other right or remedy of such Guarantor against the Borrower or any other Guarantor, as the case may be, or any security. This Guarantee shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Guarantor and the successors and assigns thereof, and shall inure to the benefit of the First Lien Collateral Agent and the other First Lien Secured Parties, and their respective successors, indorsees, transferees and assigns, until the Termination Date, notwithstanding that from time to time during the term of the Credit Agreement, any Additional First Lien Agreement and any Secured Hedging Agreement or Secured Cash Management Agreement the Credit Parties may be free from any First Lien Obligations.

8. Subordination. Each Guarantor hereby agrees that any Indebtedness of any Guarantor now or hereafter owing to any other Subsidiary, whether heretofore, now or hereafter created (the "Guarantor Subordinated Debt"), is hereby subordinated to all of the First Lien Obligations until the Termination Date and that the Guarantor Subordinated Debt shall not be paid in whole or in part during the continuance of any Event of Default after written notice from the First Lien Collateral Agent to the Borrower. In the event of any insolvency or bankruptcy proceedings, and any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to any Guarantor or to its property, and in the event of any proceedings for voluntary liquidation, dissolution or other winding up of such Guarantor (except as expressly permitted by the Credit Agreement and any Additional First Lien Agreement), whether or not involving insolvency or bankruptcy, then, if an Event of Default has occurred and is continuing, after written notice from the First Lien Collateral Agent to the Borrower (a) the Termination Date shall have occurred, before any payee is entitled to receive (whether directly or indirectly), or make any demands for, any payment on account of the Guarantor Subordinated Debt and (b) until the Termination Date shall have occurred, any payment or distribution to which such payee would otherwise be entitled (other than debt securities of such Guarantor that are subordinated, to at least the same extent as this Section 8, to the payment of all Guarantor Subordinated Debt then outstanding (such securities being hereinafter referred to as "Restructured Debt Securities")) shall be made to the First Lien Collateral Agent. If any Event of Default occurs and is continuing, after written notice from the First Lien Collateral Agent to the Borrower, no payment or distribution of any kind or character shall be accepted by or on behalf of the Guarantor or any other Person on its behalf with respect to the Guarantor Subordinated Debt. If any payment or distribution of any character, whether in cash, securities or other property (other than Restructured Debt Securities), in respect of the Guarantor Subordinated Debt shall be received by any payee in violation of this Section 8 before all First Lien Obligations shall have been paid irrevocably in full in cash in immediately available funds (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations), such payment or distribution shall be held in trust for the benefit of the First Lien Secured Parties, and shall be paid over the First Lien Collateral Agent.

9. Representations and Warranties; Covenants. Each Guarantor hereby (a) represents and warrants that the representations and warranties as to it made by the Borrower in Section 8 of the Credit Agreement are true and correct in all material respects on each date as required by Section 7.1 of the Credit Agreement (or any equivalent provision(s) of any Additional First Lien Agreement) (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, and except where such representations and warranties are qualified by materiality, "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct in all respects) and (b) agrees to take, or refrain from taking, as the case may be, each action necessary to be taken or not taken, as the case may be, so that no Default or Event of Default is caused by the failure to take such action or to refrain from taking such action by such Guarantor.

10. Reinstatement. This Guarantee shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the First Lien Obligations is rescinded or must otherwise be restored or returned by the First Lien Collateral Agent or any other First Lien Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any other Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any other Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

11. Payments. Each Guarantor hereby guarantees that payments hereunder will be paid to the First Lien Collateral Agent without set-off or counterclaim in Dollars at the First Lien Collateral Agent's office specified in Section 13.2 of the Credit Agreement.

12. Authority of Agent. Each Guarantor acknowledges that the rights and responsibilities of the First Lien Collateral Agent under this Guarantee with respect to any action taken by the First Lien Collateral Agent or the exercise or non-exercise by the First Lien Collateral Agent of any option, right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Guarantee shall, as between the First Lien Collateral Agent and the other First Lien Secured Parties, be governed by the Credit Agreement, any Additional First Lien Agreements and by such other agreements with respect thereto as may exist from time to time among them (including an intercreditor agreement), but, as between the First Lien Collateral Agent and such Guarantor, the First Lien Collateral Agent shall be conclusively presumed to be acting as agent for the First Lien Secured Parties with full and valid authority so to act or refrain from acting, and no Guarantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

13. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 13.2 of the Credit Agreement. All communications and notices hereunder to each Guarantor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the Credit Agreement. All notices to any holder of Additional First Lien Obligations shall be given to it in care of the applicable Authorized Representative at such Authorized Representative's address set forth in the applicable Additional First Lien Secured Party Consent or Additional First Lien Agreement, as the case may be, as such address may be changed by written notice to the First Lien Collateral Agent and the Borrower.

14. Counterparts. This Guarantee may be executed by one or more of the parties to this Guarantee on any number of separate counterparts (including by facsimile or other electronic transmission (*i.e.*, a "PDF" or "TIF" file)), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

15. Severability. Any provision of this Guarantee 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. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

16. Integration. This Guarantee represents the agreement of each Guarantor and the First Lien Collateral Agent with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the First Lien Collateral Agent or any other First Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents or any Additional First Lien Agreement (and each other agreement or instrument executed or issued in connection therewith).

17. Amendments in Writing; No Waiver; Cumulative Remedies.

(a) None of the terms or provisions of this Guarantee may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Guarantor(s) and the First Lien Collateral Agent in accordance with Section 13.1 of the Credit Agreement or any comparable provision of any Additional First Lien Agreement.

(b) Neither the First Lien Collateral Agent nor any other First Lien Secured Party shall by any act (except by a written instrument pursuant to Section 17(a) hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the First Lien Collateral Agent or any other First Lien Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the First Lien Collateral Agent or any other First Lien Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the First Lien Collateral Agent or any First Lien Secured Party would otherwise have on any future occasion.

(c) The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

18. Section Headings. The Section headings used in this Guarantee are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

19. Entire Agreement. This Guarantee, taken together with all of the other Credit Documents and any Additional First Lien Agreement executed and delivered by the Guarantors, represents the entire agreement and understanding of the parties hereto and supersedes all prior understandings, written and oral, relating to the subject matter hereof.

20. Successors and Assigns. This Guarantee shall be binding upon the successors and assigns of each Guarantor and shall inure to the benefit of the First Lien Collateral Agent and the other First Lien Secured Parties and their respective successors and permitted assigns, except that no Guarantor may assign, transfer or delegate any of its rights or obligations under this Guarantee without the prior written consent of the First Lien Collateral Agent unless otherwise permitted under each of the Credit Agreement and any Additional First Lien Agreement.

21. Additional Guarantors. Each Subsidiary of the Borrower that is required to become a party to this Guarantee pursuant to Section 9.10 of the Credit Agreement or any equivalent provision of any Additional First Lien Agreement shall become a Guarantor, with the same force and

effect as if originally named as a Guarantor herein, for all purposes of this Guarantee upon execution and delivery by such Subsidiary of a Supplement in the form of Annex B hereto or in such other form reasonably satisfactory to the First Lien Collateral Agent. The execution and delivery of any instrument adding an additional Guarantor as a party to this Guarantee shall not require the consent of any other Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Guarantee.

22. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS GUARANTEE, ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

23. Submission to Jurisdiction; Waivers. Each Guarantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Guarantee, the other Credit Documents to which it is a party and any Additional First Lien Agreement to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the County of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 Guarantor at its address referred to in Section 13 hereof or at such other address of which the First Lien Collateral Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right of the First Lien Collateral Agent or any other First Lien Secured Party to effect service of process in any other manner permitted by law or shall limit the right of the First Lien Collateral Agent or any other First Lien Secured Party to sue 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 23 any special, exemplary, punitive or consequential damages.

24. GOVERNING LAW. THIS GUARANTEE 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.

25. Termination or Release.

(a) This Guarantee shall terminate on the Termination Date.

(b) (i) A Subsidiary Guarantor shall automatically be released from its obligations hereunder upon the consummation of any transaction (x) with respect to the Obligations, permitted by the Credit Agreement as a result of which such Subsidiary Guarantor ceases to be a Restricted Subsidiary or otherwise becomes an Excluded Subsidiary and (y) with respect to any Additional First Lien Obligations under any Additional First Lien Agreements, permitted by such Additional First Lien Agreement as a result of which such Subsidiary Guarantor ceases to be a guarantor thereunder; provided that (A) in the case of clause (x) above, the requisite lenders shall have consented to such transaction (to the extent required by the Credit Agreement) and the terms of such consent did not provide otherwise and (B) in case of clause (y) above the requisite holders or lenders of such Additional First Lien Obligations shall have consented to such transaction (to the extent required by the applicable Additional First Lien Agreement) and the terms of such consent did not provide otherwise, (ii) Holdings (or the previous New Holdings, as the case may be) shall automatically be released from its obligations hereunder upon the occurrence of a Holdings Termination Event and/or in accordance with the formation or acquisition of a New Holdings, in each case, that satisfies the conditions set forth in (x) with respect to the Obligations, the Credit Agreement and (y) with respect to any Additional First Lien Obligations under any Additional First Lien Agreement, such Additional First Lien Agreement and (iii) any Guarantee shall be automatically be released in accordance with Section 13.17 of the Credit Agreement.

(c) In connection with any termination or release, the First Lien Collateral Agent shall execute and deliver to any Guarantor, at such Guarantor's expense, all documents that such Guarantor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 25 shall be without recourse to or warranty by the First Lien Collateral Agent.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, each of the undersigned has caused this Guarantee to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

GLOBE INTERMEDIATE CORP., as Guarantor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP HOLDINGS, INC., as Guarantor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP MIDCO, INC., as Guarantor,

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GROCERY OUTLET INC., as Guarantor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

AMELIA'S, LLC, as Guarantor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as
First Lien Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

[Signature Page to First Lien Guarantee]

ANNEX A
TO THE GUARANTEE

SUBSIDIARY GUARANTORS

1. GOBP MidCo, Inc., a Delaware corporation
2. Grocery Outlet Inc., a California corporation
3. Amelia's, LLC, a Delaware limited liability company

[Signature Page to First Lien Guarantee Supplement]

Exhibit 10.7

Execution Version

SECOND LIEN CREDIT AGREEMENT

Dated as of October 22, 2018

among

GLOBE INTERMEDIATE CORP.,
as Holdings,

GOBP HOLDINGS, INC.,
as the Borrower,

The Several Lenders
from Time to Time Parties Hereto, and

MORGAN STANLEY SENIOR FUNDING, INC.,
as Administrative Agent and Collateral Agent

MORGAN STANLEY SENIOR FUNDING, INC.,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
DEUTSCHE BANK SECURITIES INC. and
JEFFERIES FINANCE LLC

as Joint Lead Arrangers and Joint Bookrunners

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SCHEDULES

EXHIBITS

SECOND LIEN CREDIT AGREEMENT, dated as of October 22, 2018, among **GLOBE INTERMEDIATE CORP.**, a Delaware Corporation ("Holdings"; as hereinafter further defined), **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"; as hereinafter further defined), the Lenders (as hereinafter defined) from time to time party hereto, and **MORGAN STANLEY SENIOR FUNDING, INC.**, as the Administrative Agent and Collateral Agent.

RECITALS:

WHEREAS, capitalized terms used and not defined in the preamble and these recitals shall have the respective meanings set forth for such terms in Section 1.1 hereof;

WHEREAS, the Borrower, Holdings, the financial institutions signatory thereto as lenders (the "Existing Lenders"), Morgan Stanley Senior Funding, Inc., as the administrative agent and collateral agent, are party to a Second Lien Credit Agreement, dated as of October 21, 2014 (as amended prior to the date hereof, the "Existing Credit Agreement"; as hereinafter further defined);

WHEREAS, in connection with the foregoing, the Borrower has requested that, immediately upon the satisfaction in full of the applicable conditions precedent set forth in Section 6 below, the Lenders extend credit to the Borrower in the form of $150,000,000 in aggregate principal amount of Initial Term Loans to be borrowed on the Closing Date (the "Initial Term Loan Facility");

WHEREAS, contemporaneously with the borrowing under the Initial Term Loan Facility, the Borrower will (i) borrow $725,000,000 in aggregate principal amount of first lien term loans (the "First Lien Initial Term Loans") and (ii) receive commitments under a first lien revolving credit facility in an initial aggregate principal amount of $100,000,000 (the "Revolving Credit Facility" and, together with the First Lien Initial Term Loans and any other term loan or revolving credit facility effective under the First Lien Credit Agreement, the "First Lien Facilities") pursuant to the First Lien Credit Agreement (as defined below);

WHEREAS, the proceeds of the Initial Term Loans, together with the proceeds of the First Lien Initial Term Loans and borrowings under the Revolving Credit Facility, and a portion of the Borrower's and its Subsidiaries' cash on hand, will be used to pay the 2018 Dividend, the Existing Debt Refinancing and the Transaction Expenses;

WHEREAS, the Lenders have indicated their willingness to extend such credit on the terms and subject to the conditions set forth below;

WHEREAS, in connection with the foregoing and as an inducement for the Lenders to extend the credit contemplated hereunder, the Borrower has agreed to secure all of its Obligations by granting to the Collateral Agent, for the benefit of the Secured Parties, a second priority lien (such priority subject to Liens permitted hereunder) on substantially all of its assets (except as otherwise set forth in the Credit Documents), including a pledge of all of the Capital Stock of each of its Subsidiaries (other than any Excluded Capital Stock); and

WHEREAS, in connection with the foregoing and as an inducement for the Lenders to extend the credit contemplated hereunder, each Guarantor has agreed to guarantee all of its Obligations and to secure its guarantees by granting to the Collateral Agent, for the benefit of the Secured Parties, a second priority lien (such priority subject to Liens permitted hereunder) on substantially all of its assets (except as otherwise set forth in the Credit Documents), including a pledge of all of the Capital Stock of each of their respective Subsidiaries (other than any Excluded Capital Stock).

AGREEMENT:

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto 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:

"2018 Dividend" shall mean the declaration and payment of a Restricted Payment in the form of a dividend to Holdings, Holdings' declaration and payment of a dividend or other distribution to its Parent Entity and its Parent Entity's declaration and payment of a dividend or other distribution to the holders of its Capital Stock (including related payments to the holders of equity options and similar rights) in each case in an aggregate amount not to exceed $156,000,000.

"ABR" shall mean, for any day, a fluctuating rate per annum equal to the highest of (a) the Prime Rate in effect for such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%, and (c) the Eurodollar Rate for a one month Interest Period determined on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.00%; provided that, if the ABR shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. If the Administrative Agent shall have determined (which determination should be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations in accordance with the terms of the definition thereof, the ABR shall be determined without regard to clause (b) of the preceding sentence until the circumstances giving rise to such inability no longer exist. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Effective Rate or the Eurodollar Rate shall be effective on the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Eurodollar Rate, as the case may be.

"ABR Loan" shall mean each Loan bearing interest at the rate provided in Section 2.8(a).

"Acceptable Reinvestment Commitment" shall mean a binding commitment of the Borrower or any Restricted Subsidiary entered into at any time prior to the end of the Reinvestment Period to reinvest the proceeds of an Asset Sale Prepayment Event or Recovery Prepayment Event.

"Accounting Change" shall mean any change in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants, equivalent authorities for IFRS, or, if applicable, the SEC.

"Acquired EBITDA" shall mean, with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Pro Forma Entity (determined as if references to the Borrower and the Restricted Subsidiaries in the definition of the term "Consolidated EBITDA" were references to such Pro Forma Entity and its subsidiaries that will become 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 Person" shall have the meaning provided in Section 10.1(k)(i)(D).

"Acquisition" shall mean any acquisition by the Borrower or any Restricted Subsidiary, whether by purchase, merger, amalgamation, consolidation, contribution or otherwise, of (a) at least a majority of the assets or property and/or liabilities (or any other substantial part for which financial statements or other financial information is available), or a business line, product line, unit or division of, any other Person, (b) Capital Stock of any other Person such that such other Person becomes a Restricted Subsidiary and (c) additional Capital Stock of any Restricted Subsidiary not then held by the Borrower or any Restricted Subsidiary.

"Acquisition Consideration" shall mean, in connection with any Acquisition, the aggregate amount (as valued at the Fair Market Value of such Acquisition at the time such Acquisition is made) of, without duplication: (a) the purchase consideration paid or payable for such Acquisition, whether payable at or prior to the consummation of such Acquisition or deferred for payment at any future time, whether or not any such future payment is subject to the occurrence of any contingency, and including any and all payments representing the purchase price and any assumptions of Indebtedness and/or Guarantee Obligations, "earn-outs" and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any Person or business and (b) the aggregate amount of Indebtedness assumed in connection with such Acquisition; provided in each case, that any such future payment that is subject to a contingency shall be considered Acquisition Consideration only to the extent of the reserve, if any, required under GAAP (as determined at the time of the consummation of such Acquisition) to be established in respect thereof by Holdings, the Borrower or its Restricted Subsidiaries.

"Additional ECF Reduction Amounts" shall mean the sum, without duplication, of:

(i) without duplication of amounts deducted pursuant to clause (v) below in prior fiscal years, the amount of Capital Expenditures or acquisitions of Intellectual Property made in cash or accrued during such period, except to the extent that such Capital Expenditures or acquisitions of Intellectual Property were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(ii) cash payments by the Borrower and the Restricted Subsidiaries during such period in respect of long-term liabilities of the Borrower and the Restricted Subsidiaries other than Indebtedness, except to the extent that such payments were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(iii) without duplication of amounts deducted pursuant to clause (v) below in prior fiscal years, the amount of Investments made in cash (other than Investments made pursuant to Sections 10.5(b), (f), (g), (h), (i), (j), (l), (n) and (s)) during such period, except to the extent that such Investments were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(iv) without duplication of amounts deducted pursuant to clause (b)(vii) of the definition of the term "Excess Cash Flow", the amount of Restricted Payments (other than

Restricted Investments) paid in cash during such period, except to the extent that such Restricted Payments were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business; and

(v) without duplication of amounts deducted from Excess Cash Flow in other periods, (A) the aggregate consideration required to be paid in cash by the Borrower or any of its Restricted Subsidiaries pursuant to binding contracts (the "Contract Consideration") entered into prior to or during such period and (B) any planned cash expenditures by the Borrower or any of the Restricted Subsidiaries (the "Planned Expenditures") in the case of each of clauses (A) and (B), relating to Acquisitions (or other similar Investments), Capital Expenditures (including Capitalized Software Expenditures) or acquisitions of Intellectual Property to be consummated or made during the period of four consecutive fiscal quarters of the Borrower following the end of such period (except to the extent financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business); provided that, to the extent that the aggregate amount of cash actually utilized to finance such Acquisitions (or other similar Investments), Capital Expenditures (including Capitalized Software Expenditures) or acquisitions of Intellectual Property during such following period of four consecutive fiscal quarters is less than the Contract Consideration and Planned Expenditures, the amount of such shortfall shall be added to the calculation of the mandatory prepayment required for such following period of four consecutive fiscal quarters under Section 5.2(a)(ii), at the end of such period of four consecutive fiscal quarters.

"Additional Lender" shall have the meaning provided in Section 2.14(d).

"Administrative Agent" shall mean Morgan Stanley Senior Funding, Inc. or any successor to Morgan Stanley Senior Funding, Inc. appointed in accordance with the provisions of Section 12.11, together with any Persons that are appointed as sub-agents in accordance with Section 12.4, in each case, as the administrative agent for the Lenders under this Agreement and the other Credit Documents.

"Administrative Agent's Office" shall mean the office and, as appropriate, the account of the Administrative Agent set forth on Schedule 13.2 or such other office or account as the Administrative Agent may hereafter designate in writing as such to the other parties hereto.

"Affiliate" shall mean, with respect to any specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. The term "Control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by agreement or otherwise. The terms "Controlling" and "Controlled" have meanings correlative thereto. For purposes of this Agreement and the other Credit Documents, Jefferies LLC and its Affiliates shall be deemed to be Affiliates of Jefferies Finance LLC and its Affiliates.

"Affiliated Lender" shall mean a Non-Debt Fund Affiliate or a Debt Fund Affiliate.

"Affiliated Lender Assignment and Acceptance" shall have the meaning provided in Section 13.6(g)(C).

"Agents" shall mean each of the Administrative Agent and the Collateral Agent.

"Agreement" shall mean this Second Lien Credit Agreement.

"AHYDO Catch Up Payment" shall mean any payment with respect to any obligations of the Borrower or any Restricted Subsidiary, in each case to avoid the application of Section 163(e)(5) of the Code thereto.

"Alternative Currency" shall mean, subject to Section 1.8, any freely transferable currency reasonably acceptable to the Administrative Agent.

"Applicable Laws" shall mean, as to any Person, any international, foreign, provincial, territorial, federal, state, municipal, and local law (including common law and Environmental Laws), statute, regulation, by-law, ordinance, treaty, rule, order, code, regulation, decree, guideline, judgment, consent decree, writ, injunction, settlement agreement, governmental requirement and administrative or judicial precedents enacted, promulgated or imposed or entered into or agreed by any Governmental Authority, in each case applicable to or binding on such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"Applicable Margin" shall mean, with respect to the Initial Term Loans, (x) 7.25% for Eurodollar Loans per annum and (y) 6.25% for ABR Loans per annum.

"Approved Foreign Bank" shall have the meaning provided in the definition of the term "Cash Equivalents".

"Approved Fund" shall have the meaning provided in Section 13.6(b).

"Asset Sale Prepayment Event" shall mean any Disposition (or series of related Dispositions) of any business unit, asset or property of the Borrower or any Restricted Subsidiary (including any Disposition of any Capital Stock of any Subsidiary of the Borrower owned by the Borrower or any Restricted Subsidiary); provided that the term "Asset Sale Prepayment Event" shall include only Dispositions (or a series of related Dispositions) made pursuant to clauses (c), (d)(ii), (g), (j), (q), (r) and (t) of Section 10.4.

"Assignment and Acceptance" shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 13.6) substantially in the form of Exhibit H or such other form as shall be reasonably acceptable to the Borrower and the Administrative Agent.

"Authorized Officer" shall mean the Chairman of the Board, the President, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer, any Manager, any Vice President, the Assistant Treasurer, with respect to certain limited liability companies or partnerships that do not have officers, any manager, managing member, managing director, general partner or authorized signatory thereof, any other senior officer of Holdings, the Borrower or any other Credit Party designated as such in writing to the Administrative Agent by Holdings, the Borrower or any other Credit Party, as applicable, and, with respect to any document (other than the solvency certificate) delivered on the Closing Date, the Secretary or the Assistant Secretary of any Credit Party, and, solely for purposes of notices given pursuant to Sections 2, 3, 4 or 5, any other officers of the applicable Credit Party so designated by any of the foregoing Persons in a notice to the Administrative Agent or any other officer of the applicable Credit Party designated in or pursuant to an agreement between the applicable Credit Party and the Administrative Agent. Any document delivered hereunder that is signed by an Authorized Officer shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of Holdings, the Borrower or any other Credit Party and such Authorized Officer shall be conclusively presumed to have acted on behalf of such Person.

"Available Amount" shall mean, at any time (the "Available Amount Reference Time"), subject to the last sentence of this definition, an amount (which shall not be less than zero) equal at such time to (a) the sum of, without duplication:

(i) the amount (which amount shall not be less than zero) equal to 100.0% of Cumulative Consolidated EBITDA less the product of 1.50 times the Borrower and its Restricted Subsidiaries' consolidated Fixed Charges for such corresponding period;

(ii) to the extent not already included in the calculation of Cumulative Consolidated EBITDA, the aggregate amount of all Returns (to the extent made in cash or Cash Equivalents) received by the Borrower or any Restricted Subsidiary from any Investment to the extent such Investment was made by using the Available Amount during the period from and including the Business Day immediately following the Closing Date through and including the Available Amount Reference Time (other than the portion of any such dividends and other distributions that is used by the Borrower or any Restricted Subsidiary to pay taxes related to such amounts);

(iii) to the extent not already included in the calculation of Cumulative Consolidated EBITDA, the aggregate amount of all repayments made in cash or Cash Equivalents of principal received by the Borrower or any Restricted Subsidiary from any Investment to the extent such Investment was made by using the Available Amount during the period from and including the Business Day immediately following the Closing Date through and including the Available Amount Reference Time in respect of loans made by the Borrower or any Restricted Subsidiary and that constituted Investments;

(iv) to the extent not already included in the calculation of Cumulative Consolidated EBITDA or in the calculation of Available Equity Amount pursuant to clauses (iv) and (v) of the definition thereof or applied to prepay the Term Loans in accordance with Section 5.2(a)(i), the First Lien Term Loans in accordance with Section 5.2(a)(i) of the First Lien Credit Agreement (or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to prepay, repurchase, redeem, defease, acquire, or make any other similar payment on any Permitted Additional Debt or on any Credit Agreement Refinancing Indebtedness, the aggregate amount of all Net Cash Proceeds received by the Borrower or any Restricted Subsidiary in connection with the Disposition of its ownership interest in any Investment to any Person other than to the Borrower or a Restricted Subsidiary and to the extent such Investment was made by using the Available Amount during the period from and including the Business Day immediately following the Closing Date through and including the Available Amount Reference Time; and

(v) the amount of any Investment of the Borrower or any of its Restricted Subsidiaries in any Unrestricted Subsidiary that has been re-designated as a Restricted Subsidiary pursuant to Section 9.14(d) or that has been merged, amalgamated or consolidated with or into the Borrower or any of its Restricted Subsidiaries pursuant to Section 10.3 or the amount of assets of an Unrestricted Subsidiary Disposed of to the Borrower or a Restricted Subsidiary, in each case following the Closing Date and at or prior to the Available Amount Reference Time, in each case, such amount not to exceed the lesser of (x) the Fair Market Value of the Investments of the Borrower and its Restricted Subsidiaries in such Unrestricted Subsidiary immediately prior to giving pro forma effect to such re-designation or merger, amalgamation or consolidation or the Fair Market Value of the assets so Disposed of and (y) the amount originally invested from the Available Amount by the Borrower and its Restricted Subsidiaries in such Unrestricted Subsidiary (provided that, in the case of original investments made in cash, the Fair Market Value shall be such cash value);

minus (b) the sum, without duplication and without taking into account the proposed portion of the Available Amount calculated above to be used at the applicable Available Amount Reference Time, of:

(i) the aggregate amount of any Investments made by the Borrower or any Restricted Subsidiary using the Available Amount pursuant to Section 10.5 after the Closing Date and prior to the Available Amount Reference Time;

(ii) the aggregate amount of any Restricted Payments made by the Borrower using the Available Amount pursuant to Section 10.6(f) after the Closing Date and prior to the Available Amount Reference Time; and

(iii) the aggregate amount expended on prepayments, repurchases, redemptions, acquisitions, defeasances and other similar payments made by the Borrower or any Restricted Subsidiary using the Available Amount pursuant to Section 10.7(a) after the Closing Date and prior to the Available Amount Reference Time.

"Available Amount Reference Time" shall have the meaning provided in the definition of the term "Available Amount."

"Available Equity Amount" shall mean, at any time (the "Available Equity Amount Reference Time"), an amount (which shall not be less than zero) equal at such time to (a) the sum of, without duplication:

(i) the aggregate amount of cash and the Fair Market Value of marketable securities or other property, in each case, contributed to the capital of the Borrower or the proceeds received by the Borrower from the issuance of any Capital Stock (or Incurrences of Indebtedness that have been converted into or exchanged for Qualified Capital Stock), in each case during the period from and including the Business Day immediately following the Closing Date through and including the Available Equity Amount Reference Time, but excluding:

(A) all proceeds from the issuance of Disqualified Capital Stock;

(B) any Excluded Contribution; and

(C) any Cure Amount;

(ii) the Fair Market Value or, if the Fair Market Value of such Term Loans cannot be ascertained, the Fair Market Value shall be the purchase price of such Term Loans (which shall not in any event be calculated in excess of par) of Term Loans contributed directly or indirectly by a Permitted Holder or a Non-Debt Fund Affiliate to the Borrower during the period after the Closing Date through and including the Available Equity Amount Reference Time; plus

(iii) the greater of (x) $104,000,000 and (y) 65.00% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to any such Available Equity Amount Reference Time (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date; plus

(iv) to the extent not already included in the calculation of Cumulative Consolidated EBITDA, the aggregate amount (which amount shall not be less than zero) of any Retained Asset Sale Proceeds retained by the Borrower and its Restricted Subsidiaries during the period after the Closing Date through and including the Available Equity Amount Reference Time; plus

(v) to the extent not already included in the calculation of Cumulative Consolidated EBITDA, the aggregate amount (which amount shall not be less than zero) of any Retained Refused Proceeds retained by the Borrower and its Restricted Subsidiaries during the period from and including the Business Day immediately following the Closing Date through and including the Available Equity Amount Reference Time; plus

(vi) the aggregate amount of all Returns (to the extent made in cash or Cash Equivalents) received by the Borrower or any Restricted Subsidiary on Investments made using the Available Equity Amount during the period from and including the Business Day immediately following the Closing Date through and including the Available Equity Amount Reference Time;

minus (b) the sum, without duplication, and, without taking into account the proposed portion of the Available Equity Amount calculated above to be used at the applicable Available Equity Amount Reference Time, of:

(i) the aggregate amount of any Investments made by the Borrower or any Restricted Subsidiary using the Available Equity Amount pursuant to Section 10.4(d) after the Closing Date and prior to the Available Equity Amount Reference Time;

(ii) the aggregate amount of any Restricted Payments made by the Borrower using the Available Equity Amount pursuant to Section 10.6(f) after the Closing Date and prior to the Available Equity Amount Reference Time; and

(iii) the aggregate amount of prepayments, repurchases, redemptions, defeasances, acquisitions and other similar payments, made by the Borrower or any Restricted Subsidiary using the Available Equity Amount pursuant to Section 10.7(a) after the Closing Date and prior to the Available Equity Amount Reference Time.

"Available Equity Amount Reference Time" shall have the meaning provided in the definition of the term "Available Equity Amount."

"Available RP Capacity Amount" shall mean the amount of Restricted Payments that may be made at the time of determination pursuant to Sections 10.6(b), (f), (l), (s), and (v) minus the sum of the amount of the Available RP Capacity Amount utilized by the Borrower or any Restricted Subsidiary to (A) make Restricted Payments in reliance on Sections 10.6(b), (f), (l), (s) and (v) and (B) incur Indebtedness pursuant to Section 10.1(w) utilizing the Available RP Capacity Amount.

"Average Store Consolidated EBITDA" shall mean, with respect to any Test Period, the numeric average of the aggregate amount of Consolidated Store EBITDA of Grocery Stores in the Designated Sample calculated beginning in the 18th fiscal month and continuing through and including the 29th fiscal month, in each case, after the month in which such Grocery Stores were opened (e.g., the sum of each such Grocery Store's Consolidated Store EBITDA for such Test Period, divided by the number of applicable Grocery Stores in the Designated Sample).

"Bail-In Action" shall mean the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" shall mean 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 for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bankruptcy Code" shall mean the provisions of Title 11 of the United States Code, 11 USC §§ 101 et seq., as amended, or any similar federal or state law for the relief of debtors.

"Basel III" shall mean, collectively, those certain agreements on capital requirements, leverage ratios and liquidity standards contained in "Basel III: A Global Regulatory Framework for More Resilient Banks and Banking Systems", "Basel III: International Framework for Liquidity Risk Measurement, Standards and Monitoring", and "Guidance for National Authorities Operating the Countercyclical Capital Buffer", each as published by the Basel Committee on Banking Supervision in December 2010 (as revised from time to time), and as implemented by a Lender's primary U.S. federal banking regulatory authority or primary non-U.S. financial regulatory authority, as applicable.

"Beneficial Owner" shall mean, in the case of a Lender, the beneficial owner of any amounts payable under any Credit Document for U.S. federal withholding tax purposes.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Plan" shall mean any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Benefited Lender" shall have the meaning provided in Section 13.8(a).

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Board of Directors" shall mean, with respect to any Person, (i) in the case of any corporation, the board of directors of such Person, (ii) in the case of any limited liability company, the board of managers of such Person, (iii) in the case of any partnership, the Board of Directors of the general partner of such Person and (iv) in any other case, the functional equivalent of the foregoing.

"Borrower" shall have the meaning provided in the preamble to this Agreement and shall include any Successor Borrower, to the extent applicable.

"Borrower Materials" shall have the meaning provided in Section 13.2.

"Borrowing" shall mean and include (a) the Incurrence of one Class and Type of Initial Term Loan on the Closing Date (or resulting from conversions on a given date after the Closing Date) having, in the case of Eurodollar Loans, the same Interest Period (provided that ABR Loans Incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of Eurodollar Loans) and (b) the Incurrence of one Class and Type of Incremental Term Loan on an Incremental Facility Closing Date (or resulting from conversions on a given date after the applicable Incremental Facility Closing Date) having, in the case of Eurodollar Loans, the same Interest Period (provided that ABR Loans Incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of Eurodollar Loans).

"Business Day" shall mean (a) any day excluding Saturday, Sunday and any day that shall be in The City of New York a legal holiday or a day on which banking institutions are authorized by law or other governmental actions to close and (b) if the applicable Business Day relates to any Eurodollar Loans, any day on which dealings in deposits in U.S. Dollars are carried on in the London interbank eurodollar market.

"Capital Expenditures" shall mean, for any period, the aggregate of, without duplication, (a) all expenditures (whether paid in cash or accrued as liabilities) by the Borrower 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 Borrower and the Restricted Subsidiaries, (b) all Capitalized Software Expenditures and Capitalized Research and Development Costs during such period and (c) all fixed asset additions financed through Financing Lease Obligations Incurred by the Borrower and the Restricted Subsidiaries and recorded on the balance sheet in accordance with GAAP during such period; provided that the term "Capital Expenditures" shall not include:

(i) expenditures made in connection with the replacement, substitution, restoration or repair of assets to the extent financed from insurance proceeds or compensation awards paid on account of a Recovery Event (except to the extent that such proceeds otherwise increase Consolidated Net Income for purposes of calculating Excess Cash Flow for such period),

(ii) the purchase price of equipment that is purchased simultaneously with the trade-in of existing equipment to the extent that the gross amount of such purchase price is reduced by the credit granted by the seller of such equipment for the equipment being traded in at such time,

(iii) the purchase of property, plant or equipment to the extent financed with the proceeds of Dispositions outside the ordinary course of business (except to the extent that such proceeds otherwise increase Consolidated Net Income for purposes of calculating Excess Cash Flow for such period),

(iv) expenditures that constitute any part of Consolidated Lease Expense,

(v) expenditures that are accounted for as capital expenditures by the Borrower or any Restricted Subsidiary and that actually are paid for, or reimbursed, by a Person other than the Borrower or any Restricted Subsidiary and for which neither the Borrower nor any Restricted Subsidiary has provided or is required to provide or incur, directly or indirectly, any consideration or obligation to such Person or any other Person (whether before, during or after such period, it being understood, however, that only the amount of expenditures actually provided or incurred by the Borrower or any Restricted Subsidiary in such period and not the amount required to be provided or incurred in any future period shall constitute "Capital Expenditures" in the applicable period),

(vi) the book value of any asset owned by the Borrower or any Restricted Subsidiary prior to or during such period to the extent that such book value is included as a capital expenditure during such period as a result of such Person reusing or beginning to reuse such asset during such period without a corresponding expenditure actually having been made in such period; provided that (x) any expenditure necessary in order to permit such asset to be reused shall be included as a Capital Expenditure during the period in which such expenditure actually is made and (y) such book value shall have been included in Capital Expenditures when such asset was originally acquired,

(vii) any expenditures made as payments of the consideration for an Acquisition (or other Investments) and expenditures made in connection with the Transactions and any amounts recorded pursuant to purchase accounting required under GAAP pertaining to Acquisitions (or other Investments) or the Transactions,

(viii) any capitalized interest expense and internal costs reflected as additions to property, plant or equipment in the consolidated balance sheet of the Borrower and the Restricted Subsidiaries or capitalized as Capitalized Software Expenditures and Capitalized Research and Development Costs for such period, or

(ix) any non-cash compensation or other non-cash costs reflected as additions to property, plant and equipment, Capitalized Software Expenditures and Capitalized Research and Development Costs in the consolidated balance sheet of the Borrower and the Restricted Subsidiaries.

"Capital Stock" shall mean any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation and including membership interests and partnership interests) and, except to the extent constituting Indebtedness, any and all warrants, rights or options to purchase, acquire or exchange any of the foregoing.

"Capitalized Research and Development Costs" shall mean, for any period, all research and development costs that are, or are required to be, in accordance with GAAP, reflected as capitalized costs on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries.

"Capitalized Software Expenditures" shall mean, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities) by the Borrower and the Restricted Subsidiaries during such period in respect of purchased software or internally developed software and software enhancements that, in conformity with GAAP, are or are required to be reflected as capitalized costs on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries.

"Captive Insurance Company" shall mean each Subsidiary of the Borrower formed from time to time that engages primarily in the business of insuring risks of the Borrower and its Subsidiaries.

"cash equivalents" shall have the meaning ascribed to such term under GAAP.

"Cash Equivalents" shall mean:

(a) Dollars;

(b) Australian Dollars, Canadian Dollars, Euros, Pounds Sterling or any national currency of any participating member state of the EMU;

(c) other currencies held by the Borrower or the Restricted Subsidiaries from time to time in the ordinary course of business;

(d) securities issued or unconditionally guaranteed or insured by the United States government or any agency or instrumentality thereof, in each case having maturities of not more than 24 months from the date of acquisition thereof;

(e) securities issued by any state, commonwealth or territory of the United States of America or any political subdivision or taxing authority of any such state, commonwealth or territory or any public instrumentality thereof or any political subdivision or taxing authority of any such state or commonwealth or territory or any public instrumentality thereof having maturities of not more than 24 months from the date of acquisition thereof and, at the time of acquisition, having an Investment Grade Rating;

(f) commercial paper or variable or fixed rate notes issued by or guaranteed by any Lender or any bank holding company owning any Lender;

(g) commercial paper or variable or fixed rate notes maturing no more than 24 months from the date of acquisition thereof and, at the time of acquisition, having an Investment Grade Rating;

(h) time deposits with, or domestic and eurocurrency certificates of deposit, demand deposits or bankers' acceptances maturing no more than two years after the date of acquisition thereof and overnight bank deposits, in each case, issued by, any Lender or any other bank having combined capital and surplus of not less than $100,000,000 (or the Dollar equivalent as of the date of determination);

(i) repurchase obligations for underlying securities of the type described in clauses (d), (e) and (h) above entered into with any bank meeting the qualifications specified in clause (h) above or securities dealers of recognized national standing;

(j) marketable short-term money market and similar securities having a rating of at least A-2 or P-2 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another Rating Agency);

(k) readily marketable direct obligations issued by any non-U.S. government or any political subdivision or public instrumentality thereof, in each case having an Investment Grade Rating with maturities of 24 months or less from the date of acquisition;

(l) Investments with average maturities of no more than 24 months from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody's (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another Rating Agency);

(m) with respect to any Foreign Subsidiary: (i) 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 24 months after the date of acquisition thereof, (ii) 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 who otherwise meets the qualifications specified in clause (f) above (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 (iii) the equivalent of demand deposit accounts which are maintained with an Approved Foreign Bank;

(n) Indebtedness or Preferred Stock issued by Persons with a rating of "A" or higher from S&P or "A-2" or higher from Moody's (or, if at any time neither S&P or Moody's shall be rating such obligations, an equivalent rating from another Rating Agency) with maturities of 24 months or less from the date of acquisition;

(o) in the case of investments by any Foreign Subsidiary or investments made in a country outside the United States of America, Cash Equivalents shall also include (i) investments of the type and maturity described in clauses (a) through (n) above of foreign obligors, which investments or obligors (or the parents of such obligors) have ratings, described in such clauses or equivalent ratings from comparable foreign Rating Agencies and (ii) other short term investments utilized by Foreign Subsidiaries in accordance with normal investment practices for cash management in investments analogous to the foregoing investments described in clauses (a) through (n) of this paragraph;

(p) investment funds investing 90.0% of their assets in securities of the types described in clauses (a) through (o) above;

(n) to the extent not otherwise included, cash amounts receivable by the Borrower or any Restricted Subsidiary from independent operators related to daily Grocery Store receipts and amounts receivable and other payment intangibles due to the Borrower or any Restricted Subsidiary from any Credit Card Issuer.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (a), (b) and (c) above; provided that such amounts are converted into any currency or securities listed in clauses (a) through (d) as promptly as practicable and in any event within ten (10) Business Days following the receipt of such amounts.

"Cash Management Agreement" shall mean any agreement entered into from time to time by Holdings, the Borrower or any of the Restricted Subsidiaries in connection with cash management services for collections, other Cash Management Services or for operating, payroll and trust accounts of such Person, including automatic clearing house services, controlled disbursement services, electronic funds transfer services, information reporting services, lockbox services, stop payment services and wire transfer services.

"Cash Management Bank" shall mean (a) any Person that is a Lender, Lead Arranger, Joint Bookrunner, Agent or any Affiliate of a Lender, Lead Arranger, Joint Bookrunner or Agent at the time it provides any Cash Management Services or any Person that shall have become a Lender, an Agent or an Affiliate of a Lender or an Agent at any time after it has provided any Cash Management Services and (b) on and after the First Lien Termination Date, any other Person that is a "Cash Management Bank" (as defined in the First Lien Credit Agreement) immediately prior to the First Lien Termination Date.

"Cash Management Obligations" shall mean obligations owed by Holdings, the Borrower or any Restricted Subsidiary to any Cash Management Bank in connection with, or in respect of, any Cash Management Services.

"Cash Management Services" shall mean (a) commercial credit cards, merchant card services, purchase or debit cards, including non-card e-payables services, (b) treasury management services (including controlled disbursement, overdraft automatic clearing house fund transfer services, return items and interstate depository network services) and (c) any other demand deposit or operating account relationships or other cash management services, including under any Cash Management Agreements.

"CFC" shall mean a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"Change in Law" shall mean the occurrence, after the Closing Date, of any of the following: (a) the adoption of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration or interpretation thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) Basel III and all requests, rules, guidelines or directives thereunder or issued in connection therewith, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" shall mean and be deemed to have occurred if:

(a) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all of the assets of the Borrower and its Subsidiaries, taken as a whole, to any Person other than the Permitted Holders or any Guarantor has occurred;

(b) Holdings becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) the acquisition by (A) any Person (other than any one or more Permitted Holders) or (B) Persons (other than any one or more Permitted Holders) that are together a group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) (but excluding any employee benefit plan of such Person or group or any entity acting in its capacity as trustee, agent or other fiduciary or administrator for such plan), including any group acting for the purpose of acquiring, holding or Disposing of Capital Stock of Holdings (or, for the avoidance of doubt, any New Holdings or Successor Holdings or IPO Entity) (within the meaning of Rule 13d-5(b)(1) under the Exchange Act) (or any successor provision) in a single transaction or in a related series of transactions, by way of merger, consolidation, amalgamation or other business combination or purchase of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision) of more than 50.0% of the total voting power of the Voting Stock of Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or IPO Entity), unless the Permitted Holders otherwise have the right (pursuant to contract, proxy or otherwise), directly or indirectly, to designate, nominate or appoint directors (or similar position) having a majority of the aggregate votes on the Board of Directors of Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or IPO Entity);

(c) unless a Holdings Termination Event has occurred, at any time prior to an IPO of the Borrower (or, for the avoidance of doubt, a Successor Borrower), the failure of Holdings (or, for the avoidance of doubt, any New Holdings or Successor Holdings), directly or indirectly through wholly owned subsidiaries, to own beneficially and of record, all of the Capital Stock of the Borrower; and/or

(d) the occurrence of a "change of control" or any comparable event under, and as defined in the First Lien Credit Agreement (or any documentation governing any Permitted Refinancing Indebtedness in respect of any Refinancing thereof) or the documentation governing any other First Lien Obligations or Second Lien Obligations (in each case, other than any Cash Management Agreement or Hedging Agreement).

Notwithstanding the preceding or any provision of Rule 13d-3 of the Exchange Act (or any successor provision), (i) a Person or "group" shall not be deemed to beneficially own securities subject to an equity or asset purchase agreement, merger agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the transactions contemplated by such agreement, (ii) if any "group" includes one or more Permitted Holders, the issued and outstanding Voting Stock of Holdings (or, for the avoidance of doubt, any New Holdings or Successor Holdings or IPO

Entity) beneficially owned, directly or indirectly, by any Permitted Holders that are part of such "group" shall not be treated as being beneficially owned by any other member of such "group" for purposes of determining whether a Change of Control has occurred and (iii) a Person or "group" will not be deemed to beneficially own the Voting Stock of another Person as a result of its ownership of Voting Stock or other securities of such other Person's Parent Entity (or related contractual rights) unless it owns 50.0% or more of the total voting power of the Voting Stock of such Parent Entity. For purposes of this definition and any related definition to the extent used for purposes of this definition, at any time when 50.0% or more of the total voting power of the Voting Stock of Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or IPO Entity) is directly or indirectly owned by a Parent Entity, all references to Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or IPO Entity) shall be deemed to refer to its ultimate Parent Entity (but excluding any Permitted Holder (other than any Permitted Parent)) that directly or indirectly owns such Voting Stock.

"Claims" shall have meaning provided in the definition of Environmental Claims.

"Class", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Initial Term Loans, Incremental Term Loans (of the same Class) or Extended Term Loans (of the same Extension Series), and, when used in reference to any Commitment, refers to whether such Commitment is an Initial Term Loan Commitment or an Incremental Term Loan Commitment (of the same Class), and when used in reference to any Lender, refers to whether such Lender has a Loan or Commitment of such Class.

"Closing Date" shall mean the date of the initial Credit Event under this Agreement, which date is October 22, 2018.

"Closing Date Indebtedness" shall mean Indebtedness outstanding on the Closing Date and, to the extent in excess of $15,000,000, described on Schedule 10.1.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time. Section references to the Code are to the Code, as in effect on the Closing Date, and any subsequent provisions of the Code, amendatory thereof, supplemental thereto or substituted therefor.

"Collateral" shall have the meaning provided for such term or a similar term in each of the Security Documents; provided that, with respect to any Mortgages, "Collateral" shall mean "Mortgaged Property" or a similar term as defined therein.

"Collateral Agent" shall mean Morgan Stanley Senior Funding, Inc. or any successor thereto appointed in accordance with the provisions of Section 12.11, together with any Person that is appointed as a sub-agent in accordance with Section 12.4, as the collateral agent for the Secured Parties.

"Commitment" shall mean, with respect to each Lender (to the extent applicable), such Lender's Initial Term Loan Commitment or Incremental Term Loan Commitment, as applicable.

"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 13.2.

"Company" shall mean Grocery Outlet Inc., a California corporation.

"Confidential Information" shall have the meaning provided in Section 13.16.

"Confidential Information Memorandum" shall mean the Confidential Information Memorandum of the Borrower dated October 2018, delivered to the prospective lenders in connection with this Agreement.

"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, Capital Expenditures, including Capitalized Software Expenditures, intangible assets established through recapitalization or purchase accounting, and the accretion or amortization of OID resulting from the Incurrence of Indebtedness at less than par, of such Person for such period on a consolidated basis and as 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, plus:

(a) without duplication and to the extent already deducted or, in the case of clauses (vi) and (viii) below, to the extent not included (and not added back or excluded) in arriving at such Consolidated Net Income, the sum of the following amounts for such period:

(i) provision for taxes based on income or profits or capital, and sales taxes, including, without limitation, federal, foreign, state, local, franchise, unitary, property, excise, value added and similar taxes and foreign withholding taxes of such Person and any distributions or payments pursuant to Sections 10.6(g)(i) or 10.6(g)(iii), in each case, paid or accrued during such period (including taxes in respect of expatriated or repatriated funds and any penalties and interest related to such taxes or arising from any tax examinations),

(ii) Consolidated Interest Expense and, to the extent not reflected in such Consolidated Interest Expense, bank and letter of credit fees, debt rating monitoring fees and net losses on Hedging Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, amortization of deferred financing fees, OID or costs, costs of surety bonds in connection with financing activities, together with items excluded from the definition of "Consolidated Interest Expense" pursuant to clauses (A) through (N) thereof,

(iii) Consolidated Depreciation and Amortization Expense of such Person for such period,

(iv) the amount of any restructuring charge, accrual or reserve or non-recurring (on a per-transaction basis) integration costs and related costs and charges, including proposed or actual hiring and on-boarding of any senior level executives and any one-time (on a per-transaction basis) costs or charges incurred in connection with Acquisitions and other Investments or Tax Restructurings, including costs, expenses and charges incurred in conforming Grocery Stores acquired in connection with Permitted Acquisitions and similar Investments to the branding and aesthetic standards of the Borrower and its Subsidiaries (including in respect of signage, labor, training, leaseholder improvement, remodeling, fixtures, firmware and equipment) and costs, charges and expenses, including put arrangements and headcount reductions or other similar actions including severance charges in respect of employee termination or relocation costs, excess pension charges, severance and lease termination expenses and other expenses and/or costs, including excess pension charges, related to the closure, discontinuance, consolidation and/or integration of locations, information technology infrastructure, legal entities (including any legal entity restructuring), Grocery Stores and/or facilities,

(v) any other non-cash charges, including (A) all non-cash compensation expenses and costs, (B) the non-cash impact of recapitalization or purchase accounting, (C) the non-cash impact of accounting changes or restatements, (D) any non-cash portion of Consolidated Lease Expense and (E) other non-cash charges; provided that, to the extent that 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 subtracted from Consolidated EBITDA in such future period to such extent; and provided, further, that amortization of a prepaid cash item that was paid in a prior period shall be excluded),

(vi) the aggregate amount of Consolidated Net Income for such period attributable to non-controlling interests of third parties in any non-Wholly-Owned Subsidiary, excluding cash distributions in respect thereof to the extent already included in Consolidated Net Income,

(vii) the amount of management, monitoring, consulting and advisory fees, termination payments, indemnities and related expenses paid or accrued in such period to (or on behalf of) the Permitted Holders (including any termination fees payable in connection with the early termination of management and monitoring agreements and any expenses paid in connection with the shareholders agreements applicable to any Parent Entity) (including amortization thereof) and any directors', officers', employees', consultants' and board of directors' fees or reimbursements (including pursuant to any management agreement) in any such case to the extent otherwise permitted under Section 10.11 or to (or on behalf of) Affiliates of the Borrower on or prior to the Closing Date (and following the Closing Date, with respect to any indemnification or other amounts owed in respect of arrangements in effect prior to the Closing Date),

(viii) pro forma adjustments, including pro forma "run rate" cost savings, operating expense reductions, and other synergies related to mergers, business combinations, Acquisitions and other Investments, Dispositions, any Permitted Change of Control and other similar transactions, or related to restructuring initiatives, cost savings initiatives and other initiatives projected by the Borrower in good faith to result from actions that have been taken, actions with respect to which substantial steps have been taken or actions that are expected to be taken (in each case, in the good faith determination of the Borrower), in any such case, within eight fiscal quarters after the date of consummation of such merger, business combination, Acquisition or other Investment, Disposition, any Permitted Change of Control or other similar transaction or the initiation of such restructuring initiative, cost savings initiative or other initiative; provided that, for the purpose of this clause (viii), (I) any such adjustments shall be added to Consolidated EBITDA for each Test Period until fully realized and shall be calculated on a pro forma basis as though such adjustments had been realized on the first day of the relevant Test Period and shall be calculated net of the amount of actual benefits realized from such actions, (II) any such adjustments shall be reasonably identifiable and (III) no such adjustments shall be added pursuant to this clause (viii) to the extent duplicative of any items related to adjustments included in the definition of "Consolidated Net Income", clause (iv) above or pursuant to the effects of Section 1.11 (it being understood that for purposes of the foregoing and Section 1.11 "run rate" shall mean the full recurring benefit that is associated with any such action),

(ix) Receivables Fees and the amount of loss on Dispositions of receivables and related assets to the Receivables Subsidiary in connection with a Qualified Receivables Facility,

(x) (A) any deductions, charges, costs or expenses (including compensation charges and expenses) incurred or paid by the Borrower or any Restricted Subsidiary pursuant to any management equity plan, share option plan, a "phantom" stock plan or any other management or employee benefit plan or agreement, pension plan, any severance agreement, non-compete agreement or any equity subscription or shareholder agreement or any distributor equity plan or agreement or in connection with grants of stock appreciation or similar rights or other rights to directors, officers, managers and/or employees of any Parent Entity, any Equityholding Vehicle, the Borrower or any of its Restricted Subsidiaries and the employer portion of payroll taxes associated therewith, to the extent funded with cash contributed to the capital of the Borrower or the Net Cash Proceeds of an issuance of Capital Stock of the Borrower (other than Disqualified Capital Stock) solely to the extent that such Net Cash Proceeds are excluded from the calculation of the Available Equity Amount, and (B) any charges, costs, expenses, accruals or reserves in connection with the rollover, acceleration or payout of Capital Stock held by directors, officers, managers and/or employees of any Parent Entity, any Equityholding Vehicle, the Borrower or any of its Restricted Subsidiaries,

(xi) cash received in respect of acquired contingent commission revenue in such period, to the extent such revenue does not constitute Consolidated Net Income in such period; provided that if such revenue later constitutes Consolidated Net Income in a subsequent period, it will reduce Consolidated EBITDA in such period to the extent such revenue so constitutes Consolidated Net Income;

(xii) cash receipts (or any netting arrangements resulting in reduced cash expenditures) not otherwise included in Consolidated EBITDA in any period to the extent non-cash gains relating to such receipts were deducted in the calculation of Consolidated EBITDA pursuant to paragraph (b) below for any previous period and not added back,

(xiii) any net pension or other post-employment benefit costs representing amortization of unrecognized prior service costs, actuarial losses, including amortization of such amounts arising in prior periods, amortization of the unrecognized net obligation (and loss or cost) existing at the date of initial application of Financial Accounting Standards Board's Accounting Standards Codification No. 715, any non-cash deemed finance charges in respect of any pension liabilities, the curtailment or modification of pension and post-retirement employee benefit plans (including settlement of pension liabilities), and any other items of a similar nature,

(xiv) in respect of any Hedging Obligations that are terminated (or early extinguished) prior to the stated settlement date, any loss (or gain as applicable) reflected in Consolidated Net Income in or following the quarter in which such termination or early extinguishment occurs,

(xv) all adjustments of the type that are described on pages 40 and 41 of the Public Lender Presentation, to the extent such adjustments, without duplication, continue to be applicable to such period,

(xvi) costs, expenses, charges, accruals, reserves (including restructuring costs related to acquisitions prior to, on or after the Closing Date) or expenses attributable to the undertaking and/or the implementation of cost savings initiatives, operating expense reductions and other restructuring and integration and transition costs, costs associated with inventory category and distribution optimization programs, pre-opening, opening and other business optimization expenses (including software development costs), future lease commitments, consolidation, discontinuance and closing and consolidation costs and expenses for locations, facilities and/or Grocery Stores, contract termination payments (including future lease payments), signing, retention and completion bonuses, costs related to entry and expansion into new markets (including consulting fees) or the exit from existing markets (including with respect to the termination of customer, vendor, supplier, lease or other contracts), marketing costs related to rebranding efforts, marketing costs incurred in connection with new Grocery Store openings and in connection with the entry and expansion into new markets and to modifications to pension and post-retirement employee benefit plans, system design, establishment and implementation costs and project start-up costs,

(xvii) adjustments consistent with Regulation S-X of the Securities Act,

(xviii) earn-out obligations and other post-closing obligations to sellers (including transaction tax benefit payments or to the extent accounted for as bonuses or otherwise) incurred in connection with any Acquisition or other Investment permitted under this Agreement (including any Acquisition or other Investment consummated prior to the Closing Date) or adjustments thereof, which is paid or accrued during the applicable period,

(xix) one-time start-up costs and expenses for Grocery Stores, any costs or expenses incurred by the Borrower or any Restricted Subsidiaries associated with any Grocery Store openings and any Capital Expenditures made in connection with any such opening to the extent expensed,

(xx) costs related to the implementation of operational and reporting systems and technology initiatives and one-time Public Company Costs,

(xxi) the amount of any charge or deduction associated with any Restricted Subsidiary that is attributable to any non-controlling interest or minority interest of any third party,

(xxii) charges, expenses or losses incurred in connection with any Tax Restructuring,

(xxiii) charges 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 and charges relating to compliance with the provisions of the Securities Act and the Exchange Act, 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, employees', consultants', directors' or managers' compensation, fees and expense reimbursement, charges 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,

(xxiv) charges relating to the sale of products in new locations, including, without limitation, start-up costs, initial testing and registration costs in new markets, the cost of feasibility studies, travel costs for employees engaged in activities relating to any or all of the foregoing and the allocation of general and administrative support in connection with any or all of the foregoing,

(xxv) add-backs and adjustments of the type set forth in any quality of earnings analysis prepared by independent registered public accountants of recognized national standing or any other accounting firm reasonably acceptable to the Administrative Agent and delivered to the Administrative Agent in connection with any Permitted Acquisition or other Investment; and

(xxvi) charges or losses on any loans and advances to independent operators of Grocery Stores;

less

(b) without duplication and to the extent included in arriving at such Consolidated Net Income of such Person for such period, decreased by, without duplication, any non-cash gains, but excluding any non-cash gains that represent the reversal of any accrual of, or cash reserve for, anticipated cash items that reduced Consolidated EBITDA in any prior period,

plus

(c) the New Stores Adjustment,

in each case, as determined on a consolidated basis for the Borrower and the Restricted Subsidiaries in accordance with GAAP; provided that,

(I) there shall be included in determining Consolidated EBITDA for any period, without duplication, the Acquired EBITDA of any Person, property, business or asset acquired by the Borrower or any Restricted Subsidiary during such period (other than any Unrestricted Subsidiary) to the extent not subsequently sold, transferred or otherwise Disposed of during such period (but not including the Acquired EBITDA of any related Person, property, business or assets to the extent not so acquired) (each such Person, property, business or asset acquired, including pursuant to the Transactions or pursuant to a transaction consummated prior to the Closing Date, 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"), in each case based on the Acquired EBITDA of such Pro Forma Entity for such period (including the portion thereof occurring prior to such acquisition or conversion) determined on a historical pro forma basis; and

(II) there shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property, business or asset sold, transferred or otherwise Disposed of, closed or classified as discontinued operations by the Borrower or any Restricted Subsidiary to the extent not subsequently reacquired, reclassified or continued, in each case, during such period (each such Person (other than an Unrestricted Subsidiary), property, business or asset so sold, transferred or otherwise Disposed of, closed or classified, 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"), in each case based on the 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, disposition, closure, classification or conversion) determined on a historical pro forma basis.

Notwithstanding anything to the contrary contained herein and subject to adjustment as provided in clauses (I) and (II) of the immediately preceding proviso with respect to acquisitions and Dispositions occurring prior to, on and following the Closing Date and, without any duplication of any adjustments already included in the amounts below, other adjustments contemplated by Section 1.11, clause (a)(viii), (a)(xv) and (a)(xvi) above or clause (c) above, Consolidated EBITDA shall be deemed to be $42,943,206, $43,131,813, $37,040,332 and $38,263,864, respectively, for the fiscal quarters ended September 30, 2017, December 31, 2017, March 31, 2018 and June 30, 2018.

"Consolidated EBITDA to Consolidated Interest Expense Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated EBITDA for the most recent Test Period ended on or prior to such date of determination to (b) Consolidated Interest Expense for such period; provided that, for purposes of calculating the Consolidated EBITDA to Consolidated Interest Expense Ratio for any period ending prior to the first anniversary of the Closing Date, Consolidated Interest Expense shall be an amount equal to actual Consolidated Interest Expense from the Closing Date through the date of determination multiplied by a fraction the numerator of which is 365 and the denominator of which is the number of days from the Closing Date through the date of determination.

"Consolidated First Lien Debt" shall mean, without duplication, as of any date of determination, (a) the aggregate principal amount of all Consolidated Total Debt (determined without regard to clause (b) of the definition thereof) outstanding under the First Lien Credit Agreement as of such date (but excluding the effects of any discounting of Indebtedness resulting from the application of recapitalization or purchase accounting in connection with the Transactions, any Permitted Change of Control, Acquisition or other Investment) and all other Consolidated Total Debt (determined without regard to clause (b) of the definition thereof) secured by Liens on the Collateral that rank senior in priority to the Liens on the Collateral securing the Obligations minus (b) the aggregate amount of cash and cash equivalents on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries on such date, excluding cash and cash equivalents which are or should be listed as "restricted" on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries as of such date. It is understood that to the extent the Borrower or any Restricted Subsidiary Incurs any Indebtedness and receives the proceeds of such Indebtedness, for purposes of determining any Incurrence test under this Agreement and whether the Borrower is in pro forma compliance with any such test, the proceeds of such Incurrence shall not be considered cash or cash equivalents for purposes of any "netting" pursuant to clause (b) of this definition.

"Consolidated First Lien Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated First Lien Debt as of the last day of the Test Period most recently ended on or prior to such date of determination to (b) Consolidated EBITDA for such Test Period.

"Consolidated Interest Expense" shall mean, with respect to any Person for any period, without duplication, the sum of:

(a) the consolidated cash interest expense of such Person for such period, determined on a consolidated basis in accordance with GAAP, with respect to all outstanding Indebtedness of such Person to the extent included in the calculation of Consolidated Total Debt (but, including in any event, (i) all commissions, discounts and other cash fees and charges owed with respect to letters of credit and bankers' acceptance financing, (ii) the cash interest component of Financing Lease Obligations, (iii) net cash payments, if any, made (less net cash payments, if any, received),

pursuant to obligations under Hedging Agreements for any such Indebtedness) and (iv) Restricted Payments on account of Disqualified Capital Stock made pursuant to Section 10.6(r), but in any event excluding, for the avoidance of doubt,

(A) the accretion or amortization of original issue discount resulting from the Incurrence of Indebtedness at less than par;

(B) amortization or write off of deferred financing costs, debt issuance costs, commissions, fees and expenses;

(C) any accretion or accrual of, or accrued interest on discounted liabilities not constituting Indebtedness during such period and any prepayment, redemption, repurchase, defeasance, acquisition or similar premium, make-whole, breakage, penalty or inducement or other loss in connection with the early Refinancing or modification of Indebtedness paid or payable during such period;

(D) any interest in respect of items excluded from Indebtedness in the proviso to the definition thereof and any interest in respect of Indebtedness not otherwise included in the definition of "Consolidated Total Debt" (other than as described in clauses (i) through (iv) in the parenthetical to clause (a) above);

(E) penalties or interest relating to taxes and any other amount of non-cash interest resulting from the effects of the acquisition method of accounting or pushdown accounting;

(F) non-cash interest expense attributable to the movement of the mark-to-market valuation of obligations under Hedging Agreements or other derivative instruments pursuant to Financial Accounting Standards Board's Accounting Standards Codification No. 815 (Derivatives and Hedging);

(G) any one-time cash costs associated with breakage in respect of Hedging Agreements for interest rates and any payments with respect to make-whole and redemption premiums or other breakage costs in respect of any Indebtedness;

(H) all additional interest or liquidated damages then owing pursuant to any registration rights agreement and any comparable "additional interest" or liquidated damages with respect to other securities designed to compensate the holders thereof for a failure to publicly register such securities;

(I) any expense resulting from the discounting of any Indebtedness in connection with the application of recapitalization accounting or purchase accounting;

(J) any expensing of bridge, arrangement, structuring, commitment or other financing fees or closing payments (excluding, for the avoidance of doubt, the Commitment Fees (as defined in the First Lien Credit Agreement));

(K) any lease, rental or other expense in connection with Non-Financing Lease Obligations,

(L) Receivables Fees, commissions, discounts, yield and other fees and charges (including any interest expense) related to any Qualified Receivables Facility,

(M) any capitalized interest, whether paid in cash or otherwise; and

(N) any other non-cash interest expense, including capitalized interest, whether paid or accrued;

less

(b) cash interest income of the Borrower and the Restricted Subsidiaries for such period.

For purposes of this definition, interest on a Financing 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 Financing Lease Obligation in accordance with GAAP.

"Consolidated Lease Expense" shall mean, for any period, all rental expenses of any Person during such period in respect of Non-Financing Lease Obligations for real or personal property (including in connection with Sale Leasebacks), but excluding real estate taxes, insurance costs and common area maintenance charges and net of sublease income; provided that Consolidated Lease Expense shall not include (a) obligations under vehicle leases entered into in the ordinary course of business, (b) all such rental expenses associated with assets acquired pursuant to the Transactions and pursuant to an Acquisition (or other Investment) to the extent that such rental expenses relate to Non-Financing Lease Obligations (i) in effect at the time of (and immediately prior to) such acquisition and (ii) related to periods prior to such acquisition, (c) Financing Lease Obligations, all as determined on a consolidated basis in accordance with GAAP and (d) the effects from applying purchase accounting.

"Consolidated Net Income" shall mean, with respect to any Person for any period, the aggregate of the Net Income, attributable to such Person for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; provided, however, that, without duplication, and on an after-tax basis to the extent appropriate,

(a) any extraordinary, exceptional, unusual or nonrecurring gains, losses or expenses; costs associated with preparations for, and implementation of, compliance with the requirements of the Sarbanes-Oxley Act of 2002 and other Public Company Costs; earn-out payments or other consideration paid or payable in connection with an Acquisition to the extent recorded as cash compensation expense; severance costs (which may include, for the avoidance of doubt, the forgiveness of amounts that arose from, or reserves in connection with, advances paid to financial planners that had not yet been repaid at the time of severance); relocation costs; integration costs; pre-opening, opening, consolidation, discontinuation, integration and closing costs and expenses for locations, facilities, Grocery Stores, information technology infrastructure and/or for legal entities (including any legal entity restructuring); recruiting fees, signing, retention and completion bonuses (and the employer portion of payroll taxes associated therewith), transition costs, restructuring costs, accruals, reserves (including restructuring and integration costs related to acquisitions after the Closing Date and adjustments to existing reserves and any restructuring charge relating to any Tax Restructuring), whether or not classified as restructuring expense on the consolidated financial statements; business optimization charges, including related to new product introductions; systems implementation charges; charges relating to entry into a new market; consulting charges; product and intellectual property development; charges; software development charges; charges associated with new systems design; project startup charges; charges in connection with new operations; corporate development charges; internal costs in respect of strategic initiatives; duplicative rent expense and in respect of the implementation of any enhanced accounting function (including in connection with becoming a

standalone entity or public company); charges in connection with curtailments or modifications to pension and post-retirement employee benefit plans (including any settlement of multi-employer plan or pension liabilities); and charges related to litigation settlements, fines, judgments, orders or losses and related costs and expenses, in each case shall be excluded,

(b) the Net Income for such period shall not include the cumulative effect of a change in accounting principles, including if reflected through a restatement or retroactive application, during such period,

(c) any net gains or losses realized on (i) Disposed of, discontinued or abandoned operations (which shall not, unless the Borrower otherwise elects, include assets then held for sale), or (ii) the sale or other Disposition of any Capital Stock of any Person, shall be excluded,

(d) any net gains or losses realized attributable to asset Dispositions, other than those in the ordinary course of business, as determined in good faith by the Borrower, and Dispositions of books of business, client lists or related goodwill in connection with the departure of related employees or producers, shall be excluded,

(e) the Net Income for such period of any Person that is not the Borrower or a Restricted Subsidiary of the Borrower, or that is accounted for by the equity method of accounting, shall be excluded; provided that the Consolidated Net Income of the Borrower and its Restricted Subsidiaries shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash or Cash Equivalents (or, if not paid in cash or Cash Equivalents, but later converted into cash or Cash Equivalents, upon such conversion) to the referent Person or a Restricted Subsidiary thereof in respect of such period,

(f) solely for the purpose of determining the amount available under clause (i) of the definition of "Available Amount", the Net Income for such period of any Restricted Subsidiary (other than any Credit Party) shall be excluded to the extent the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of its Net Income is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, is otherwise restricted by the operation of the terms of its charter or any judgment, decree, order, statute, rule, or governmental regulation applicable to that Restricted Subsidiary or its equityholders, (other than: (i) restrictions that have been waived or otherwise released, (ii) restrictions pursuant to this Agreement or the Second Lien Credit Agreement and (iii) restrictions arising pursuant to an agreement or instrument if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Secured Parties than the encumbrances and restrictions contained in the Credit Documents or the First Lien Credit Documents (as determined by the Borrower in good faith)) unless such restriction with respect to the payment of dividends or similar distributions has been legally waived; provided that Consolidated Net Income of the Borrower will be increased by the amount of dividends or other distributions or other payments actually paid in cash or Cash Equivalents (or, if not paid in cash or Cash Equivalents, but later converted into cash or Cash Equivalents, upon such conversion) to the Borrower or a Restricted Subsidiary thereof in respect of such period, to the extent not already included therein,

(g) any income (loss) (and all related fees and expenses or charges related thereto) from the purchase, acquisition, early extinguishment, conversion or cancellation of Indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid) shall be excluded,

(h) any impairment charge, asset write-off or write-down, including impairment charges or asset write-offs or write-downs related to intangible assets (including goodwill), long-lived assets, Investments in debt and equity securities, the amortization of intangibles, and the effects of adjustments to accruals and reserves during a prior period relating to any change in the methodology of calculating reserves for returns, rebates, warranties, inventories and other chargebacks (including government program rebates), shall be excluded,

(i) any (i) non-cash compensation expense as a result of grants of equity appreciation or similar rights, profits interests, equity options, phantom equity, restricted equity or other rights or equity incentive programs and any non-cash charges associated with the rollover, acceleration or payout of Capital Stock or options, phantom equity, profits interests or other rights with respect thereto by, or to, future, current or former officers, directors, employees, managers or consultants of Holdings, the Borrower or any of the Restricted Subsidiaries, or any Parent Entity or Equityholding Vehicle, (ii) income (loss) attributable to deferred compensation plans or trusts and (iii) any expense (including taxes) in respect of payments made to option holders or holders of profits interests, phantom equity, restricted equity or restricted equity units of the Borrower or any Parent Entity or Equityholding Vehicle in connection with, or as a result of, any distribution being made to equityholders of the Borrower or any Parent Entity or Equityholding Vehicle, which payments are being made to compensate such option holders or holders of profits interests, phantom equity, restricted equity or restricted equity units as though they were equityholders at the time of, and entitled to share in, such distribution (to the extent such distribution to equityholders is excluded from Consolidated Net Income), shall be excluded,

(j) any fees and expenses (including any transaction or retention bonus, similar payments, commissions or discounts) incurred during such period, or any amortization thereof for such period, in connection with any Acquisition, Investment, asset Disposition, Change of Control or any Permitted Change of Control, Incurrence, Refinancing, prepayment, redemption, repurchase, acquisition, defeasance, extinguishment, retirement or repayment of Indebtedness, issuance of Capital Stock (including any IPO), or amendment, supplement or other modification of any debt instrument (in each case, including any such transaction consummated prior to the Closing Date and any such transaction undertaken, but not completed and/or not successful) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction shall be excluded,

(k) accruals and reserves that are established or adjusted as a result of the Transactions or after the closing of any Acquisition, any Permitted Change of Control or Investment in accordance with GAAP or changes as a result of the adoption or modification of accounting policies during such period, whether effected through a cumulative effect adjustment, restatement or a retroactive application in accordance with GAAP, shall be excluded,

(l) the effects from applying purchase accounting, including applying recapitalization or purchase accounting to inventory, property and equipment, software, goodwill and other intangible assets, in-process research and development, post-employment benefits, leases, Deferred Revenue and debt-like items required or permitted by GAAP (including the effects of such adjustments pushed down to the Borrower and the Restricted Subsidiaries), as a result of the Transactions or any other consummated Acquisition, or the amortization or write-off of any amounts thereof, shall be excluded,

(m) any foreign exchange gains or losses (whether or not realized) resulting from the impact of foreign currency changes on the valuation of assets and liabilities on the consolidated balance sheet of the Borrower shall be excluded,

(n) any non-cash interest expense and non-cash interest income, in each case to the extent there is no associated cash disbursement or receipt, as the case may be, before the Latest Maturity Date, shall be excluded,

(o) the amount of any cash tax benefits related to the tax amortization of intangible assets in such period shall be included,

(p) Transaction Expenses and Permitted Change of Control Costs including ((i) payment of any severance and the amount of any other success, change of control or similar bonuses or payments payable to any current or former employee, director, officer or consultant of the Borrower or any of its Restricted Subsidiaries as a result of the consummation of the Transactions without the requirement of any action on the part of the Borrower or any of its Restricted Subsidiaries, and (ii) costs in connection with payments related to the rollover, acceleration or payout of Capital Stock held by management and members of the board of the Borrower and its Restricted Subsidiaries or Parent Entities, including the payment of any employer taxes related to the items in this clause (p), and similar costs, expenses or charges incurred in connection with the Transactions or a Permitted Change of Control) shall be excluded,

(q) income or expense related to changes in the fair value of contingent liabilities recorded in connection with the Transactions or any Acquisition or other Investment shall be excluded,

(r) proceeds received from business interruption insurance (to the extent not reflected as revenue or income in Net Income and to the extent that the related loss was deducted in the determination of Net Income), shall be included,

(s) charges, losses, lost profits, expenses or write-offs to the extent indemnified, reimbursed or insured by a third party, including expenses covered by indemnification or reimbursement provisions in connection with the Transactions, an Acquisition or any other Investment, in each case, to the extent that indemnification, reimbursement or insurance coverage has not been denied, the Borrower in good faith believes that such amounts are recoverable from such indemnitors, reimbursers or insurers, and so long as such amounts are actually paid or reimbursed to the Borrower or any of its Restricted Subsidiaries in cash or Cash Equivalents within one year after the related amount is first added to Consolidated Net Income pursuant to this clause (s) (and if not so reimbursed within one year, such amount shall be deducted from Consolidated Net Income during the next measurement period), shall be excluded; provided that such amounts shall only be included in Consolidated Net Income under clause (i) of the definition of "Available Amount" after such amounts are actually reimbursed in cash,

(t) any non-cash expenses, accruals, reserves or income related to adjustments to historical tax exposures shall be excluded; provided that, if any such non-cash items represent an accrual or reserve for cash payments in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated Net Income in such future period, but only to the extent of such non-cash expense, accrual or reserve excluded pursuant to this clause (t),

(u) any non-cash gain or loss attributable to the mark-to-market movement in the valuation of Hedging Obligations (to the extent the cash impact resulting from such gain or loss has not been realized) or other derivative instruments pursuant to Financial Accounting Standards Board's Accounting Standards Codification No. 815-Derivatives and Hedging, shall be excluded,

(v) any gain or loss relating to Hedging Obligations associated with transactions realized in the current period that has been reflected in Net Income in prior periods and excluded from, or included in, as applicable, Consolidated Net Income pursuant to the preceding clause (u) shall be included,

(w) any expense to the extent a corresponding amount is received in cash by the Borrower or any Restricted Subsidiaries from a Person other than the Borrower or any Restricted Subsidiaries shall be excluded; provided such payment has not been included in determining Consolidated Net Income (it being understood that if the amounts received in cash under any such agreement in any period exceed the amount of expense in respect of such period, such excess amounts received may be carried forward and applied against expense in future periods);

(x) all discounts, commissions, fees and other charges (including interest expense) associated with any Receivables Facility shall be excluded, and

(y) the amount of any expense required to be recorded as compensation expense related to contingent transaction consideration and the employer portion of any payroll taxes associated therewith shall be excluded.

"Consolidated Secured Debt" shall mean, without duplication, as of any date of determination, (a) the aggregate principal amount of all Consolidated Total Debt (determined without regard to clause (b) of the definition thereof) outstanding under this Agreement and under the First Lien Credit Agreement as of such date (but excluding the effects of any discounting of Indebtedness resulting from the application of recapitalization or purchase accounting in connection with any Permitted Change of Control, Acquisition or other Investment) and all other Consolidated Total Debt (determined without regard to clause (b) of the definition thereof) secured by Liens on the Collateral minus (b) the aggregate amount of cash and cash equivalents on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries on such date, excluding cash and cash equivalents which are or should be listed as "restricted" on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries as of such date. It is understood that to the extent the Borrower or any Restricted Subsidiary Incurs any Indebtedness and receives the proceeds of such Indebtedness, for purposes of determining any Incurrence test under this Agreement and whether the Borrower is in pro forma compliance with any such test, the proceeds of such Incurrence shall not be considered cash or cash equivalents for purposes of any "netting" pursuant to clause (b) of this definition.

"Consolidated Secured Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Secured Debt as of the last day of the Test Period most recently ended on or prior to such date of determination to (b) Consolidated EBITDA for such Test Period.

"Consolidated Store EBITDA" shall mean a Grocery Store's Consolidated EBITDA excluding any costs or income that would be recorded as Distribution, General and administrative, and Marketing and advertising costs in the Company's consolidated statements of income as calculated in the detailed store database maintained by the Company.

"Consolidated Total Assets" shall mean, as of any date of determination, the total amount of all assets of the Borrower and the Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP as of such date.

"Consolidated Total Debt" shall mean, as of any date of determination, (a) the aggregate principal amount of indebtedness of the Borrower and the Restricted Subsidiaries outstanding on such date, determined on a consolidated basis in accordance with GAAP (but excluding the effects of any

discounting of indebtedness resulting from the application of purchase accounting in connection with any Permitted Change of Control, Acquisition or other Investments), consisting of third party indebtedness for borrowed money, Unpaid Drawings (as defined in the First Lien Credit Agreement), Financing Lease Obligations and third-party debt obligations evidenced by promissory notes or similar instruments, minus (b) the aggregate amount of cash and cash equivalents on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries on such date, excluding cash and cash equivalents which are listed as "restricted" on the consolidated balance sheet of the Borrower and the Restricted Subsidiaries as of such date. It is understood that to the extent the Borrower or any Restricted Subsidiary Incurs any Indebtedness and receives the proceeds of such Indebtedness, for purposes of determining any Incurrence test under this Agreement and whether the Borrower is in pro forma compliance with any such test, the proceeds of such Incurrence shall not be considered cash or cash equivalents for purposes of any "netting" pursuant to clause (b) of this definition. It is also understood that no Receivable Facility shall be considered Indebtedness of the type included in the definition of "Consolidated Total Debt".

"Consolidated Total Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the Test Period most recently ended on or prior to such date of determination to (b) Consolidated EBITDA for such Test Period.

"Consolidated Working Capital" shall mean, at any date, the excess of (a) the sum of all amounts (excluding all cash and Cash Equivalents) that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of the Borrower and the Restricted Subsidiaries at such date less (b) the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of the Borrower and the Restricted Subsidiaries on such date, including (for purposes of both clauses (a) and (b)) current and long-term Deferred Revenue but excluding (for purposes of both clauses (a) and (b) above, as applicable), without duplication, (i) the current portion of any Funded Debt, (ii) all Indebtedness (including Letter of Credit Obligations (as defined in the First Lien Credit Agreement)) under the Revolving Credit Facility, any Additional/Replacement Revolving Credit Facility (as defined in the First Lien Credit Agreement), any Extended Revolving Credit Facility (as defined in the First Lien Credit Agreement) or any other revolving credit facility that is effective in reliance on Section 10.1(b) or Section 10.1(u), to the extent otherwise included therein, (iii) the current portion of interest, (iv) the current portion of current and deferred income taxes, (v) non-cash compensation costs and expenses, (vi) any other liabilities that are not Indebtedness and will not be settled in cash or Cash Equivalents during the next succeeding twelve month period after such date, (vii) the effects from applying recapitalization or purchase accounting, (viii) any earn out obligations until 30 days after such obligation becomes contractually due and payable and any earn-out obligation that becomes contractually due and payable to the extent (A) such Person is indemnified for the payment thereof by a solvent Person reasonably acceptable to the Administrative Agent or (B) amounts to be applied to the payment thereof are in escrow through customary arrangements and (ix) any asset or liability in respect of net obligations of such Person in respect of Swaps entered into in the ordinary course of business; provided that Consolidated Working Capital shall be calculated without giving effect to (x) the depreciation of the Dollar relative to other foreign currencies or (y) changes to Consolidated Working Capital resulting from non-cash charges and credits to consolidated current assets and consolidated current liabilities (including, without limitation, derivatives and deferred income tax); provided, further, that for purposes of calculating Excess Cash Flow, increases or decreases in working capital shall exclude the impact of adjusting items in the definition of "Consolidated Net Income".

"Contract Consideration" shall have the meaning provided in the definition of the term "Additional ECF Reduction Amounts."

"Contractual Obligation" shall mean, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound other than the Obligations.

"Controlled Investment Affiliate" shall mean, as to any Person, any other Person, other than any Investor, which directly or indirectly controls, is controlled by, or is under common control with such Person and is organized by such Person (or any Person controlling such Person) primarily for making direct or indirect equity or debt investments in the Borrower and/or other Persons.

"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."

"Corrective Extension Agreement" shall have the meaning provided in Section 2.15(f).

"Credit Agreement Refinancing Indebtedness" shall mean (a) Permitted Equal Priority Refinancing Debt, (b) Permitted Junior Priority Refinancing Debt or (c) Permitted Unsecured Refinancing Debt; provided that, in each case, such Indebtedness is Incurred to Refinance, in whole or in part, existing Term Loans or any Loans under any then-existing Incremental Facility (or, if applicable, unused Commitments thereunder), or any then-existing Credit Agreement Refinancing Indebtedness ("Refinanced Debt"); provided, further, that (i) except for any of the following that are only applicable to periods after the Latest Maturity Date, the covenants, events of default and guarantees of such Indebtedness (excluding, for the avoidance of doubt, interest rates (including through fixed interest rates), interest margins, rate floors, fees, funding discounts, original issue discounts, maturity, currency types and denominations and prepayment or redemption premiums and terms) (when taken as a whole) are determined by the Borrower to be either (A) consistent with market terms and conditions and conditions at the time of Incurrence or effectiveness (as determined by the Borrower in good faith) or (B) not materially more restrictive on the Borrower and the Restricted Subsidiaries than those applicable to the Refinanced Debt, when taken as a whole (provided that if the documentation governing such Credit Agreement Refinancing Indebtedness contains a Previously Absent Covenant, the Administrative Agent shall be given prompt written notice thereof and this Agreement shall be amended to include such Previously Absent Covenant for the benefit of each Credit Facility; provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), (ii) any such Indebtedness in the form of bonds, notes, loans or debentures or which Refinances, in whole or in part, existing Term Loans, shall have a maturity that is no earlier than the earlier of the maturity of the Refinanced Debt and the Latest Maturity Date and a Weighted Average Life to Maturity equal to or greater than the Refinanced Debt; provided that the foregoing requirements of this clause (ii) shall not apply (x) to the extent such Indebtedness either is subject to Customary Escrow Provisions or constitutes a customary bridge facility, so long as the long-term Indebtedness into which any such customary bridge facility is to be converted or exchanged satisfies the requirements of this clause (ii) and such conversion or exchange is subject only to conditions customary for similar conversions or exchanges and/or (y) to Credit Agreement Refinancing Indebtedness in an amount up to the Incremental/Refinancing Maturity Limitation Excluded Amount, (iii) except to the extent otherwise

permitted under this Agreement (subject to a dollar-for-dollar usage of any other basket set forth in Section 10.1, if applicable), such Indebtedness shall not have a greater principal amount (or shall not have a greater accreted value, if applicable) than the principal amount (or accreted value, if applicable) of the Refinanced Debt plus unpaid accrued interest, fees and premiums (including tender premiums) (if any) thereon, defeasance costs, underwriting discounts and fees and expenses (including OID, closing payments, upfront fees or similar fees) associated with the Refinancing, (iv) such Refinanced Debt shall be repaid, repurchased, redeemed, defeased, acquired or satisfied and discharged on a dollar-for-dollar basis, and all accrued interest, fees and premiums (including tender premiums) (if any) in connection therewith shall be paid substantially concurrently with the date such Credit Agreement Refinancing Indebtedness is Incurred or made effective, (v) in the case of any such Indebtedness in the form of bonds, notes, loans or debentures or which Refinances, in whole or in part, existing Term Loans, the terms thereof shall not require any mandatory prepayment, redemption, repurchase, acquisition or defeasance (other than Indebtedness that is subject to Customary Escrow Provisions) and otherwise other than (x) in the case of bonds, notes or debentures, customary change of control, asset sale event or casualty, eminent domain or condemnation event offers, AHYDO Catch Up Payments and customary acceleration any time after an event of default and (y) in the case of any term loans, mandatory prepayments that are on terms (when taken as a whole) not materially more favorable to the lenders or holders providing such Indebtedness than those applicable to the Refinanced Debt (when taken as a whole) prior to the maturity date of the Refinanced Debt, (vi) any Credit Agreement Refinancing Indebtedness may not be guaranteed by any Persons that do not guarantee the Obligations and (vii) any Credit Agreement Refinancing Indebtedness may not be secured by any assets that do not secure the Obligations.

"Credit Card Issuer" means any Person (other than the Borrower or a Restricted Subsidiary) who issues or whose members issue credit cards, including MasterCard or VISA bank credit or debit cards or other bank credit or debit cards issued through MasterCard International, Inc., Visa, U.S.A., Inc. or Visa International and American Express, Discover, Diners Club, Carte Blanche and other non-bank credit or debit cards, including credit or debit cards issued by or through American Express Travel Related Services Company, Inc., and Novus Services, Inc.

"Credit Documents" shall mean this Agreement, the Security Documents, the Guarantee, the Fee Letter, the First Lien/Second Lien Intercreditor Agreement, any promissory notes issued by the Borrower hereunder, any Incremental Agreement, any Extension Agreement and any Customary Intercreditor Agreement entered into after the Closing Date to which the Collateral Agent and/or the Administrative Agent is a party.

"Credit Event" shall mean and include the making (but not the conversion or continuation) of a Loan.

"Credit Facility" shall mean any of the Initial Term Loan Facility, any Incremental Term Loan Facility or any Extended Term Loan Facility, as applicable.

"Credit Party" shall mean, collectively and/or, as applicable, individually, Holdings, the Borrower and each Subsidiary Guarantor.

"Cumulative Consolidated EBITDA" shall mean, as at any date of determination, Consolidated EBITDA for the period (taken as one accounting period) commencing on October 1, 2018 and ending on the last day of the most recent fiscal quarter for which Internal Financial Statements are available.

"Cure Amount" shall have the meaning provided for such term in the First Lien Credit Agreement.

"Customary Escrow Provisions" shall mean customary prepayment or redemption terms relating to Escrowed Proceeds under escrow arrangements.

"Customary Intercreditor Agreement" shall mean (a) to the extent executed in connection with the Incurrence of secured Indebtedness Incurred by a Credit Party, the Liens on the Collateral securing which are intended to rank equal in priority to the Liens on the Collateral securing the Obligations (but without regard to the control of remedies), at the option of the Borrower and the Collateral Agent acting together in good faith, either (i) any intercreditor agreement substantially in the form of the Equal Priority Intercreditor Agreement or (ii) a customary intercreditor agreement in form and substance reasonably acceptable to the Collateral Agent and the Borrower, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank equal in priority to the Liens on the Collateral securing the Obligations (but without regard to the control of remedies), (b) to the extent executed in connection with the Incurrence of secured Indebtedness Incurred by a Credit Party, the Liens on the Collateral securing which are intended to rank senior in priority to the Liens on the Collateral securing the Obligations, at the option of the Borrower and the Collateral Agent acting together in good faith, either (i) an intercreditor agreement substantially in the form of the First Lien/Second Lien Intercreditor Agreement or (ii) a customary intercreditor agreement in form and substance reasonably acceptable to the Collateral Agent and the Borrower, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank senior in priority to the Liens on the Collateral securing the Obligations and (c) to the extent executed in connection with the Incurrence of secured Indebtedness Incurred by a Credit Party, the Liens on the Collateral securing which are intended to rank junior in priority to the Liens on the Collateral securing the Obligations, at the option of the Borrower and the Collateral Agent acting together in good faith, either (i) an intercreditor agreement substantially in the form of the First Lien/Second Lien Intercreditor Agreement (modified to reflect the senior ranking of the Liens securing the Obligations relative to such junior Liens) or (ii) a customary intercreditor agreement in form and substance reasonably acceptable to the Collateral Agent and the Borrower, which agreement shall provide that the Liens on the Collateral securing such Indebtedness shall rank junior in priority to the Liens on the Collateral securing the Obligations.

"Debt Fund Affiliate" shall mean any Affiliate of the Borrower (other than Holdings, the Borrower or any Restricted Subsidiary of the Borrower) and any other Affiliate of the Sponsor that is a bona fide debt fund or an investment vehicle that is engaged in, or advises funds or other investment vehicles that are engaged in, the making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course.

"Debt Incurrence Prepayment Event" shall mean any Incurrence by the Borrower or any of the Restricted Subsidiaries of any Indebtedness, but excluding any Indebtedness permitted to be Incurred under Section 10.1 (other than Incremental Term Loans Incurred in reliance on the proviso to Section 2.14(b), Permitted Additional Debt Incurred in reliance on Section 10.1(u)(i)(x) and Credit Agreement Refinancing Indebtedness).

"Debtor Relief Laws" shall mean the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

"Default" shall mean any event, act or condition that with notice or lapse of time, or both, would constitute an Event of Default.

"Deferred Revenue" shall mean, at any date, the amount set forth opposite the caption "deferred revenue" (or any like caption or included in any other caption, including current and non-current designations) on a consolidated balance sheet at such date; provided that such balance should be determined excluding the effects of acquisition method accounting.

"Designated Non-Cash Consideration" shall mean the Fair Market Value of consideration that is not deemed to be cash or Cash Equivalents and that is received by the Borrower or its Restricted Subsidiaries in connection with a Disposition pursuant to Section 10.4(c) that is designated as Designated Non-Cash Consideration pursuant to a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent, setting forth the basis of such valuation (less the amount of the amount of cash or Cash Equivalents received in connection with a subsequent Disposition, redemption or repurchase of, or collection or payment on, such Designated Non-Cash Consideration).

"Designated Sample" shall mean the number of Grocery Stores (other than online stores) opened from and including the 25th fiscal quarter to occur prior to the last fiscal quarter in any such Test Period to and including the 10th fiscal quarter to occur prior to the last fiscal quarter in any such Test Period (e.g., for the Test Period ended June 30, 2018, the Designated Sample shall include all Grocery Stores (other than online stores) opened during and including the first fiscal quarter of 2012 through and including the fourth fiscal quarter of 2015).

"Disposed EBITDA" shall mean, with respect to any Sold Entity or Business or 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 Borrower and the Restricted Subsidiaries in the definition of the term "Consolidated EBITDA" (and in the component financial definitions used therein) were references to such Sold Entity or Business and its Subsidiaries or to such Converted Unrestricted Subsidiary and its Subsidiaries), all as determined on a consolidated basis for such Sold Entity or Business.

"Disposition" shall have the meaning provided in Section 10.4. The terms "Disposal", "Dispose" and "Disposed of" shall have correlative meanings.

"Disposition Percentage" shall mean, with respect to any Asset Sale Prepayment Event or Recovery Prepayment Event required to be applied pursuant to Section 5.2(a)(i), the applicable percentage of Net Cash Proceeds required to be offered on any date of determination to prepay Term Loans.

"Disqualified Capital Stock" shall mean, with respect to any Person, any Capital Stock of such Person that, by its terms (or by the terms of any security or other Capital Stock into which it is convertible or for which it is putable or exchangeable) or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than solely for Qualified Capital Stock), pursuant to a sinking fund obligation or otherwise, other than solely as a result of a change of control, asset sale event or casualty, eminent domain or condemnation event so long as any rights of the holders thereof upon the occurrence of a change of control, asset sale event or casualty, eminent domain or condemnation event shall be subject to the prior repayment in full of the Loans and all other Obligations (other than Hedging Obligations under any Secured Hedging Agreement, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations and other contingent obligations not then due and payable), (b) is redeemable or exchangeable at the option of the holder thereof (other than solely for Qualified Capital Stock), other than as a result of a change of control, asset sale event or casualty, eminent domain or condemnation event so long as any rights of the holders thereof upon the occurrence of a change of control, asset sale event or casualty, eminent domain or condemnation event shall be subject to the prior repayment in full of the Loans and all other Obligations (other than Hedging Obligations under any Secured Hedging Agreement, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations and other contingent obligations not

then due and payable), in whole or in part, or (c) provides for the scheduled payment of dividends in cash, in each case prior to the date that is ninety-one (91) days after the Latest Maturity Date; provided that, if such Capital Stock is issued pursuant to any plan for the benefit of officers, directors, employees or consultants of Holdings (or any Parent Entity thereof), the Borrower or any of its Subsidiaries or by any such plan to such officers, directors, employees or consultants, such Capital Stock shall not constitute Disqualified Capital Stock solely because it may be required to be repurchased by Holdings (or any Parent Entity thereof), the Borrower or any of its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such officer's, director's, employee's or consultant's termination, death or disability.

"Disqualified Lenders" shall mean (a) such Persons that have been specified in writing to the Administrative Agent and/or the Lead Arrangers on or prior to the Closing Date as being "Disqualified Lenders", (b) those Persons who are competitors of the Borrower and its Subsidiaries that are separately identified in writing by the Borrower or the Sponsor from time to time to the Administrative Agent (which shall not become effective until the next Business Day after the date such identification is provided) and (c) in the case of each of clauses (a) and (b), any of their Affiliates (which, for the avoidance of doubt, shall not include any bona fide debt investment funds that are Affiliates of the Persons referenced in clause (b) above) that are either (i) identified in writing to the Administrative Agent by the Borrower or the Sponsor from time to time or (ii) readily identifiable on the basis of such Affiliate's name as an Affiliate of such entity; *provided* that any Person that is a Lender and subsequently becomes a Disqualified Lender (but was not a Disqualified Lender on the Closing Date or at the time it became a Lender) shall not retroactively be deemed to be a Disqualified Lender hereunder. The identity of Disqualified Lenders may be communicated by the Administrative Agent to a Lender upon request, but will not be otherwise posted or distributed to any Person by the Administrative Agent.

"Divided LLC" shall mean any LLC which has been formed upon the consummation of an LLC Division.

"Dollars", "U.S. Dollars" and "$" shall mean dollars in lawful currency of the United States of America.

"Domestic Restricted Subsidiary" shall mean each Restricted Subsidiary of the Borrower that is a Domestic Subsidiary.

"Domestic Subsidiary" shall mean each Subsidiary of the Borrower that is organized under the Applicable Laws of the United States, any state thereof, or the District of Columbia.

"EEA Financial Institution" shall mean (a) any credit institution or investment firm established in any EEA Member Country that is subject to the supervision of an EEA Resolution Authority, (b) any Person established in an EEA Member Country that is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country that 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" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" shall mean 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.

"Effective Yield" shall mean, as to any Indebtedness, the effective yield paid by the Borrower on such Indebtedness as determined by the Borrower and the Administrative Agent in a manner consistent with generally accepted financial practices, taking into account the applicable interest rate margins, any interest rate "floors" (the effect of which floors shall be determined in a manner set forth in the proviso below and assuming that, if interest on such Indebtedness is calculated on the basis of a floating rate, that the "Eurodollar Rate" or similar component of such formula is included in the calculation of Effective Yield) or similar devices and all fees, including upfront or similar fees or OID (amortized over the shorter of (x) the remaining Weighted Average Life to Maturity of such Indebtedness and (y) the four years following the date of Incurrence thereof) payable generally by the Borrower to Lenders or other institutions providing such Indebtedness, but excluding any commitment fees, arrangement fees, structuring fees, underwriting fees, closing payments or other similar fees payable in connection therewith that are not generally shared with all relevant Lenders (in their capacities as lenders) and, if applicable, ticking fees accruing prior to the funding of such Indebtedness and customary consent or amendment fees for an amendment paid generally to consenting Lenders (and regardless of whether any such fees are paid to, or shared in whole or in part with, any Lender); provided that, with respect to any Indebtedness that includes a "floor", (a) to the extent that the Reference Rate on the date that the Effective Yield is being calculated is less than such floor, the amount of such difference shall be deemed added to the interest rate margin for such Indebtedness for the purpose of calculating the Effective Yield and (b) to the extent that the Reference Rate on the date that the Effective Yield is being calculated is greater than such floor, then the floor shall be disregarded in calculating the Effective Yield.

"Eligible Assignee" shall mean (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund and (d) any other Person (subject, in each case, to such consents, if any, as may be required under Section 13.6(b)), other than, in each case, (i) a natural person or (ii) a Disqualified Lender.

"Employee Investors" shall mean current, former or future the officers, directors, managers and employees (and Controlled Investment Affiliates and Immediate Family Members of the foregoing) of Holdings, the Borrower, the Restricted Subsidiaries or any Parent Entity who are or who become direct or indirect investors in Holdings, any of its Parent Entities, any Equityholding Vehicle, or in the Borrower, including any such officers, directors, managers or employees owning through an Equityholding Vehicle.

"EMU" shall mean the economic and monetary union as contemplated in the Treaty on European Union.

"Environment" shall mean ambient air, indoor air, surface water, groundwater, drinking water, land surface, sediments, and subsurface strata and natural resources such as wetlands, flora and fauna.

"Environmental Claims" shall mean any and all administrative, regulatory or judicial actions, suits, orders, demands, demand letters, claims, liens, notices of noncompliance or violation, investigations (other than internal reports prepared by the Borrower or any of its Subsidiaries (a) in the ordinary course of such Person's business or (b) as required in connection with a financing transaction or an acquisition or disposition of real estate) or proceedings relating in any way to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereinafter, "Claims"), including (i) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from the Release or threatened Release of Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the Environment.

"Environmental Law" shall mean any applicable federal, state, provincial, territorial, foreign, municipal or local statute, law, rule, regulation, ordinance, code, permit, binding agreement issued,

promulgated or entered into by or with any Governmental Authority or 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, in each case relating to pollution or the protection of the Environment including, those relating to generation, use, handling, storage, treatment, Release or threat of Release of Hazardous Materials or, to the extent relating to exposure to Hazardous Materials, human health or safety.

"Equal Priority Intercreditor Agreement" shall mean the Equal Priority Intercreditor Agreement substantially in the form of Exhibit G-1 among (x) the Collateral Agent and (y) one or more representatives of the holders of one or more classes of Permitted Additional Debt and/or Permitted Equal Priority Refinancing Debt, with any immaterial changes and material changes thereto in light of the prevailing market conditions, which material changes shall be posted to the Lenders not less than five Business Days before execution thereof and, if the Required Lenders shall not have objected to such changes within five Business Days after posting, then the Required Lenders shall be deemed to have agreed that the Administrative Agent's and/or Collateral Agent's entry into such intercreditor agreement (with such changes) is reasonable and to have consented to such intercreditor agreement (with such changes) and to the Administrative Agent's and/or Collateral Agent's execution thereof.

"Equityholding Vehicle" shall mean any Parent Entity and any equityholder thereof through which current, former or future officers, directors, employees, managers or consultants of Holdings or the Borrower or any of their Subsidiaries or Parent Entity hold Capital Stock of such Parent Entity.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time. Section references to ERISA are to ERISA as in effect on the Closing Date and any subsequent provisions of ERISA amendatory thereof, supplemental thereto or substituted therefor.

"ERISA Affiliate" shall mean each person (as defined in Section 3(9) of ERISA) that together with Holdings, the Borrower or a Restricted Subsidiary thereof is treated as a "single employer" within the meaning of Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414(b), (c), (m) and (o) of the Code.

"Escrowed Proceeds" shall mean the proceeds from the offering of any debt securities or other Indebtedness paid into an escrow account with an independent escrow agent on the date of the applicable offering or Incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow account upon satisfaction of certain conditions or the occurrence of certain events. The term "Escrowed Proceeds" shall include any interest earned on the amounts held in escrow.

"EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Eurodollar Borrowing" shall mean each Borrowing of a Eurodollar Loan.

"Eurodollar Loan" shall mean any Loan bearing interest at a rate determined by reference to the Eurodollar Rate.

"Eurodollar Rate" shall mean, with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum equal to the greater of (a) 0.00% and (b) the product of (i) the LIBOR in effect for such Interest Period and (ii) Statutory Reserves

Where,

"LIBOR" shall mean, (i) the rate per annum determined by the Administrative Agent to be the offered rate which appears on the applicable Bloomberg page which displays the London interbank offered rate administered by ICE Benchmark Administration Limited for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time), two Business Days prior to the commencement of such Interest Period, or (ii) in the event the rate referenced in the preceding clause (i) does not appear on such page or service or if such page or service shall cease to be available, the rate determined by the Administrative Agent to be the offered rate on such other page or other service which displays LIBOR for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period; provided that if LIBOR is quoted under either of the preceding clauses (i) or (ii), but there is no such quotation for the Interest Period elected, LIBOR shall be equal to the Interpolated Rate; and

"Statutory Reserves" shall mean a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board and any other banking authority, domestic or foreign, to which the Administrative Agent or any Lender (including any branch, Affiliate, or other fronting office making or holding a Loan) is subject for Eurocurrency Liabilities (as defined in Regulation D of the Board). Eurodollar Loans shall be deemed to constitute Eurocurrency Liabilities (as defined in Regulation D of the Board) and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D. Statutory Reserves shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

and (b) with respect to any ABR Loan, an interest rate per annum equal to the LIBOR in effect for an Interest Period of one month

Where,

"LIBOR" shall mean (i) the rate per annum determined by the Administrative Agent to be the offered rate which appears on the applicable Bloomberg page which displays the London interbank offered rate administered by ICE Benchmark Administration Limited for deposits in Dollars with a one-month term, determined as of approximately 11:00 a.m. (London, England time), on the day of determination of such rate, or (ii) in the event the rate referenced in the preceding clause (i) does not appear on such page or service or if such page or service shall cease to be available, the rate determined by the Administrative Agent to be the offered rate on such other page or other service which displays LIBOR for deposits in Dollars with a one-month term, determined as of approximately 11:00 a.m. (London, England time) on the date of determination of such rate; provided that if LIBOR is quoted under either of the preceding clauses (i) or (ii), but there is no such quotation for a one-month Interest Period, LIBOR shall be equal to the Interpolated Rate.

"Event of Default" shall have the meaning provided in Section 11.

"Excess Cash Flow" shall mean, for any period, an amount equal to the excess of

(a) the sum, without duplication, of:

(i) Consolidated Net Income for such period;

(ii) an amount equal to the amount of all non-cash charges to the extent deducted in arriving at such Consolidated Net Income (provided that, in each case, if any non-cash charge represents an accrual or reserve for cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Excess Cash Flow in such future period);

(iii) decreases in Consolidated Working Capital and decreases in long-term accounts receivable in each case as of the end of such period from the Consolidated Working Capital and long-term accounts receivable as of the beginning of such period (except, in the case of each of the foregoing, any such increases or decreases that are as a result of the reclassification of items from short-term to long-term or vice versa) (other than any such decreases or increases, as applicable, arising from Acquisitions or Dispositions outside the ordinary course of assets, business units or property by the Borrower or any of the Restricted Subsidiaries completed during such period or the application of recapitalization or purchase accounting);

(iv) an amount equal to the aggregate net non-cash loss on the Disposition of assets, business units or property by the Borrower and the Restricted Subsidiaries during such period (other than Dispositions in the ordinary course of business) to the extent deducted in arriving at such Consolidated Net Income;

(v) cash payments received in respect of Hedging Agreements during such period to the extent not included in arriving at such Consolidated Net Income;

(vi) income tax expense to the extent deducted in arriving at such Consolidated Net Income (net of any adjustments pursuant to clause (o) of Consolidated Net Income for cash tax benefits related to the tax amortization of intangible assets in such period); and

(vii) to the extent deducted, or not included in arriving at such Consolidated Net Income, (A) increases in non-current deferred income tax liabilities, (B) decreases in non-current deferred income tax assets, (C) accruals for future lease payments in respect of closed stores plus accretion thereof, (D) increases in non-current GAAP rent equalization and deferred rent liabilities, (E) increases in deferred landlord allowances and (F) accretion of asset retirement obligations recorded in accordance with GAAP;

minus

(b) the sum, without duplication, of:

(i) an amount equal to the amount of all non-cash credits included in arriving at such Consolidated Net Income (but excluding any non-cash credit to the extent representing the reversal of an accrual or reserve described in clause (a)(ii) above) and cash charges included in clauses (a) through (w) of the definition of the term "Consolidated Net Income";

(ii) the aggregate amount of all principal payments of Indebtedness of the Borrower and the Restricted Subsidiaries (including (A) the principal component of payments in respect of Financing Lease Obligations, (B) all scheduled principal repayments of the Term Loans, First Lien Term Loans (or any Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof), Permitted Additional Debt and Credit Agreement Refinancing Indebtedness, in each case to the extent such payments are permitted hereunder and actually made and (C) the amount of any mandatory prepayment of Term Loans actually made pursuant to Section 5.2(a)(i) and any mandatory prepayment of First Lien Term Loans actually made pursuant to Section 5.2(a)(i) of the First Lien Credit Agreement (or any Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) and any mandatory redemption, repurchase, prepayment, defeasance, acquisition or similar payment of Permitted Additional Debt or Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in each such case from the proceeds of any Disposition and that resulted in an increase to Consolidated Net Income (and have not otherwise been excluded under clause (c) of the definition thereof) and not in excess of the amount of such increase but excluding (1) all other prepayments, repurchases, defeasances, acquisitions, redemptions and/or similar payments of Term Loans, First Lien Term Loans (or any Permitted Refinancing Indebtedness in respect thereof), Permitted Additional Debt or Credit Agreement Refinancing Indebtedness and (2) all prepayments of revolving credit loans and swingline loans permitted hereunder made during such period (other than in respect of any revolving credit facility (other than in respect of (x) the Revolving Credit Facility, any Extended Revolving Credit Facility or Additional/Replacement Revolving Credit Facility (each as defined in the First Lien Credit Agreement) and (y) other revolving loans that are effective in reliance on Section 10.1(b) or Section 10.1(u)) to the extent there is an equivalent permanent reduction in commitments thereunder)), except to the extent financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(iii) an amount equal to the aggregate net non-cash gain on the Disposition of property by the Borrower and the Restricted Subsidiaries during such period (other than the Disposition of property in the ordinary course of business) to the extent included in arriving at such Consolidated Net Income;

(iv) increases in Consolidated Working Capital and increases in long-term accounts receivable in each case as of the end of such period from the Consolidated Working Capital and long-term accounts receivable as of the beginning of such period (except, in the case of each of the foregoing, any such increases or decreases that are as a result of the reclassification of items from short-term to long-term or vice versa) (other than any such increases or decreases, as applicable, arising from Acquisitions or Dispositions outside the ordinary course by the Borrower and the Restricted Subsidiaries during such period or the application of recapitalization or purchase accounting);

(v) the aggregate amount of expenditures actually made by the Borrower and the Restricted Subsidiaries in cash during such period (including expenditures for the payment of financing fees) to the extent that such expenditures are not expensed during such period, except to the extent that such expenditures were financed by the Incurrence

of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(vi) the aggregate amount of any premium, make-whole or penalty payments actually paid in cash by the Borrower and the Restricted Subsidiaries during such period that are required to be made in connection with any prepayment, redemption, defeasance, acquisition or repurchase and/or similar payment of Indebtedness, except to the extent that such payments were financed by the Incurrence of long-term Indebtedness by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business;

(vii) without duplication of any amounts deducted pursuant to clause (iv) of the definition of the term "Additional ECF Reduction Amounts", the aggregate amount of all payments paid in cash by the Borrower and the Restricted Subsidiaries during such period in connection with, or necessary to consummate, the Transactions;

(viii) income taxes, including penalties and interest, paid in cash in such period;

(ix) to the extent included, or not deducted in arriving at such Consolidated Net Income, (A) decreases in non-current deferred income tax liabilities, (B) increases in non-current deferred income tax assets, (C) lease payments made in respect of closed Grocery Stores, (D) decreases in non-current GAAP rent equalization and deferred rent liabilities, (E) decreases in deferred landlord allowances and (F) amounts paid with respect to asset retirement obligations; and

(x) cash expenditures made in respect of Hedging Agreements during such period to the extent not deducted in arriving at such Consolidated Net Income.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Exchange Rate" shall mean on any day with respect to any currency (other than Dollars), the rate at which such currency may be exchanged into any other currency (including Dollars), as set forth at approximately 11:00 a.m. (London time) on such day on the Bloomberg page or screen for such currency. In the event that such rate does not appear on any Bloomberg page or screen, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed by the Administrative Agent and the Borrower, or, in the absence of such agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange quoted to the Administrative Agent by three major banks in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 11:00 a.m., local time, on such date for the purchase of the relevant currency for delivery two Business Days later.

"Excluded Capital Stock" shall mean:

(a) any Capital Stock with respect to which, in the reasonable judgment of the Borrower and the Collateral Agent as agreed in writing, the cost or other consequences (including any material adverse tax consequences) of pledging such Capital Stock shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom (it being understood that, prior to

the First Lien Termination Date, the judgment of the First Lien Administrative Agent in respect of the matters described in this clause (a) shall be deemed to be the judgment of the Administrative Agent with respect to such matters),

(b) solely in the case of any pledge of Capital Stock of any Foreign Subsidiary or FSHCO to secure the Obligations, any Capital Stock that is Voting Stock of such Foreign Subsidiary or FSHCO in excess of 65.0% of the outstanding Capital Stock that is Voting Stock of such Foreign Subsidiary or FSHCO,

(c) any Capital Stock to the extent, and for so long as, the pledge thereof would be prohibited by any Applicable Law (including financial assistance, fraudulent conveyance, preference, thin capitalization, capital preservation or similar laws or regulations and any legally effective requirement to obtain the consent of any Governmental Authority to such pledge unless such consent has been obtained),

(d) any "margin stock" (as defined in Regulation U),

(e) the Capital Stock of any Person, other than any Wholly-Owned Restricted Subsidiary to the extent, and for so long as, the pledge of such Capital Stock would be prohibited by the terms of any Contractual Obligation, Organizational Document, joint venture agreement or shareholders' agreement applicable to such Person or legally effective Contractual Obligations or create an enforceable right of termination in favor of any other party thereto (other than Holdings, the Borrower or any wholly owned Restricted Subsidiary of the Borrower),

(f) the Capital Stock of any Subsidiary of a Foreign Subsidiary or any Subsidiary of a FSHCO,

(g) the Capital Stock of any Unrestricted Subsidiary or of any Receivables Subsidiary,

(h) any Capital Stock of any Subsidiary to the extent that the pledge of such Capital Stock would result in material adverse Tax consequences to Holdings, the Borrower or any Subsidiary as reasonably determined by the Borrower in consultation with but without the consent of the Collateral Agent; and

(i) the Capital Stock of any Immaterial Subsidiary (except to the extent perfected by a UCC or equivalent statutory financing statement).

"Excluded Contribution" shall mean the Net Cash Proceeds, the Fair Market Value of marketable securities or the Qualified Proceeds, in each case received by the Borrower from capital contributions to the common Capital Stock of the Borrower or sales or issuances of common Capital Stock of the Borrower permitted hereunder, in each case, after the Closing Date (other than any amount to the extent used in the Cure Amount) and designated by the Borrower to the Administrative Agent as an Excluded Contribution within 10 Business Days of the date such capital contributions are made or the date the applicable Capital Stock is issued or sold.

"Excluded Property" shall have the meaning provided in the Security Agreement.

"Excluded Subsidiary" shall mean:

(a) any 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 9.10 (for so long as such Subsidiary remains a non-wholly owned Subsidiary),

(b) any Subsidiary that is prohibited by (x) Applicable Law (including financial assistance, fraudulent conveyance, preference, thin capitalization, capital preservation or similar laws or regulations) or (y) Contractual Obligation from guaranteeing the Obligations (and for so long as such restrictions or any replacement or renewal thereof is in effect); provided that in the case of clause (y), such Contractual Obligation existed on the Closing Date or, with respect to any Subsidiary acquired by the Borrower or a Restricted Subsidiary after the Closing Date (and so long as such Contractual Obligation was not incurred in contemplation of such acquisition) and only for so long as such restriction is continuing, on the date such Subsidiary is so acquired,

(c) any Domestic Subsidiary that is (i) a FSHCO or (ii) a direct or indirect Subsidiary of a CFC,

(d) any Immaterial Subsidiary (provided that the Borrower shall not be permitted to exclude Immaterial Subsidiaries from guaranteeing the Obligations to the extent that (i) the aggregate amount of gross revenue for all Immaterial Subsidiaries (other than Unrestricted Subsidiaries) excluded by this clause (d) exceeds 10.0% of the consolidated gross revenues of the Borrower and its Domestic Restricted Subsidiaries that are not otherwise Excluded Subsidiaries by virtue of any of the other clauses of this definition, except for this clause (d), for the Test Period most recently ended on or prior to the date of determination or (ii) the aggregate amount of total assets for all Immaterial Subsidiaries (other than Unrestricted Subsidiaries) excluded by this clause (d) exceeds 10.0% of the aggregate amount of Consolidated Total Assets of the Borrower and its Domestic Restricted Subsidiaries that are not otherwise Excluded Subsidiaries by virtue of any other clauses of this definition, except for this clause (d), as at the end of the Test Period most recently ended on or prior to the date of determination),

(e) any other Subsidiary with respect to which, in the reasonable judgment of the Administrative Agent and the Borrower (confirmed in writing by notice to the Borrower and the Collateral Agent), the cost or other consequences (including any material adverse Tax consequences) of providing a guarantee shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom (it being understood that, prior to the First Lien Termination Date, the judgment of the First Lien Administrative Agent in respect of the matters described in this clause (e) shall be deemed to be the judgment of the Administrative Agent with respect to such matters),

(f) each Foreign Subsidiary and each Unrestricted Subsidiary,

(g) each other Restricted Subsidiary acquired pursuant to an Acquisition or other Investment and financed with secured Indebtedness Incurred pursuant to Section 10.1(j) and the Liens securing which are permitted by Section 10.2(f) (and, for the avoidance of doubt, not Incurred in contemplation of such Acquisition or other Investment), and each Restricted Subsidiary acquired in such Acquisition or other Investment 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 Restricted Subsidiary is a party prohibits such Subsidiary from guaranteeing the Obligations,

(h) any Subsidiary to the extent that the guarantee of the Obligations would result in material adverse tax consequences to the Borrower or any Subsidiary as reasonably determined by the Borrower in consultation with (but without the consent of) the Administrative Agent, and confirmed in writing by notice to the Borrower and the Collateral Agent,

(i) any Subsidiary that would require any consent, approval, license or authorization from any Governmental Authority to provide a guarantee unless such consent, approval, license or authorization has been received, or is received after commercially reasonable efforts by such Subsidiary to obtain the same, which efforts may be requested by the Administrative Agent,

(j) any not-for-profit Subsidiaries, Captive Insurance Companies, Receivables Subsidiary or other Special Purpose Subsidiaries designated in writing by the Borrower from time to time to the Administrative Agent and the Collateral Agent, and

(k) any Subsidiary that does not have the legal capacity to provide a guarantee of the Obligations (provided that the lack of such legal capacity does not arise from any action or omission of the Borrower or any other Credit Party).

"Excluded Swap Obligation" shall mean, with respect to any Guarantor, (a) any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Guarantor pursuant to the Guarantee of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any guarantee pursuant to the Guarantee 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) (i) by virtue of such Guarantor's failure to constitute an "eligible contract participant", as defined in the Commodity Exchange Act and the regulations thereunder (determined after giving pro forma effect to any applicable keep well, support, or other agreement for the benefit of such Guarantor and any and all applicable guarantees of such Guarantor's Swap Obligations by other Credit Parties), at the time the guarantee of (or grant of such security interest by, as applicable) such Guarantor becomes or would become effective with respect to such Swap Obligation or (ii) in the case of a Swap Obligation that is subject to a clearing requirement pursuant to section 2(h) of the Commodity Exchange Act, because such Guarantor is a "financial entity", as defined in section 2(h)(7)(C) of the Commodity Exchange Act, at the time the guarantee of (or grant of such security interest by, as applicable) such Guarantor becomes or would become effective with respect to such Swap Obligation or (b) any other Swap Obligation designated as an "Excluded Swap Obligation" of such Guarantor as specified in any agreement between the relevant Credit Parties and Hedge Bank applicable to such Swap Obligations. 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 the Swap for which such guarantee or security interest is or becomes excluded in accordance with the first sentence of this definition.

"Excluded Taxes" shall have the meaning provided in Section 5.4(a).

"Existing Credit Agreements" shall mean (a) that certain First Lien Credit Agreement, dated as of October 21, 2014, by and among, among others, the Borrower, Holdings, the several banks and other financial institutions or entities from time to time party thereto as lenders and Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, as amended pursuant to Incremental Agreement No. 1, dated as of May 12, 2015, Incremental Agreement No. 2, dated as of June 22, 2016, and Incremental Agreement No. 3, dated as of June 14, 2017, and as further amended, amended and restated and/or supplemented prior to the Closing Date and (b) that certain Second Lien Credit Agreement, dated as of October 21, 2014, by and among, among others, the Borrower, Holdings, the several banks and other financial institutions or entities from time to time party thereto as lenders and Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, as amended, amended and restated and/or supplemented prior to the Closing Date.

"Existing Debt Refinancing" shall mean (a) the repayment in full of all principal, accrued and unpaid interest, fees, premium, if any, and other amounts outstanding under the Existing Credit Agreements, other than (i) contingent obligations not then due and payable and that by their terms survive the termination of the Existing Credit Agreements and (ii) the Existing Letters of Credit (as defined under the First Lien Credit Agreement), and (b) the termination of all commitments to extend credit thereunder and (c) the termination and/or release of any security interests and guarantees in connection therewith.

"Existing Lenders" shall have the meaning provided in the recitals to this Agreement.

"Existing Term Loan Class" shall have the meaning provided in Section 2.15(a).

"Extended Term Loan Facility" shall mean each Class of Extended Term Loans made pursuant to Section 2.15.

"Extended Term Loans" shall have the meaning provided in Section 2.15(a).

"Extending Lender" shall have the meaning provided in Section 2.15(c).

"Extension Agreement" shall have the meaning provided in Section 2.15(d).

"Extension Date" shall have the meaning provided in Section 2.15(e).

"Extension Election" shall have the meaning provided in Section 2.15(c).

"Extension Series" shall mean all Extended Term Loans that are established pursuant to the same Extension Agreement (or any subsequent Extension Agreement to the extent such Extension Agreement expressly provides that the Extended Term Loans, provided for therein are intended to be a part of any previously established Extension Series) and that provide for the same interest margins, extension fees, if any, and amortization schedule.

"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 reasonably determined by the Borrower.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the Closing Date (and 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 and any fiscal or regulatory legislation, rules or practices pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"FCPA" shall have the meaning provided in Section 8.19(a).

"Federal Funds Effective Rate" shall mean, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the 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.

"Fee Letter" shall mean the Agent Fee Letter, dated as of October 22, 2018, among Morgan Stanley Senior Funding, Inc., the Borrower and Holdings.

"Fees" shall mean all amounts payable pursuant to or referred in Section 4.1.

"Financing Lease Obligation" shall mean, as applied to any Person, an obligation that is required to be accounted for as a financing or capital lease (and, for the avoidance of doubt, not a straight-line or operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a financing or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

"First Lien Administrative Agent" shall have the meaning assigned to the term "Administrative Agent" in the First Lien Credit Agreement.

"First Lien Collateral Agent" shall have the meaning assigned to the term "Collateral Agent" in the First Lien Credit Agreement.

"First Lien Credit Agreement" shall mean the First Lien Credit Agreement, dated as of the Closing Date, among Holdings, the Borrower, the several lenders and letter of credit issuers from time to time party thereto and Morgan Stanley Senior Funding, Inc., as administrative agent, collateral agent and swingline lender.

"First Lien Credit Documents" shall have the meaning assigned to the term "Credit Documents" in the First Lien Credit Agreement.

"First Lien Facility Obligations" shall have the meaning assigned to the term "Obligations" in the First Lien Credit Agreement.

"First Lien Initial Term Loans" shall have the meaning provided in the recitals to this Agreement.

"First Lien Obligations" shall have the meaning assigned to the term "First Lien Obligations" in the First Lien Credit Agreement.

"First Lien Term Loans" shall have the meaning assigned to the term "Term Loans" in the First Lien Credit Agreement.

"First Lien Termination Date" shall mean the date on which all First Lien Obligations are paid in full in cash (other than (i) contingent indemnification obligations and other contingent obligations not then due, (ii) Hedging Obligations under any Secured Hedging Agreements (as each such term is used and defined in the First Lien Credit Agreement) and (iii) any Cash Management Obligations under Secured Cash Management Agreements (as each such term is used and defined in the First Lien Credit Agreement)), the total commitments to extend credit under the First Lien Credit Agreement (or under any documentation governing any Permitted Refinancing Indebtedness in respect of any Refinancing thereof or the documentation governing any Permitted Additional Debt constituting First Lien Obligations) are terminated and no letters of credit issued thereunder are outstanding (other than letters of credit that have been cash collateralized or otherwise back-stopped on terms reasonably satisfactory to the applicable issuing bank thereunder after the termination of such commitments).

"First Lien/Second Lien Intercreditor Agreement" shall mean the First Lien/Second Lien Intercreditor Agreement in substantially the form of Exhibit G-2 dated as of the Closing Date, among

Morgan Stanley Senior Funding, Inc., as Senior Priority Representative for the First Lien Credit Agreement Secured Parties (each as defined therein), Morgan Stanley Senior Funding, Inc., as Second Priority Representative for the Second Lien Credit Agreement Secured Parties (each as defined therein), the Credit Parties, and each additional representative party thereto from time to time.

"First Refused Proceeds" shall have the meaning provided in Section 5.2(c)(ii).

"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 Capital Stock made during such period.

"Flood Hazard Property" shall have the meaning provided in Section 9.14(c)(i).

"Flood Insurance Laws" shall mean, collectively, (a) National Flood Insurance Reform Act of 1994 (which comprehensively revised the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973) as now or hereafter in effect or any successor statute thereto, (b) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto and (c) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto.

"Foreign Plan" shall mean any pension plan maintained or contributed to by Holdings, the Borrower or any Restricted Subsidiary with respect to their respective employees employed outside the United States.

"Foreign Restricted Subsidiary" shall mean any Restricted Subsidiary that is not a Domestic Subsidiary.

"Foreign Subsidiary" shall mean each Subsidiary of the Borrower that is not a Domestic Subsidiary.

"FSHCO" shall mean any direct or indirect Domestic Subsidiary that has no material assets other than (a) Capital Stock (including any debt instrument treated as equity for U.S. federal income tax purposes) or (b) Capital Stock and Indebtedness of one or more direct or indirect Foreign Subsidiaries that are CFCs.

"Funded Debt" shall mean all indebtedness of the Borrower and the Restricted Subsidiaries for borrowed money that matures more than one year from the date of its creation or matures within one year from such date that is renewable or extendable, at the option of the Borrower or any such Restricted Subsidiary, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including Indebtedness in respect of the Loans.

"GAAP" shall mean generally accepted accounting principles in the United States of America, as in effect from time to time, subject to Section 1.3(a). Notwithstanding the foregoing, at any time after adoption of IFRS by the Borrower for its financial statements and reports for all financial reporting

purposes, the Borrower may elect to apply IFRS for all purposes of this Agreement and the other Credit Documents, in lieu of United States GAAP, and, upon any such election, references herein or in any other Credit Document to GAAP shall be construed to mean IFRS as in effect from time to time; provided that (a) any such election once made shall be irrevocable (and shall only be made once), (b) all financial statements and reports required to be provided after such election pursuant to this Agreement shall be prepared on the basis of IFRS and (c) from and after such election, all ratios, computations and other determinations (i) based on GAAP contained in this Agreement shall be computed in conformity with IFRS and (ii) in this Agreement that require the application of GAAP for periods that include fiscal quarters ended prior to the Borrower's election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP; provided, further, that in the event of any such election by the Borrower, any financial ratio calculations or thresholds in this Agreement may be recalibrated to reflect the election to implement IFRS so long as (1) such recalibration is limited to changes in the calculation of such thresholds or covenant levels due to the effect of differences between GAAP and IFRS, (2) the recalibrated ratios and calculations shall be mutually agreed between the Administrative Agent and the Borrower, unless the Required Lenders have given notice of their objection to such recalibration within five Business Days of receiving notice thereof, and (3) any such recalibration shall be done in a manner such that after giving effect to such recalibration, the recalibrated thresholds and covenant levels shall be consistent with the intention of the respective thresholds and covenant levels calculated under GAAP prior to such election. The Borrower shall give notice of any election to the Administrative Agent with 10 Business Days of such election. 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.

"Governmental Authority" shall mean the government of the United States, any foreign country or any multinational authority, or any state, province, territory, municipality or other political subdivision thereof, and any entity, body or authority exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, including the PBGC and other quasi-governmental entities established to perform such functions.

"Grocery Stores" shall mean stores, locations and outlets, including physical and online stores, of the Borrower and its Restricted Subsidiaries.

"Guarantee" shall mean the Second Lien Guarantee, dated as of the Closing Date, made by each Guarantor in favor of the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit A.

"Guarantee Obligations" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such Indebtedness or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) 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 (d) 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 in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than 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 (a) Holdings, (b) each wholly owned Domestic Subsidiary of the Borrower that is Restricted Subsidiary (other than an Excluded Subsidiary) on the Closing Date, (c) the Borrower (other than with respect to its own Obligations) and (d) each Subsidiary of the Borrower that becomes a party to the Guarantee after the Closing Date pursuant to Section 9.10.

"Hazardous Materials" shall mean (a) any petroleum or petroleum products, radioactive materials, friable asbestos, urea formaldehyde foam insulation, transformers or other equipment that contains dielectric fluid containing regulated levels of polychlorinated biphenyls, asbestos, asbestos-containing materials, mold and radon gas; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous waste", "waste", "hazardous materials", "extremely hazardous waste", "restricted hazardous waste", "subject waste", "toxic substances", "toxic pollutants", "contaminants", or "pollutants", or words of similar import, under any Applicable Law pertaining to pollution or the protection of the Environment; and (c) any other chemical, material or substance, which is prohibited, limited or regulated by any Applicable Law pertaining to pollution or the protection of the Environment.

"Hedge Bank" shall mean (a) any Person that is a counterparty to a Hedging Agreement with a Credit Party or one of its Restricted Subsidiaries, in its capacity as such, and that either (i) is a Lender, an Agent, a Lead Arranger, a Joint Bookrunner or an Affiliate of a Lender, an Agent, a Lead Arranger or a Joint Bookrunner at the time it enters into such Hedging Agreement or (ii) becomes a Lender, an Agent or an Affiliate of a Lender or an Agent after it has entered into such Hedging Agreement; provided that no such Person (except an Agent) shall be considered a Hedge Bank until such time as it shall have delivered written notice to the Collateral Agent that such a transaction has been entered into and that such Person constitutes a Hedge Bank entitled to the benefits of the Security Documents and (b) on and after the First Lien Termination Date, any other Person that is a "Hedge Bank" (as defined in the First Lien Credit Agreement) immediately prior to the First Lien Termination Date. For purposes of the preceding sentence, a Person may deliver one notice confirming that it constitutes a "Hedge Bank" with respect to all Hedging Agreements entered into pursuant to a specified Master Agreement. For the avoidance of doubt, each Agent shall constitute a Hedge Bank to the extent it has entered into a Hedging Agreement.

"Hedging Agreement" shall mean (a) 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 (b) 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.

"Hedging Obligations" shall mean, with respect to any Person, the obligations of such Person under Hedging Agreements.

"Historical Financial Statements" shall mean (a) audited consolidated balance sheets of the Borrower and its consolidated subsidiaries as at the end of, and the related audited consolidated statements of income and cash flows of the Borrower and its consolidated subsidiaries for, the fiscal years ended December 31, 2016 and December 31, 2017 and (b) an unaudited consolidated balance sheet of the Borrower and its consolidated subsidiaries as of June 30, 2018, and the related unaudited consolidated statements of income and cash flows of the Borrower and its consolidated subsidiaries for the six-month period ended June 30, 2010.

"Holdings" shall mean (i) Holdings (as defined in the preamble to this Agreement) or (ii) at the election of the Borrower, any other Person or Persons (the "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) (the "Previous Holdings") but not the Borrower; provided that (a) such New Holdings directly or indirectly owns 100.0% of the Capital Stock of the Borrower, (b) the New Holdings shall expressly assume all the obligations of the 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) the New Holdings shall have delivered to the Administrative Agent a certificate of an Authorized Officer stating that such substitution and any supplements to the Credit Documents preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the Security Documents, (d) if reasonably requested by the Administrative Agent, an opinion of counsel in form and substance reasonably satisfactory to the Administrative Agent shall be delivered by the Borrower to the Administrative Agent to the effect that, without limitation, such substitution does not breach or result in a default under this Agreement or any other Credit Document, (e) all Capital Stock of the Borrower and substantially all of the other assets of the Previous Holdings are contributed or otherwise transferred to such New Holdings and pledged to secure the Obligations and (f) 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 or material Tax liability; provided, further, that if each of the foregoing is satisfied, the Previous Holdings shall be automatically released from all its obligations under the Credit Documents and any reference to "Holdings" in the Credit Documents shall be meant to refer to the "New Holdings."

"Holdings Termination Event" shall have the meaning provided in Section 1.11(h).

"Immaterial Subsidiary" shall mean, at any date of determination, any Restricted Subsidiary of the Borrower (a) whose total assets (when combined with the assets of such Restricted Subsidiary's Subsidiaries, after eliminating intercompany obligations) at the last day of the Test Period most recently ended on or prior to such determination date were an amount equal to or less than 5.0% of the Consolidated Total Assets of the Borrower and its Restricted Subsidiaries at such date and (b) whose gross revenues (when combined with the revenues of such Restricted Subsidiary's Subsidiaries, after eliminating intercompany obligations) for such Test Period were an amount equal to or less than 5.0% of the consolidated gross revenues of the Borrower and its Restricted Subsidiaries for such Test Period, in each case determined in accordance with GAAP.

"Immediate Family Members" shall mean with respect to any individual, such individual's estate, heirs, legatees, distributees, child, stepchild, grandchild or more remote descendant, parent, stepparent, grandparent, spouse, former spouse, qualified domestic partner, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (including adoptive relationships), any person sharing an individual's household (other than an unrelated tenant or employee) and any trust, partnership or other bona fide estate-planning vehicle the only beneficiaries of which are any of the foregoing individuals or any private foundation or fund that is controlled by any of the foregoing individuals or any donor-advised fund of which any such individual is the donor.

"Incremental Agreement" shall have the meaning provided in Section 2.14(e).

"Incremental Base Amount" shall mean, as of any date of determination, (a) (x) the greater of $160,000,000 and (y) 100.00% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date (less the aggregate principal amount of First Lien Incremental Facilities then outstanding and Incurred in reliance on (after giving effect to any applicable reclassification thereof) the Incremental Base Amount (as defined in the First Lien Credit Agreement)) plus (b) (i) the aggregate principal amount of (A) Term Loans voluntarily prepaid prior to such date pursuant to Section 5.1, (B) First Lien Term Loans voluntarily prepaid prior to such date pursuant to Section 5.1 of the First Lien Credit Agreement (or, in accordance with the corresponding provisions of the documentation governing any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) and (C) secured Permitted Additional Debt and secured Credit Agreement Refinancing Indebtedness voluntarily prepaid, repurchased, defeased, acquired or redeemed, (ii) the aggregate amount of Indebtedness retired pursuant to the repurchase of Term Loans, First Lien Terms Loans, secured Permitted Additional Debt and secured Credit Agreement Refinancing Indebtedness to the extent permitted under Section 5.2(a)(i) of this Agreement and to the extent permitted under Section 5.2(a)(i) of the First Lien Credit Agreement (or, in accordance with the corresponding provisions of the documentation governing any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) and (iii) the aggregate principal amount of all permanent reductions of Revolving Credit Commitments, Extended Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments (each as defined in the First Lien Credit Agreement) pursuant to Section 4.2 of the First Lien Credit Agreement effected prior to such date (for the avoidance of doubt, excluding any such commitment reductions required by the proviso to Section 2.14(b) of the First Lien Credit Agreement or in connection with the Incurrence of any Credit Agreement Refinancing Indebtedness (as defined in the First Lien Credit Agreement) Incurred to Refinance any Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments and/or Extended Revolving Credit Commitments (each as defined in the First Lien Credit Agreement)), in each case of this clause (b), except to the extent financed by the Incurrence of long-term Indebtedness (including, for the avoidance of doubt, any such Indebtedness Incurred under a revolving credit facility Incurred as Permitted Additional Debt or otherwise Incurred under Section 2.14) by, or the issuance of Capital Stock by, or the making of capital contributions to, the Borrower or any of the Restricted Subsidiaries or using the proceeds of any Disposition outside the ordinary course of business.

"Incremental Commitments" shall have the meaning provided in Section 2.14(a).

"Incremental Facilities" shall have the meaning provided in Section 2.14(a).

"Incremental Facility Closing Date" shall have the meaning provided in Section 2.14(e).

"Incremental Limit" shall have the meaning provided in Section 2.14(b).

"Incremental Ratio Debt Amount" shall have the meaning provided in Section 2.14(b) and Section 10.1(u).

"Incremental Term Loan Commitment" shall mean the Commitment of any Lender to make Incremental Term Loans of a particular Class pursuant to Section 2.14(a).

"Incremental Term Loan Facility" shall mean each Class of Incremental Term Loans made pursuant to Section 2.14.

"Incremental Term Loan Maturity Date" shall mean, with respect to any Class of Incremental Term Loans made pursuant to Section 2.14, the final maturity date thereof.

"Incremental Term Loans" shall have the meaning provided in Section 2.14(a).

"Incremental/Refinancing Maturity Limitation Excluded Amount" shall mean an amount equal to the greater of (x) $156,000,000 and (y) 97.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date minus the sum of (x) the aggregate amount of Incremental Term Loans Incurred without regard to clause (B) of Section 2.14(c)(i), (y) the aggregate amount of Credit Agreement Refinancing Indebtedness Incurred without regard to the requirements under clause (ii) of the definition of "Credit Agreement Refinancing Indebtedness" pursuant to sub-clause (y) of the proviso to such clause (ii) and (z) the aggregate amount of Permitted Additional Debt Incurred without regard to the requirements under clause (a) of the definition of "Permitted Additional Debt".

"Incur" shall mean create, issue, assume, guarantee, incur or otherwise become directly or indirectly liable for any Indebtedness; provided, however, that any Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be incurred by such Person at the time it becomes a Restricted Subsidiary. The term "Incurrence" when used as a noun shall have a correlative meaning. Solely for purposes of determining compliance with Section 10.1:

(a) amortization of debt discount or the accretion of principal with respect to a non-interest bearing or other discount security;

(b) the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument or the payment of regularly scheduled dividends on Capital Stock in the form of additional Capital Stock of the same class and with the same terms; and

(c) the obligation to pay a premium in respect of Indebtedness arising in connection with the issuance of a notice of prepayment, redemption, repurchase, defeasance, acquisition or similar payment or making of a mandatory offer to prepay, redeem, repurchase, defease, acquire or similarly pay such Indebtedness;

will not be deemed to be the Incurrence of Indebtedness.

"Indebtedness" shall mean, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all indebtedness of such Person for borrowed money and all indebtedness of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount (after giving pro forma effect to any prior drawings or reductions which have been reimbursed) of all letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds, performance bonds and similar instruments issued or created by or for the account of such Person;

(c) net Hedging Obligations of such Person;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) current trade or other ordinary course payables or liabilities or accrued expenses (but not any refinancings, extensions, renewals, or replacements thereof) Incurred in the ordinary course of business and maturing within 365 days after the Incurrence thereof except if such trade or other ordinary course payables or liabilities or accrued expenses bear interest, (ii) any earn-out or similar obligation, unless such obligation has not been paid within 30 days after becoming due and payable and becomes a liability on the balance sheet of such Person in accordance with GAAP and (iii) obligations resulting from take-or-pay contracts entered into in the ordinary course of business);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements and mortgage, industrial revenue bond, industrial development bond and similar financings), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all Financing Lease Obligations;

(g) all obligations of such Person in respect of Disqualified Capital Stock; and

(h) all Guarantee Obligations of such Person in respect of any of the foregoing;

provided that Indebtedness shall not include (i) prepaid or Deferred Revenue arising in the ordinary course of business, (ii) 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, (iii) amounts owed to dissenting equityholders in connection with, or as a result of, their exercise of appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto (including any accrued interest), with respect to the Transactions, Permitted Change of Control or any other Acquisition permitted under the Credit Documents, (iv) liabilities associated with customer prepayments and deposits and other accrued obligations (including transfer pricing), in each case incurred in the ordinary course of business, (v) Non-Financing Lease Obligations or other obligations under or in respect of straight-line leases, operating leases or Sale Leasebacks (except resulting in Financing Lease Obligations), (vi) customary obligations under employment agreements and deferred compensation arrangements, (vii) contingent post-closing purchase price adjustments, non-compete or consulting obligations or earn-outs to which the seller in an Acquisition or Investment may become entitled and (viii) Indebtedness of any Parent Entity appearing on the balance sheet of the Borrower or any of its Restricted Subsidiary solely by reason of “pushdown” accounting under GAAP.

For all purposes hereof, the Indebtedness of any Person shall (A) include the Indebtedness of any partnership or Joint Venture (other than a Joint Venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, except to the extent such Person’s liability for such Indebtedness is otherwise limited and only to the extent such Indebtedness would be included in the calculation of Consolidated Total Debt of such Person and (B) in the case of Holdings, the Borrower and their Subsidiaries, 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 or consistent with past practice. The amount of any net Hedging Obligations on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of Indebtedness of any Person for purposes of clause (e) above shall, unless such Indebtedness has been assumed by such Person, be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the Fair Market Value of the property encumbered thereby as determined by such Person in good faith.

"Indemnified Parties" shall have the meaning provided in Section 13.5(a)(iii).

"Initial Financial Statement Delivery Date" shall mean the date on which Section 9.1 Financials are delivered to the Administrative Agent under Section 9.1 for the first full fiscal quarterly or annual period of the Borrower completed after the Closing Date.

"Initial Term Loan" shall have the meaning provided in Section 2.1(a).

"Initial Term Loan Commitment" shall mean (a) in the case of each Lender that is a Lender on the Closing Date, the amount set forth opposite such Lender's name on Schedule 1.1(a) as such Lender's "Initial Term Loan Commitment" and (b) in the case of any Lender that becomes a Lender after the Closing Date, the amount specified as such Lender's "Initial Term Loan Commitment" in the Assignment and Acceptance pursuant to which such Lender assumed a portion of the Total Initial Term Loan Commitment, in each case as the same may be changed from time to time pursuant to the terms hereof. The aggregate amount of the Initial Term Loan Commitments as of the Closing Date is $150,000,000.

"Initial Term Loan Facility" shall have the meaning provided in the recitals to this Agreement.

"Initial Term Loan Lender" shall mean a Lender with an Initial Term Loan Commitment or an outstanding Initial Term Loan.

"Initial Term Loan Maturity Date" shall mean the eighth anniversary of the Closing Date, or if such anniversary of the Closing Date is not a Business Day, the Business Day immediately following such anniversary.

"Intellectual Property" shall have the meaning provided for such term or a similar term in the Security Agreement.

"Intercompany Note" shall mean the Intercompany Subordinated Note, dated as of the Closing Date, substantially in the form of Exhibit L hereto, executed by Holdings, the Borrower and each other Restricted Subsidiary of the Borrower party thereto.

"Interest Period" shall mean, with respect to any Eurodollar Loan, the interest period applicable thereto, as determined pursuant to Section 2.9.

"Internal Financial Statements" shall mean the most recent annual or quarterly financial statements of the Borrower that are internally available at the Borrower.

"Interpolated Rate" shall mean, in relation to LIBOR, the rate which results from interpolating on a linear basis between:

(a) the applicable LIBOR (as used in the definition of the term "Eurodollar Rate") for the longest period (for which LIBOR is available) which is less than the Interest Period of that Loan; and

(b) the applicable LIBOR (as used in the definition of the term "Eurodollar Rate") for the shortest period (for which LIBOR is available) which exceeds the Interest Period of that Loan,

each as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period of that Loan.

"Investment" shall mean, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Capital Stock or Indebtedness or other securities of another Person, (b) a loan, advance or capital contribution to, Guarantee Obligation with respect to any obligation of, or purchase or other acquisition of any other Indebtedness or equity participation or interest in, another Person, including any partnership or Joint Venture interest in such other Person, excluding, in the case of the Borrower and its 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 or (c) the purchase or other acquisition (in one transaction or a series of transactions) of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person. The amount, as of any date of determination, of (i) any Investment in the form of a loan or an advance shall be the principal amount thereof outstanding on such date, minus any payments in cash or Cash Equivalents actually received by such investor representing interest in respect of such Investment, but without any adjustment for write-downs or write-offs (including as a result of forgiveness of any portion thereof) with respect to such loan or advance after the date thereof, (ii) any Investment in the form of a guarantee shall be equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof, as determined in good faith by an Authorized Officer of the Borrower, (iii) any Investment in the form of a transfer of Capital Stock or other non-cash property or services by the investor to the investee, including any such transfer in the form of a capital contribution, shall be the Fair Market Value of such Capital Stock or other property or services as of the time of the transfer, minus any payments actually received by such investor representing a Return in respect of such Investment, but without any other adjustment for increases or decreases in value of, or write-ups, write-downs or write-offs with respect to, such Investment after the date of such Investment, and (iv) any Investment (other than any Investment referred to in clause (i), (ii) or (iii) above) by the specified Person in the form of a purchase or other acquisition for value of any Capital Stock, evidences of Indebtedness or other securities of any other Person shall be the original cost of such Investment, except that the amount of any Investment in the form of an Acquisition shall be the Acquisition Consideration, minus (i) the amount of any portion of such Investment that has been repaid to the investor as a Return in respect of such Investment (without duplication of amounts increasing the Available Amount or the Available Equity Amount), but without any other adjustment for increases or decreases in value of, or write-ups, write-downs or write-offs with respect to, such Investment after the date of such Investment. For purposes of Section 10.5, if an Investment involves the acquisition of more than one Person, the amount of such Investment shall be allocated among the acquired Persons in accordance with GAAP; provided that pending the final determination of the amounts to be so allocated in accordance with GAAP, such allocation shall be as reasonably determined by an Authorized Officer of the Borrower. For the avoidance of doubt, if the Borrower or any Restricted Subsidiary issues, sells or otherwise Disposes of any Capital Stock of a Person that is a Restricted Subsidiary such that, after giving effect thereto, such Person is no longer a Restricted Subsidiary, any Investment by the Borrower or any Restricted Subsidiary in such Person remaining after giving effect thereto shall not be deemed to be a new Investment at such time.

"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, (a) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents), (b) securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Borrower and its Subsidiaries, (c) investments in any fund that invests at least 95.0% of its assets in investments of the type described in clauses (a) and (b) above, which fund may also hold immaterial amounts of cash pending investment or distribution and (d) corresponding instruments in countries other than the United States customarily utilized for high-quality investments.

"Investors" shall mean, collectively, the Sponsor and the Employee Investors.

"IPO" shall mean (a) the initial underwritten public offering (other than a public offering pursuant to a registration statement on Form S-8) of common Capital Stock in Holdings, the Borrower or a Parent Entity of Holdings (whether alone or in connection with a secondary public offering) or (b) the acquisition, purchase, merger or combination of Holdings, the Borrower or a Parent Entity of Holdings, by, or with, a publicly traded special acquisition company that (i) is an entity organized or existing under the laws of the United States, any State thereof or the District of Columbia, (ii) prior to the IPO, shall have engaged in no business or activities in any material respect other than activities related to becoming and acting as a publicly traded special acquisition company and entry into the IPO and (iii) immediately prior to the IPO, shall have no material assets other than cash and Cash Equivalents; provided that any merger or combination pursuant to this sentence involving Holdings shall comply with the requirements of Section 10.9(b).

"IPO Entity" shall mean, at any time at and after an IPO, Holdings, the Borrower or a Parent Entity of Holdings, as the case may be, the Capital Stock in which were issued or otherwise sold pursuant to the IPO or, in the case of an IPO described in clause (b) of the definition thereof, the publicly traded entity immediately following such IPO, so long as such entity is Holdings or a Parent Entity of Holdings.

"IPO Listco" shall mean a wholly owned subsidiary of Holdings or of any Parent Entity thereof formed in contemplation of an IPO to become the IPO Entity. Holdings shall, promptly following its formation, notify the Administrative Agent of the formation of any IPO Listco that is a Subsidiary of Holdings.

"IPO Reorganization Transactions" shall mean, collectively, the transactions taken in connection with and reasonably related to consummating an IPO, including the (a) formation and ownership of IPO Shell Companies, (b) entry into, and performance of, (i) a reorganization agreement among any of Holdings, its Subsidiaries, Parent Entities and/or IPO Shell Companies implementing IPO Reorganization Transactions and other reorganization transactions in connection with an IPO so long as after giving effect to such agreement and the transactions contemplated thereby, the value of the Collateral, taken as a whole, and the value of the Guarantees, taken as a whole, would not be materially impaired and (ii) customary underwriting agreements in connection with an IPO and any future follow-on underwritten public offerings of common Capital Stock in the IPO Entity, including the provision by such IPO Entity and any Affiliate thereof of customary representations, warranties, covenants and indemnification to the underwriters thereunder, (c) the merger of any IPO Subsidiary with one or more direct or indirect holders of Capital Stock in Holdings or the Borrower with any IPO Subsidiary surviving and holding, directly or indirectly, Capital Stock in Holdings or the Borrower and no other material assets or the dividend or other distribution by Holdings or the Borrower of Capital Stock of IPO Shell Companies or any other transfer of ownership, directly or indirectly, to the holders of Capital Stock of Holdings or the Borrower, (d) the amendment and/or restatement of organization documents of Holdings or the Borrower and any IPO Subsidiaries, (e) the issuance of Capital Stock of IPO Shell Companies to the direct or indirect holders of Capital Stock of Holdings or the Borrower in connection with any IPO Reorganization Transactions, (f) the making of Restricted Payments to (or Investments in) an IPO Shell Company or Holdings or the Borrower or any Subsidiaries to permit Holdings or the Borrower to make distributions or other transfers, directly or indirectly, to IPO Listco, in each case solely for the purpose of paying, and solely in the amounts necessary for IPO Listco to pay, IPO-related expenses and the making of such distributions by Holdings or the Borrower, (g) the repurchase by IPO Listco, directly or indirectly, of its Capital Stock from Holdings or the Borrower or any of its Subsidiaries, (h) the entry into an exchange agreement,

pursuant to which the direct or indirect holders of Capital Stock in Holdings or the Borrower and certain non-economic/voting Capital Stock in IPO Listco will be permitted to exchange such interests for certain economic/voting Capital Stock in IPO Listco, (i) any issuance, dividend or distribution, directly or indirectly, of the Capital Stock of the IPO Shell Companies or other Disposition of ownership thereof to the IPO Shell Companies and/or the direct or indirect holders of Capital Stock of Holdings or the Borrower and (j) all other transactions reasonably incidental to, or necessary for the consummation of, the foregoing so long as after giving effect to such agreement and the transactions contemplated thereby, the value of the Collateral, taken as a whole, and the value of the Guarantees, taken as a whole, would not be materially impaired.

"IPO Shell Company" shall mean each of IPO Listco and IPO Subsidiary.

"IPO Subsidiary" shall mean a wholly owned subsidiary of IPO Listco formed in contemplation of, and to facilitate, IPO Reorganization Transactions and an IPO. Holdings shall, promptly following its formation, notify the Administrative Agent of the formation of an IPO Subsidiary that is a Subsidiary of Holdings.

"Joint Bookrunners" shall mean Morgan Stanley Senior Funding, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), Deutsche Bank Securities Inc. and Jefferies Finance LLC, each in its capacity as joint bookrunner.

"Joint Venture" shall mean a joint venture, partnership or similar arrangement, whether in corporate, partnership or other legal form.

"Junior Debt" shall mean any Subordinated Indebtedness of any Credit Party.

"Junior Debt Documentation" shall mean any document or instrument issued or executed with respect to any Junior Debt.

"Junior Debt Payment" shall have the meaning provided in Section 10.7(a).

"Latest Maturity Date" shall mean, with respect to the Incurrence of any Indebtedness or the issuance of any Capital Stock, the latest Maturity Date applicable to any Credit Facility that is outstanding hereunder as determined on the date such Indebtedness is Incurred or such Capital Stock is issued.

"LCT Election" shall have the meaning provided in Section 1.10.

"LCT Test Date" shall have the meaning provided in Section 1.10.

"Lead Arrangers" shall mean Morgan Stanley Senior Funding, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), Deutsche Bank Securities Inc. and Jefferies Finance LLC, each in its capacity as lead arranger.

"Lender" shall mean (a) the Persons listed on Schedule 1.1(a), (b) any other Person that shall become a party hereto as a "lender" pursuant to Section 13.6 and (c) each Person that becomes a party hereto as a "lender" pursuant to the terms of Section 2.14, in each case other than a Person who ceases to hold any outstanding Loans or any Commitment.

"Lien" shall mean any mortgage, pledge, deed of trust, security interest, hypothecation, lien (statutory or other) or similar encumbrance and any easement, right-of-way, restriction (including zoning restrictions), defect, exception or irregularity in title or similar charge or encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof); provided that in no event shall a Non-Financing Lease Obligation be deemed to be a Lien.

"Limited Condition Transaction" shall mean any (a) prepayment, redemption, repurchase, defeasance, acquisition or similar payment of Indebtedness or Capital Stock transaction that requires irrevocable notice in advance thereof or (b)(i) Permitted Change of Control or (ii) Acquisition (or proposed Acquisition) by the Borrower and/or one or more of its Restricted Subsidiaries permitted by this Agreement or any transaction that, if consummated would constitute an Acquisition or Permitted Change of Control, in each case whose consummation is not conditioned on the availability of, or on obtaining, third party financing.

"LLC" shall mean any limited liability company organized or formed under the laws of the State of Delaware.

"LLC Division" shall mean the statutory division of any LLC into two or more LLCs pursuant to Section 18-217 of the Delaware Limited Liability Company Act.

"Loan" shall mean any Term Loan made by any Lender hereunder.

"Losses" shall have the meaning provided in Section 13.5(a)(iii).

"Market Capitalization" shall mean an amount equal to (a) the total number of issued and outstanding shares of common Capital Stock of the Borrower, Holdings or any Parent Entity on the date of the declaration of a Restricted Payment permitted pursuant to Section 10.6(m) multiplied by (b) the arithmetic mean of the closing prices per share of such common Capital Stock on the principal securities exchange on which such common Capital Stock are traded for the 30 consecutive trading days immediately preceding the date of declaration of such Restricted Payment.

"Market Convention Rate" shall have the meaning provided in Section 2.10(d).

"Master Agreement" shall have the meaning provided in the definition of the term "Hedging Agreement".

"Material Adverse Effect" shall mean a circumstance or condition that would, individually or in the aggregate, materially and adversely affect (a) the business, financial condition or results of operations of the Borrower and its Restricted Subsidiaries, taken as a whole, (b) the ability of the Credit Parties (taken as a whole) to perform their payment obligations under the Credit Documents or (c) the rights and remedies of the Administrative Agent, the Collateral Agent and the Lenders under the Credit Documents.

"Material Junior Debt" shall mean Junior Debt in an aggregate principal amount exceeding $45,500,000.

"Material Real Property" shall mean any parcel or parcels of Real Property owned in fee by any Credit Party, now or hereafter, having a Fair Market Value (on a per property basis) of at least

$10,000,000. For the purpose of determining the relevant value under this Agreement with respect to the preceding clause, such value shall be determined as of (x) the Closing Date for Real Property now owned, (y) the date of acquisition for Real Property acquired after the Closing Date or (z) the date on which the entity owning such Real Property becomes a Credit Party after the Closing Date, in each case as determined in good faith by the Borrower.

"Maturity Date" shall mean, as to the applicable Loan or Commitment, the Initial Term Loan Maturity Date, any Incremental Term Loan Maturity Date or any maturity date related to any Class of Extended Term Loans, as applicable.

"Maximum Tender Condition" shall have the meaning provided in Section 2.17(d).

"Minimum Borrowing Amount" shall mean with respect to a Borrowing of Term Loans, $5,000,000 (or such lesser amount as may be agreed by the Administrative Agent or as may be required in order to accommodate Borrowings described under Section 2.14(b)).

"Minimum Tender Condition" shall have the meaning provided in Section 2.17(d).

"Minority Investment" shall mean any Person (other than a Subsidiary) in which the Borrower or any Restricted Subsidiary owns Capital Stock.

"Moody's" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"Mortgage" shall mean a mortgage or a deed of trust, deed to secure debt, trust deed or other security document entered into by the owner of a Mortgaged Property in favor of the Collateral Agent for the benefit of the Secured Parties creating a Lien on such Mortgaged Property, substantially in such form as may be reasonably agreed between the Borrower and the Collateral Agent.

"Mortgaged Property" shall mean (a) the Real Property identified on Schedule 1.1(c) and (b) all Real Property owned in fee with respect to which a Mortgage is required to be granted pursuant to Section 9.14(b).

"Multiemployer Plan" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which Holdings, the Borrower, a Restricted Subsidiary or an ERISA Affiliate contributes, has an obligation to contribute or had an obligation to contribute over the five preceding calendar years.

"Net Cash Proceeds" shall mean, with respect to any Prepayment Event, Incurrence of Indebtedness, any issuance of Capital Stock or any capital contribution or any Disposition of any Investment (including any Designated Non-Cash Consideration), (a) the gross cash proceeds (including payments from time to time in respect of installment or earn-out obligations, if applicable, but only as and when received and, with respect to any Recovery Event, any insurance proceeds, eminent domain awards or condemnation awards in respect of such Recovery Event) received by or on behalf of the Borrower or any of the Restricted Subsidiaries in respect of such Prepayment Event, Incurrence of Indebtedness, issuance of Capital Stock, receipt of a capital contribution or Disposition of any Investment, less (b) the sum of:

(i) in the case of any Prepayment Event or such Disposition, the amount, if any, of all Taxes paid or estimated to be payable by any Parent Entity, the Borrower or any of the Restricted Subsidiaries in connection with such Prepayment Event or such Disposition (including withholding taxes imposed on the repatriation or expatriation of any such Net Cash Proceeds),

(ii) in the case of any Prepayment Event or such Disposition, the amount of any reasonable reserve established in accordance with GAAP against any liabilities (other than any amounts deducted pursuant to clause (i) above) (x) associated with the assets that are the subject of such Prepayment Event or such Disposition and (y) retained by the Borrower or any of the Restricted Subsidiaries, including any pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction; 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 Prepayment Event or such Disposition occurring on the date of such reduction,

(iii) in the case of any Prepayment Event or such Disposition, the amount of any principal amount, premium or penalty, if any, interest or other amounts on any Indebtedness secured by a Lien on the assets that are the subject of such Prepayment Event or such Disposition to the extent that the instrument creating or evidencing such Indebtedness requires that such Indebtedness be repaid upon consummation of such Prepayment Event or such Disposition and such Indebtedness is actually so repaid (other than Indebtedness outstanding under the Credit Documents, the First Lien Credit Documents or otherwise subject to a Customary Intercreditor Agreement and any costs associated with the unwinding of any Hedging Obligations in connection with such transaction),

(iv) in the case of any Asset Sale Prepayment Event, the amount of any proceeds of such Asset Sale Prepayment Event that the Borrower or the applicable Restricted Subsidiary has reinvested (or intends to reinvest), or has entered into an Acceptable Reinvestment Commitment to reinvest, within the Reinvestment Period, in the business of the Borrower or any of the Restricted Subsidiaries (subject to Section 9.13); provided that:

(A) the Borrower or the applicable Restricted Subsidiary shall comply with Sections 9.10, 9.11 and 9.14(b) with respect to such reinvestment if applicable;

(B) any portion of such proceeds that has not been so reinvested or made subject to an Acceptable Reinvestment Commitment within the Reinvestment Period shall (x) be deemed to be Net Cash Proceeds of an Asset Sale Prepayment Event occurring on the later of (1) the last day of the Reinvestment Period and (2) 180 days after the date that the Borrower or such Restricted Subsidiary shall have entered into an Acceptable Reinvestment Commitment and (y) be offered to be applied to the prepayment of Term Loans in accordance with Section 5.2(a)(i), to the prepayment of First Lien Term Loans in accordance with Section 5.2(a)(i) of the First Lien Credit Agreement (to the extent permitted by the documentation governing the First Lien Obligations and not otherwise required to be applied to First Lien Obligations) (or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to the prepayment, repurchase, defeasance, acquisition, redemption or similar payment of any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in any such case to the extent permitted under Section 5.2(a)(i); and

(C) any proceeds subject to an Acceptable Reinvestment Commitment that is (I) later canceled or terminated for any reason before such proceeds are applied in accordance therewith or (II) not consummated (i.e., the reinvestment contemplated by such Acceptable Reinvestment Commitment is not made) shall be applied to the

prepayment of Term Loans in accordance with Section 5.2(a)(i), to the prepayment of First Lien Term Loans in accordance with Section 5.2(a)(i) of the First Lien Credit Agreement (to the extent permitted by the documentation governing the First Lien Obligations and not otherwise required to be applied to First Lien Obligations) (or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to the prepayment, repurchase, defeasance, acquisition, redemption or similar payment of any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in any such case to the extent permitted under Section 5.2(a)(i), unless the Borrower or the applicable Restricted Subsidiary enters into another Acceptable Reinvestment Commitment with respect to such proceeds prior to the end of the Reinvestment Period,

(v) in the case of any Recovery Prepayment Event, the amount of any proceeds of such Recovery Prepayment Event (x) that the Borrower or the applicable Restricted Subsidiary has reinvested (or intends to reinvest), or has entered into an Acceptable Reinvestment Commitment to reinvest, within the Reinvestment Period, in the business of the Borrower or any of the Restricted Subsidiaries (subject to Section 9.13), including for the repair, restoration or replacement of the asset or assets subject to such Recovery Prepayment Event, or (y) for which the Borrower or the applicable Restricted Subsidiary has provided a Restoration Certification prior to the end of the Reinvestment Period; provided that:

(A) the Borrower or the applicable Restricted Subsidiary shall comply with Sections 9.10, 9.11 and 9.14(b) with respect to such reinvestment if applicable;

(B) any portion of such proceeds that has not been so reinvested or made subject to an Acceptable Reinvestment Commitment or Restoration Certification within the Reinvestment Period shall (x) be deemed to be Net Cash Proceeds of a Recovery Prepayment Event occurring on the later of (1) the last day of the Reinvestment Period and (2) 180 days after the date that the Borrower or such Restricted Subsidiary shall have entered into an Acceptable Reinvestment Commitment or shall have provided a Restoration Certification and (y) be applied to the prepayment of Term Loans in accordance with Section 5.2(a)(i), to the prepayment of First Lien Term Loans in accordance with Section 5.2(a)(i) of the First Lien Credit Agreement (to the extent permitted by the documentation governing the First Lien Obligations and not otherwise required to be applied to First Lien Obligations or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to the prepayment, repurchase, defeasance, acquisition, redemption or similar payment of any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in any such case to the extent permitted under Section 5.2(a)(i); and

(C) any proceeds subject to an Acceptable Reinvestment Commitment or a Restoration Certification that is (I) later canceled or terminated for any reason before such proceeds are applied in accordance therewith or (II) not consummated (i.e., the reinvestment, repair, restoration or replacement contemplated by such Acceptable Reinvestment Commitment or Restoration Certification, as the case may be, is not made) shall be applied to the prepayment of Term Loans in accordance with Section 5.2(a)(i), to the prepayment of First Lien Term Loans in accordance with Section 5.2(a)(i) of the First

Lien Credit Agreement (to the extent permitted by the documentation governing the First Lien Obligations and not otherwise required to be applied to First Lien Obligations or any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof) or to the prepayment, repurchase, defeasance, acquisition, redemption or similar payment of any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness pursuant to the corresponding provisions of the governing documentation thereof, in each case to the extent permitted under Section 5.2(a)(i), unless the Borrower or the applicable Restricted Subsidiary enters into another Acceptable Reinvestment Commitment or provides another Restoration Certification with respect to such proceeds prior to the end of the Reinvestment Period,

(vi) in the case of any Asset Sale Prepayment Event or Recovery Prepayment Event by any non-wholly owned Restricted Subsidiary, the pro rata portion of the net cash proceeds thereof (calculated without regard to this clause (vi)) attributable to minority interests and not available for distribution to or for the account of the Borrower or a wholly owned Restricted Subsidiary as a result thereof,

(vii) in the case of any Prepayment Event, Incurrence of Indebtedness, Disposition, issuance of Capital Stock or receipt of a capital contribution, the reasonable and customary fees, commissions, expenses (including attorney's fees, investment banking fees, survey costs, title insurance premiums and search and recording charges, transfer taxes, deed or mortgage recording taxes and other customary expenses and brokerage, consultant and other customary fees or commissions), issuance costs, discounts and other costs and expenses (and, in the case of the Incurrence of any Indebtedness the proceeds of which are required to be used to prepay any Class of Loans under this Agreement, accrued interest and premium, if any, on such Loans and any other amounts (other than principal) required to be paid in respect of such Loans in connection with any such prepayment and/or reduction), and payments made in order to obtain a necessary consent required by Applicable Law, in each case only to the extent not already deducted in arriving at the amount referred to in clause (a) above, and

(viii) in the case of any Asset Sale Prepayment Event or Disposition, any amounts funded into escrow established pursuant to the documents evidencing any such Asset Sale Prepayment Event or Disposition to secure any indemnification obligations or adjustments to the purchase price associated with any such Asset Sale Prepayment Event or Disposition until such amounts are released to the Borrower or any of its Restricted Subsidiaries.

"Net Income" shall mean, with respect to any Person, the net income (loss) attributable to such Person, determined on a consolidated basis in accordance with GAAP and before any reduction in respect of dividends on preferred Capital Stock (other than dividends on Disqualified Capital Stock).

"New Holdings" shall have the meaning provided in the definition of the term "Holdings".

"New Sponsor" shall have the meaning provided in the definition of the term "Permitted Holders".

"New Stores" shall mean, with respect to any Test Period, the number of Grocery Stores (other than online stores) opened by the Borrower and its Restricted Subsidiaries within the last 24 months, measured from and including the last month in such Test Period.

"New Stores Adjustment" shall mean for any applicable Test Period, the excess (not to be less than zero) of (i) the aggregate amount derived from the product of (a) the aggregate number of New Stores and (b) Average Store Consolidated EBITDA for such Test Period over (ii) the actual Consolidated Store EBITDA generated by New Stores during such Test Period.

"Non-Consenting Lender" shall have the meaning provided in Section 13.7(b).

"Non-Credit Party" shall mean any Person that is not a Credit Party.

"Non-Credit Party Asset Sale" shall have the meaning provided in Section 5.2(h).

"Non-Credit Party Recovery Event" shall have the meaning provided in Section 5.2(h).

"Non-Debt Fund Affiliate" shall mean any Affiliate of the Borrower (other than Holdings, the Borrower or any Restricted Subsidiary of the Borrower) that is not a Debt Fund Affiliate.

"Non-Excluded Taxes" shall have the meaning provided in Section 5.4(a).

"Non-Financing Lease Obligations" shall mean a lease obligation that is not required to be accounted for as a financing or capital lease on both the balance sheet and the income statement for financial reporting purposes in accordance with GAAP. For avoidance of doubt, a straight-line or operating lease shall be considered a Non-Financing Lease Obligation.

"Non-U.S. Lender" shall have the meaning provided in Section 5.4(d).

"Note" shall mean a Term Note of the Borrower payable to any Lender or its registered assigns, evidencing the aggregate amount of Indebtedness of the Borrower to such Lender resulting from the Loans made by such Lender.

"Notice of Borrowing" shall mean a request of the Borrower in accordance with the terms of Section 2.3 and substantially in the form of Exhibit D or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by an Authorized Officer of the Borrower.

"Notice of Conversion or Continuation" shall have the meaning provided in Section 2.6(a).

"Notice Period" shall have the meaning provided in Section 2.10(d).

"Obligations" shall mean the collective reference to:

(a) the due and punctual payment of (i) the principal of and premium, if any, and interest at the applicable rate provided in this Agreement (including interest accruing during the pendency of any proceeding under any applicable Debtor Relief Laws (or that would accrue but for the operation of applicable Debtor Relief Laws), regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (ii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any applicable proceeding under any Debtor Relief Laws, regardless of whether allowed or allowable in such proceeding), of the Borrower or any other Credit Party to any of the Secured Parties under this Agreement and the other Credit Documents,

(b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Borrower under or pursuant to this Agreement and the other Credit Documents,

(c) the due and punctual payment and performance of all the covenants, agreements, obligations, and liabilities of each other Credit Party under or pursuant to this Agreement or the other Credit Documents,

(d) the due and punctual payment and performance of all Cash Management Obligations under each Secured Cash Management Agreement of a Credit Party or any Restricted Subsidiary thereof, and

(e) the due and punctual payment and performance of all Hedging Obligations under each Secured Hedging Agreement of a Credit Party or any Restricted Subsidiary thereof (other than with respect to any such Credit Party's Hedging Obligations that constitute Excluded Swap Obligations with respect to such Credit Party).

Notwithstanding the foregoing, (i) unless otherwise agreed to by the Borrower, the obligations of a Credit Party or any Restricted Subsidiary thereof under any Secured Cash Management Agreement and Secured Hedging Agreement shall be secured and guaranteed pursuant to the Security Documents and only to the extent that, and for so long as, the other Obligations are so secured and guaranteed, (ii) any release of Collateral or Guarantors effected in the manner permitted by this Agreement and the other Credit Documents shall not require the consent of the holders of the Cash Management Obligations under Secured Cash Management Agreements or the consent of the holders of the Hedging Obligations under Secured Hedging Agreements and (iii) Obligations shall in no event include any Excluded Swap Obligations.

"OFAC" shall have the meaning provided in Section 8.20.

"OID" shall mean original issue discount.

"Organizational Documents" shall mean (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction), (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement and (c) with respect to any partnership, Joint Venture, trust or other form of business entity, the partnership, Joint Venture or other applicable agreement of formation or organization and, if applicable, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Taxes" shall have the meaning provided in Section 5.4(b).

"Overnight Rate" shall mean, for any day, the greater of (a) the Federal Funds Effective Rate and (b) an overnight rate determined by the Administrative Agent 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 Borrower, as applicable. For the avoidance of doubt, any Person that is formed to effect a public offering of common Capital Stock that directly or indirectly owns a majority of the Voting Stock of Holdings will be deemed a Parent Entity of Holdings.

"Participant" shall have the meaning provided in Section 13.6(d)(i).

"Participant Register" shall have the meaning provided in Section 13.6(d)(ii).

"PATRIOT ACT" shall have the meaning provided in Section 8.21.

"PBGC" shall mean the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA, or any successor thereto.

"Pension Plan" shall mean any "employee pension benefit plan" (as defined in Section 3(2) of ERISA, other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA that is sponsored, maintained or contributed to by Holdings, the Borrower, a Restricted Subsidiary or an ERISA Affiliate or, solely with respect to representations and covenants that relate to liability under Section 4069 of ERISA, that was so maintained and in respect of which the Borrower, any Restricted Subsidiary or ERISA Affiliate would have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

"Perfection Certificate" shall mean a certificate in the form of Exhibit M or any other form approved by the Collateral Agent in its reasonable discretion.

"Permitted Acquisition" shall mean any Acquisition by the Borrower or any of the Restricted Subsidiaries, so long as (a) such Acquisition and all transactions related thereto shall be consummated in all material respects in accordance with all Applicable Laws, (b) if such Acquisition involves the acquisition of Capital Stock of a Person that upon such Acquisition would become a Subsidiary, such Acquisition shall result in the issuer of such Capital Stock becoming a Restricted Subsidiary and, to the extent required by Section 9.10, a Guarantor, (c) to the extent required by Sections 9.10, 9.11 and/or 9.14(b), such Acquisition shall result in the Collateral Agent, for the benefit of the Secured Parties, being granted a security interest in any Capital Stock or any assets so acquired, (d) subject to Section 1.10, after giving pro forma effect to such Acquisition, no Event of Default under either Section 11.1 or Section 11.5 shall have occurred and be continuing and (e) immediately after giving pro forma effect to such Acquisition, the Borrower and its Restricted Subsidiaries shall be in compliance with Section 9.13.

"Permitted Additional Debt" shall mean (i) secured or unsecured bonds, notes or debentures (which bonds, notes or debentures, if secured, may be secured by Liens on the Collateral having a priority ranking that is senior to the priority of the Liens on the Collateral securing the Obligations, by Liens on the Collateral having a priority ranking equal to the priority of the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) or by Liens on the Collateral having a priority ranking junior to the Liens on the Collateral securing the Obligations) or (ii) secured or unsecured loans (or commitments to provide loans or other extensions of credit) (which loans or commitments, if secured, may be secured by Liens on the Collateral having a priority ranking that is senior to the priority of the Liens on the Collateral securing the Obligations, by Liens on the Collateral having a priority ranking equal to the priority of the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) or by Liens on the Collateral having a priority ranking junior to the Liens on the Collateral securing the Obligations), in each case Incurred by or provided to the Borrower or another Guarantor; provided that (a) except in the case of any such Indebtedness or commitments that constitute, or are intended to constitute, First Lien Obligations, the terms of such Indebtedness or commitments do not provide for a maturity date that is earlier than the Latest Maturity Date, a Weighted Average Life to

Maturity that is shorter than the Weighted Average Life to Maturity of the Initial Term Loans or mandatory prepayments, mandatory redemptions, mandatory commitment reductions, mandatory offers to purchase or mandatory sinking fund obligations prior to the Latest Maturity Date, other than customary prepayments, commitment reductions, repurchases, redemptions, defeasances, acquisitions or satisfactions and discharges, or offers to prepay, reduce, redeem, repurchase, defease, acquire or satisfy and discharge, in each case upon, a change of control, asset sale event or casualty, eminent domain or condemnation event, or on account of the accumulation of excess cash flow (in the case of loans or commitments), AHYDO Catch Up Payments and customary acceleration rights upon an event of default; provided that the foregoing requirements of this clause (a) shall not apply to the extent such Indebtedness or commitments either are subject to Customary Escrow Provisions or that constitute a customary bridge facility, so long as the long-term Indebtedness into which any such customary bridge facility is to be converted or exchanged satisfies the requirements of this clause (a) and such conversion or exchange is subject only to conditions customary for similar conversions or exchanges; provided, further, that, notwithstanding the foregoing, Permitted Additional Debt in an amount not exceeding the Incremental/Refinancing Maturity Limitation Excluded Amount may be Incurred without regard to this clause (a), (b) except in the case of any such Indebtedness or commitments that constitute or are intended to constitute, First Lien Obligations (including any requirements relating to a Previously Absent Covenant) and except for any of the following that are applicable only to periods following the Latest Maturity Date, the covenants, events of default, Subsidiary guarantees and other terms for such Indebtedness or commitments (excluding, for the avoidance of doubt, interest rates (including through fixed interest rates), interest rate margins, rate floors, fees, maturity, funding discounts, original issue discounts, currency types and denominations and redemption or prepayment terms and premiums), when taken as a whole, are determined by the Borrower to either (A) be consistent with market terms and conditions and conditions at the time of Incurrence or effectiveness or (B) not be materially more restrictive on the Borrower and its Restricted Subsidiaries than the terms of this Agreement, when taken as a whole (provided that, if the documentation governing such Indebtedness or commitments contains any Previously Absent Covenant, the Administrative Agent shall have been given prompt written notice thereof and this Agreement shall have been amended to include such Previously Absent Covenant for the benefit of each Credit Facility (provided, however, that, if (x) the documentation governing the Permitted Additional Debt that includes a Previously Absent Covenant consists of a revolving credit facility (whether or not the documentation therefor includes any other facilities) and (y) such Previously Absent Covenant is a “springing” financial maintenance covenant for the benefit of such revolving credit facility or a covenant only applicable to, or for the benefit of, a revolving credit facility, then such Previously Absent Covenant shall not be required to be included in this Agreement and such Indebtedness or commitments shall not be deemed “more restrictive” solely as a result of such Previously Absent Covenant benefiting only such revolving credit facilities)); provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness or the providing of such commitments, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or commitments or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), (c) if such Indebtedness is senior subordinated or subordinated Indebtedness, the terms of such Indebtedness provide for customary “high yield” subordination of such Indebtedness to the Obligations, (d) any Permitted Additional Debt may not be guaranteed by any subsidiaries of the Borrower that do not guarantee the Obligations and (e) any secured Permitted Additional Debt Incurred may not be secured by any assets that do not secure the Obligations and shall be subject to an applicable Customary Intercreditor Agreement.

"Permitted Additional Debt Documents" shall mean any document or instrument (including any guarantee, security or collateral agreement or mortgage and which may include any or all of the Credit Documents) issued or executed and delivered with respect to any Permitted Additional Debt by any Credit Party.

"Permitted Additional Debt Obligations" shall mean, if any secured Permitted Additional Debt has been Incurred by or provided to a Credit Party and is outstanding, the collective reference to (a) the due and punctual payment of (i) the principal of and premium, if any, and interest at the applicable rate provided in the applicable Permitted Additional Debt Documents (including interest accruing during the pendency of any proceeding under any applicable Debtor Relief Laws (or would accrue but for the operation of applicable Debtor Relief Laws), regardless of whether allowed or allowable in such proceeding) on any such Permitted Additional Debt, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment, repurchase, redemption, defeasance, acquisition or otherwise and (ii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any proceeding under any applicable Debtor Relief Laws, regardless of whether allowed or allowable in such proceeding), of the Borrower or any other Credit Party to any of the Permitted Additional Debt Secured Parties under the applicable Permitted Additional Debt Documents and (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Borrower or any Credit Party under or pursuant to applicable Permitted Additional Debt Documents.

"Permitted Additional Debt Secured Parties" shall mean the holders from time to time of the secured Permitted Additional Debt Obligations (and any representative on their behalf).

"Permitted Change of Control" shall mean any transaction or series of related transactions that occurs prior to the date that is two years after the Closing Date that would otherwise constitute a Change of Control pursuant to the definition thereof (without giving effect to the exception for a Permitted Change of Control); provided that (i) subject to Section 1.10, the Borrower shall be in compliance, on a pro forma basis after giving effect to such transactions or series of related transactions (including any Indebtedness Incurred in connection therewith), with (x) a Consolidated First Lien Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to such date of determination, of not greater than 5.00:1.00 and (y) a Consolidated Total Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to such date of determination, of not greater than 5.95:1.00 and (ii) subject to Section 1.10, in connection with such Permitted Change of Control, affiliated or unaffiliated investors or co-investors, including any New Sponsor, shall invest an aggregate amount equal to, when combined with the Fair Market Value of any Capital Stock of any equity holders of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) and/or its Subsidiaries, including management of the Borrower and its Subsidiaries, who may be given the opportunity to roll over Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle), rolled over or invested in connection with such Permitted Change of Control transaction, at least 25.0% of the sum of (x) the pro forma Consolidated Total Debt of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) and its Subsidiaries on the closing date of such Permitted Change of Control after giving effect thereto and (y) the equity capitalization of Holdings and its Subsidiaries on the closing date of such Permitted Change of Control after giving effect thereto.

"Permitted Change of Control Costs" shall mean all reasonable fees, costs and expenses incurred or payable by Holdings (or any Parent Entity thereof), the Borrower or any of its Restricted Subsidiaries in connection with a Permitted Change of Control.

"Permitted Debt Exchange" shall have the meaning provided in Section 2.17(a).

"Permitted Debt Exchange Offer" shall have the meaning provided in Section 2.17(a).

"Permitted Encumbrances" shall mean:

(a) Liens for Taxes, assessments or other governmental charges (including any Lien imposed by any pension authority or similar Liens) or claims that are not yet overdue by more than sixty days or more, or if more than sixty days overdue either (i) that are being diligently contested in good faith and by appropriate proceedings for which appropriate reserves have been established in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction or (ii) with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect;

(b) Liens in respect of property or assets of the Borrower or any of its Restricted Subsidiaries imposed by Applicable Law, such as landlord's, carriers', warehousemen's, repairmen's, construction contractors' and mechanics' Liens, supplier of materials, architects' and other similar Liens, in each case so long as such Liens secure amounts not overdue for a period of more than sixty days or, if more than sixty days overdue either (i) no action has been taken to enforce such Lien, (ii) such amount is being diligently contested in good faith by appropriate proceedings for which appropriate reserves have been established in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction or (iii) with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect;

(c) Liens arising from judgments, awards, attachments or decrees for the payment of money in circumstances not constituting an Event of Default under Section 11.9;

(d) Liens incurred or pledges or deposits (i) made in connection with the Federal Employers Liability Act or any other workers' compensation, unemployment insurance, employers' health tax and other types of social security or similar legislation, (ii) securing insurance premiums, other liabilities (including in respect of reimbursement and indemnified obligations) to insurance carriers under insurance or self-insurance arrangements (including in respect of deductibles, co-payment, co-insurance, self-insurance retention amounts and premiums and adjustments thereof), (iii) securing the performance of tenders, public or statutory obligations, surety, stay, indemnity, warranty release, customs and appeal bonds, bids, licenses, leases (other than Financing Lease Obligations), contracts (including government contracts and trade contracts (other than for Indebtedness)), performance, performance and completion, completion and return-of-money bonds or guarantees, government contracts, financial assurances and completion obligations and other similar obligations, (iv) securing contested Taxes or import duties or the payment of rent, (v) securing surety bonds or appeal bonds or similar bonds required in respect of judicial proceedings and (vi) securing letters of credit, bank guarantees or similar items issued or posted to support the payment of or for the benefit of items in the foregoing clauses (i), (ii), (iii), (iv) and (v) above, in each case incurred in the ordinary course of business or consistent with past practice;

(e) ground leases or subleases, licenses or sublicenses in respect of Real Property on which locations, facilities and/or Grocery Stores owned or leased by the Borrower or any of its Restricted Subsidiaries are located;

(f) (i) easements or reservations of, or rights of others for, rights-of-way, licenses, special assessments, survey exceptions, restrictions (including zoning restrictions), minor title defects, servitudes, drains, sewers, exceptions or irregularities in title, encroachments, protrusions

and other similar charges, electric lines, telegraph and telephone lines and other similar purposes, or encumbrances or restrictions on the use of Real Property, which in each case do not and could not reasonably be expected to have a Material Adverse Effect, and that were not incurred in connection with and do not secure any Indebtedness, and (ii) to the extent reasonably agreed by the Collateral Agent, any exception on the title policies issued in connection with any Mortgaged Property (it being understood that, prior to the First Lien Termination Date, the agreement of the First Lien Administrative Agent in respect of the matters described in this clause (f) shall be deemed to be the agreement of the Administrative Agent with respect to such matters);

(g) any (i) Lien or interest or title of a lessor, sublessor, licensor or sublicensor or secured by a lessor's, sublessor's, licensor's or sublicensor's interest under any lease, sublease, license or sublicense permitted by this Agreement (other than in respect of a Financing Lease Obligation or arising by virtue of granting licenses or leases permitted by this Agreement), (ii) landlord Liens permitted by the terms of any lease, (iii) Lien or restriction or encumbrance that the interest or title of any such lessor, sublessor, licensor or a sublicensor may be subject (including ground lease) or (iv) subordination of the interest of the lessee, sublessee, licensee or sublicensee under such lease or license to any restriction or encumbrance referred to in the preceding clause (iii);

(h) Liens in favor of customs and revenue authorities arising as a matter of Applicable Law to secure payment of customs duties in connection with the importation of goods or to secure the performance of leases of Real Property;

(i) Liens on goods or inventory or proceeds thereof the purchase, shipment or storage price of which is financed by a documentary letter of credit, bank guarantees or bankers' acceptance or similar obligation issued or created for the account of the Borrower or any of its Restricted Subsidiaries; provided that such Lien secures only the obligations of the Borrower or such Restricted Subsidiaries in respect of such letter of credit, bank guarantees or bankers' acceptance or similar obligation to the extent permitted under Section 10.1;

(j) licenses, sublicenses and cross-licenses of Intellectual Property granted in the ordinary course of business or consistent with past practice;

(k) Liens arising from (i) UCC or equivalent statutory financing statements regarding operating leases, consignments or other obligations not constituting Indebtedness and (ii) precautionary UCC or equivalent statutory financing statements, other applicable personal property or movable property security registry financing statements or similar filings made in respect of Non-Financing Lease Obligations, consignment arrangements or bailee arrangements entered into by the Borrower or any of its Restricted Subsidiaries;

(l) any zoning, building or similar law or right reserved to, or vested in, any Governmental Authority to control or regulate the use of any Real Property or any structure thereon that does not and could not reasonably be expected to have a Material Adverse Effect;

(m) (i) leases, licenses, subleases or sublicenses (including of Intellectual Property) granted to others in the ordinary course of business or consistent with past practice or (ii) the rights reserved or vested in any Person (including any Governmental Authority) by the terms of any lease, license, franchise, grant or permit held by the Borrower 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;

(n) Liens given to a public utility or any municipality or Governmental Authority when required by such utility or other authority in connection with the ordinary conduct of the business of the Borrower or any Restricted Subsidiary; provided that such Liens do not and would not reasonably be expected to have a Material Adverse Effect;

(o) servicing agreements, development agreements, site plan agreements, subdivision agreements and other agreements with Governmental Authorities pertaining to the use or development of any of the Real Property of the Borrower or any Restricted Subsidiary, including, without limitation, any obligations to deliver letters of credit and other security as required; so long as the same do not and would not reasonably be expected to have a Material Adverse Effect;

(p) undetermined or inchoate Liens, rights of distress and charges incidental to current operations that have not at such time been filed or exercised, or which relate to obligations not due or payable or if due, the validity of such Liens are being contested in good faith by appropriate actions diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(q) reservations, limitations, provisos and conditions expressed in any original grant from any Governmental Authority or other grant of real or immovable property or interests therein;

(r) Liens consisting of royalties payable with respect to any asset, right or property of the Borrower or its Subsidiaries;

(s) statutory Liens incurred or pledges or deposits made in favor of a Governmental Authority to secure the performance of obligations of the Borrower or any of its Subsidiaries under Environmental Laws to which the Borrower or any of its Subsidiaries or any assets of the Borrower or any of its Subsidiaries is subject, in each case incurred or made in the ordinary course of business or consistent with past practice;

(t) all rights of expropriation, access or use or other similar right conferred by or reserved by any federal, state or municipal Governmental Authority;

(u) the right reserved to, or vested in, any Governmental Authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit of the Borrower or any Restricted Subsidiary, to terminate any such lease, license, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof;

(v) Liens arising from Cash Equivalents described in clause (i) of the definition of the term “Cash Equivalents”;

(w) with respect to any Foreign Subsidiary, other Liens and privileges arising mandatorily by any Applicable Law;

(x) Liens arising from judgments, awards, attachments or decrees for the payment of money in circumstances not constituting an Event of Default and notices of lis pendens and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(y) statutory Liens incurred or pledges or deposits made in favor of a governmental authority to secure the performance of obligations of the Borrower or any of its Subsidiaries under environmental laws to which the Borrower or any of its Subsidiaries or any assets of the Borrower or any of its Subsidiaries is subject, in each case incurred or made in the ordinary course of business or consistent with past practice;

(z) the prior rights of consignees and their lenders under consignment arrangements entered into in the ordinary course of business or consistent with past practice; and

(aa) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business or consistent with past practice.

"Permitted Equal Priority Refinancing Debt" shall mean any secured Indebtedness Incurred by the Borrower and/or the Guarantors in the form of one or more series of senior secured notes, bonds, debentures or loans; provided that (a) such Indebtedness is secured by Liens on all or a portion of the Collateral on an equal priority basis with the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) and is not secured by any property or assets of Holdings, the Borrower or any Restricted Subsidiary other than the Collateral, (b) such Indebtedness satisfies the applicable requirements set forth in the provisos to the definition of "Credit Agreement Refinancing Indebtedness", (c) such Indebtedness is not at any time guaranteed by any Persons other than Persons that are Guarantors and (d) the holders of such Indebtedness (or their representative) and Collateral Agent shall become parties to a Customary Intercreditor Agreement described in clause (a) of the definition thereof providing that the Liens on the Collateral securing such obligations shall rank equal in priority to the Liens on the Collateral securing the Obligations (but without regard to the control of remedies).

"Permitted Holder Group" shall have the meaning provided in the definition of the term "Permitted Holders".

"Permitted Holders" shall mean each of (a) the Investors, (b) the Employee Investors (including any Employee Investors owning through an Equityholding Vehicle), (c) any Permitted Parent and (d) any "group" (within the meaning of Section 13(d)(3) of the Exchange Act or any successor provision) the members of which include any of the Permitted Holders specified in clauses (a), (b) or (c) above (a "Permitted Holder Group"); provided that, in the case of any Permitted Holder Group, no Person or other "group" (other than the Permitted Holders specified in clauses (a), (b) or (c) above or the last sentence of this definition) own, directly or indirectly, more than 50.0% of the total voting power of the Voting Stock of Holdings (or, for the avoidance of doubt, any New Holdings, Successor Holdings or any IPO Entity) or any Parent Entity of Holdings held by such Permitted Holder Group. Any Person or "group" (within the meaning of Section 13(d)(3) of the Exchange Act or any successor provision) whose acquisition of beneficial ownership of Voting Stock constitutes a Permitted Change of Control will thereafter, together with its Affiliates, constitute an additional Permitted Holder (the "New Sponsor").

"Permitted Investments" shall have the meaning provided in Section 10.5.

"Permitted Junior Priority Refinancing Debt" shall mean secured Indebtedness Incurred by any Credit Party in the form of one or more series of junior lien secured notes, bonds or debentures or junior lien secured loans; provided that (a) such Indebtedness is secured by Liens on all or a portion of the Collateral on a junior priority basis to the Liens on the Collateral securing the Obligations and any other Second Lien Obligations and is not secured by any property or assets of Holdings, the Borrower or any Restricted Subsidiary other than the Collateral, (b) such Indebtedness satisfies the applicable requirements set forth in the provisos in the definition of "Credit Agreement Refinancing Indebtedness" (provided that

such Indebtedness may be secured by a Lien on the Collateral that ranks junior in priority to the Liens on the Collateral securing the Obligations and any other Second Lien Obligations, notwithstanding any provision to the contrary contained in the definition of "Credit Agreement Refinancing Indebtedness"), (c) the holders of such Indebtedness (or their representative) and the Collateral Agent shall become parties to the First Lien/Second Lien Intercreditor Agreement or another Customary Intercreditor Agreement described in clause (b) of the definition thereof providing that the Liens on the Collateral securing such obligations shall rank junior in priority to the Liens on the Collateral securing the Obligations, and (d) such Indebtedness is not at any time guaranteed by any Persons other than Persons that are Guarantors.

"Permitted Parent" shall mean (a) any Parent Entity of Holdings (or, for the avoidance of doubt, of any New Holdings, Successor Holdings or IPO Entity) formed not in connection with, or in contemplation of, a transaction (other than the Transactions) that (but for the application to such Person of clause (c) of the definition of "Permitted Holders") would constitute a Change of Control and (b) any Public Company (or Wholly-Owned Subsidiary of such Public Company), except to the extent (and until such time as) any Person or group is deemed to be or becomes a beneficial owner of Capital Stock of such Public Company representing more than 50.0% of the total voting power of the Voting Stock of such Public Company.

"Permitted Refinancing Indebtedness" shall mean, with respect to any Indebtedness (the "Refinanced Indebtedness"), any Indebtedness Incurred in exchange for or as a replacement of (including by entering into alternative financing arrangements in respect of such exchange or replacement (in whole or in part), by adding or replacing lenders, creditors, agents, borrowers and/or guarantors, or, after the original instrument giving rise to such Indebtedness has been terminated, by entering into any credit agreement, loan agreement, note purchase agreement, indenture or other agreement), or the net proceeds of which are to be used for the purpose of modifying, extending, refinancing, renewing, replacing, redeeming, repurchasing, defeasing, acquiring, amending, supplementing, restructuring, repaying, prepaying, retiring, extinguishing or refunding (collectively to "Refinance" or a "Refinancing" or "Refinanced"), such Refinanced Indebtedness (or previous refinancing thereof constituting Permitted Refinancing Indebtedness); provided that (A) the principal amount (or accreted value, if applicable) of any such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Refinanced Indebtedness outstanding immediately prior to the consummation of such Refinancing except by an amount equal to the unpaid accrued interest, dividends and premium (including tender premiums), if any, thereon plus defeasance costs, underwriting discounts and other amounts paid and fees and expenses (including OID, closing payments, upfront fees and similar fees) incurred in connection with such Refinancing plus an amount equal to any existing commitment unutilized and letters of credit undrawn thereunder, (B) if the Indebtedness being Refinanced is Indebtedness permitted by Section 10.1(a), 10.1(b), 10.1(h) or 10.1(u), the direct and contingent obligors with respect to such Permitted Refinancing Indebtedness are not changed (except that any Credit Party may be added as an additional direct or contingent obligor in respect of such Permitted Refinancing Indebtedness), (C) other than with respect to a Refinancing in respect of Indebtedness permitted pursuant to Section 10.1(f) or Section 10.1(g), such Permitted Refinancing Indebtedness shall have a final maturity date equal to or later than the earlier of the final maturity date of the Refinanced Debt and the Latest Maturity Date, and shall have a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Refinanced Indebtedness; provided that the foregoing requirements of this clause (C) shall not apply (x) to the extent such Indebtedness either is subject to Customary Escrow Provisions or constitutes a customary bridge facility, so long as the long-term Indebtedness into which any such customary bridge facility is to be converted or exchanged satisfies the requirements of this clause (C) and such conversion or exchange is subject only to conditions customary for similar conversions or exchanges and (y) Permitted Refinancing Indebtedness in an amount not exceeding the Incremental/Refinancing Maturity Limitation Excluded Amount, and (D) if the Indebtedness being Refinanced is Indebtedness permitted by

Section 10.1(a), 10.1(b) 10.1(h) or 10.1(u), except for any of the following that are only applicable to periods after the Latest Maturity Date, the terms and conditions contained in the documentation governing such Permitted Refinancing Indebtedness, taken as a whole, are determined by the Borrower to either (A) be consistent with market terms and conditions and conditions at the time of incurrence or effectiveness (as determined in good faith by the Borrower) or (B) not be materially more restrictive on the obligor or obligors of such Indebtedness than the terms and conditions contained in the documentation governing such Refinanced Indebtedness being Refinanced (including, if applicable, as to collateral priority and subordination, but excluding as to interest rates (including through fixed exchange rates), interest rate margins, rate floors, fees, maturity, currency types and denominations, funding discounts, original issue discount and redemption or prepayment terms and premiums) (provided that, if the documentation governing such Permitted Refinancing Indebtedness contains a Previously Absent Covenant, the Administrative Agent shall have been given prompt written notice thereof and this Agreement shall be amended to include such Previously Absent Covenant for the benefit of each Credit Facility (provided, however, that if (x) the documentation governing the Permitted Refinancing Indebtedness that includes a Previously Absent Covenant consists of a revolving credit facility (whether or not the documentation therefor includes any other facilities) and (y) such Previously Absent Covenant is a "springing" financial maintenance covenant for the benefit of such revolving credit facility or a covenant only applicable to, or for the benefit of, a revolving credit facility, then such Previously Absent Covenant shall not be required to be included in this Agreement and such Permitted Refinancing Indebtedness shall not be deemed "more restrictive" solely as a result of such Previously Absent Covenant benefiting only such revolving credit facilities)); provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement in clause (D) shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees).

"Permitted Unsecured Refinancing Debt" shall mean unsecured Indebtedness Incurred by any Credit Party in the form of one or more series of senior, senior subordinated or subordinated unsecured notes, bonds, debentures or loans; provided that (a) such Indebtedness satisfies the applicable requirements set forth in the provisos in the definition of "Credit Agreement Refinancing Indebtedness" and (b) such Indebtedness is not at any time guaranteed by any Persons other than Persons that are Guarantors.

"Person" shall mean any individual, partnership, Joint Venture, firm, corporation, unlimited liability company, limited liability company, association, trust or other enterprise or any Governmental Authority.

"Planned Expenditures" shall have the meaning provided in the definition of the term "Additional ECF Reduction Amounts".

"Platform" shall have the meaning provided in Section 13.2.

"Pledge Agreement" shall mean the Second Lien Pledge Agreement, dated as of the Closing Date, among Holdings, the Borrower, the Domestic Subsidiary pledgors party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit C.

"Preferred Stock" shall mean any Capital Stock with preferential rights of payment of dividends or upon liquidation, dissolution, or winding up.

"Prepayment Event" shall mean any Asset Sale Prepayment Event, Recovery Prepayment Event or Debt Incurrence Prepayment Event.

"Present Fair Saleable 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 applicable Person and its 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.

"Previous Holdings" shall have the meaning provided in the definition of the term "Holdings".

"Previously Absent Covenant" shall mean, at any time (x) any financial maintenance covenant or other covenant or requirement that is not included in this Agreement at such time and (y) any financial maintenance covenant or other covenant or requirement in any other Indebtedness that is included in this Agreement at such time but with covenant levels or requirements that are more restrictive on the Borrower and the Restricted Subsidiaries than the covenant levels or requirements included in this Agreement at such time.

"Prime Rate" shall mean the rate of interest announced from time to time by Morgan Stanley Senior Funding, Inc. as its "prime rate" and set by Morgan Stanley Senior Funding, Inc. based upon various factors including Morgan Stanley Senior Funding, Inc.'s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the Prime Rate announced by Morgan Stanley Senior Funding, Inc. shall take effect at the opening of business on the day of the announcement of such change.

"Proceeding" shall have the meaning provided in Section 13.5(a)(iii).

"Pro Forma Entity" shall mean any Acquired Entity or Business, any Sold Entity or Business, any Converted Restricted Subsidiary or any Converted Unrestricted Subsidiary.

"PTE" shall mean a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Public Company" shall mean any Person with a class or series of Capital Stock that is traded on the New York Stock Exchange, the NASDAQ, the Luxembourg Stock Exchange, the London Stock Exchange, the Frankfurt Stock Exchange or any comparable stock exchange or similar market.

"Public Company Costs" shall mean costs relating to compliance with the provisions of the Securities Act and the Exchange Act, in each case 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' compensation, fees and expense reimbursement, costs relating to investor relations, shareholder meetings and reports to shareholders or debtholders, directors' and officers' insurance, listing fees and all executive, legal and professional fees related to the foregoing.

"Public Lender" shall have the meaning provided in Section 13.2.

"Public Lender Presentation" shall mean the Lender Presentation of the Borrower, dated October 2018, delivered to the prospective Lenders.

"Purchasing Borrower Party" shall mean Holdings, the Borrower or any Restricted Subsidiary of the Borrower that becomes a Transferee pursuant to Section 13.6(g).

"Qualified Capital Stock" shall mean any Capital Stock that is not Disqualified Capital Stock.

"Qualified Proceeds" shall mean assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business; provided that the Fair Market Value of any such assets or Capital Stock shall be determined by the Borrower in good faith.

"Qualified Receivables Facility" shall mean any Receivables Facility of a Receivables Subsidiary that meets the following conditions: (a) the Borrower shall have determined in good faith that such Receivables Facility (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Borrower and its Restricted Subsidiaries; (b) all sales of accounts receivables and related assets by the Borrower or any Restricted Subsidiary to the Receivables Subsidiary or any other Person are made at fair market value (as determined in good faith by the Borrower); (c) the financing terms, covenants, termination events and other provisions thereof shall be on market terms (as determined in good faith by the Borrower) and may include Standard Securitization Undertakings; and (d) the obligations under such Receivables Facility are non-recourse (except for customary representations, warranties, covenants and indemnities made in connection with such facilities) to the Borrower or any of its Restricted Subsidiaries (other than a Receivables Subsidiary).

"Rating Agency" shall mean Moody's and S&P or if Moody's or S&P or both shall not make a rating on the Initial Term Loans and/or the Borrower and/or any other Person, instrument or security publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Borrower which shall be substituted for Moody's or S&P or both, as the case may be.

"Real Property" shall mean, collectively, all right, title and interest in and to any and all parcels of or interests in real property owned or leased by any person, together with, in each case, all easements, hereditaments and appurtenances relating thereto, all improvements and appurtenant fixtures and equipment, all general intangibles and contract rights and other property and rights incidental to the ownership thereof.

"Receivables Facility" shall mean any of one or more receivables financing facilities as amended, supplemented, modified, extended, renewed, restated or refunded from time to time, the obligations of which are non-recourse (except for customary representations, warranties, covenants and indemnities made in connection with such facilities) to the Borrower or any of the Restricted Subsidiaries (other than a Receivables Subsidiary) pursuant to which the Borrower or any of the Restricted Subsidiaries sells its accounts receivable to either (a) a Person that is not a Restricted Subsidiary or (b) a Restricted Subsidiary or Receivables Subsidiary that in turn funds such purchase by selling its accounts receivable to a Person that is not a Restricted Subsidiary or by borrowing from such a Person or from another Receivables Subsidiary that in turn funds itself by borrowing from such a Person, in each case, that constitutes a Qualified Receivables Facility.

"Receivables Fees" shall mean distributions or payments made directly or by means of discounts with respect to any accounts receivable or participation interest therein issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Receivables Facility.

"Receivables Subsidiary" shall mean any Subsidiary formed for the purpose of, and that solely engages only in, one or more Receivables Facilities and other activities reasonably related thereto.

"Recovery Event" shall mean (a) any damage to, destruction of, or other casualty or loss involving, any property or asset or (b) any seizure, condemnation, confiscation or taking under the power of eminent domain of, or any requisition of title or use of or relating to, or any similar event in respect of, any property or asset, in each case, of the Borrower or a Restricted Subsidiary.

"Recovery Prepayment Event" shall mean the receipt of cash proceeds with respect to any settlement or payment in connection with any Recovery Event in respect of any property or asset of the Borrower or any Restricted Subsidiary; provided that the term "Recovery Prepayment Event" shall not include any Asset Sale Prepayment Event.

"Redemption Notice" shall have the meaning provided in Section 10.7(a).

"Reference Rate" shall mean an interest rate per annum equal to the rate per annum determined by the Administrative Agent at approximately 11:00 a.m. (London time) on such day for delivery two Business Days later by reference to ICE Benchmark Administration Limited's "LIBOR" rate (or by reference to the rates provided by any Person that take over the administration of such rate if ICE Benchmark Administration Limited is no longer making a "LIBOR" rate available) for deposits in Dollars (as set forth on the Bloomberg screen displaying such "LIBOR" rate (or, in the event such rate does not appear on a Bloomberg page or screen, on any successor or substitute page or screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time, in each case as selected by the Administrative Agent)) for a period equal to three-months; provided that, to the extent that the Eurodollar Rate is not ascertainable pursuant to the foregoing, the Reference Rate shall be determined by the Administrative Agent to be the average of the rates per annum at which deposits in Dollars are offered for a three month Interest Period to major banks in the London interbank market in London, England by the Administrative Agent at approximately 11:00 a.m. (London time) on such date for delivery two Business Days later.

"Refinance", "Refinancing" and "Refinanced" shall have the meanings provided in the definition of the term "Permitted Refinancing Indebtedness".

"Refinanced Debt" shall have the meaning provided in the definition of "Credit Agreement Refinancing Indebtedness".

"Refinanced Indebtedness" shall have the meaning provided in the definition of the term "Permitted Refinancing Indebtedness".

"Refunding Capital Stock" shall have the meaning provided in Section 10.6(a).

"Register" shall have the meaning provided in Section 13.6(b)(v).

"Regulation D" shall mean Regulation D of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"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.

"Reinvestment Period" shall mean, with respect to any Asset Sale Prepayment Event or Recovery Prepayment Event, the day which is eighteen months after the receipt of cash proceeds by the Borrower or any Restricted Subsidiary from such Asset Sale Prepayment Event or Recovery Prepayment Event.

"Related Parties" shall mean, with respect to any specified Person, such Person's Affiliates and the directors, officers, employees, agents, advisors, controlling persons and other representatives and successors of such Person or such Person's Affiliates.

"Release" shall mean any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the Environment or within, from or into any building, structure, facility or fixture.

"Reportable Event" shall mean an event described in Section 4043(c) of ERISA and the regulations thereunder, other than those events as to which the 30 day notice period referred to in Section 4043 of ERISA has been waived, 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) and (o) of Section 414 of the Code).

"Repricing Transaction" shall mean any effective reduction in the Effective Yield for the Initial Term Loans (e.g., by way of amendment, waiver or otherwise), the primary purpose of which is to lower the Effective Yield on the Initial Term Loans. Any determination by the Administrative Agent with respect to whether a Repricing Transaction shall have occurred shall be conclusive and binding on all Lenders holding the Initial Term Loans.

"Required Lenders" shall mean, at any date and subject to the limitations set forth in Section 13.6(h), Lenders having or holding greater than 50.0% of the sum of (a) the outstanding principal amount of the Term Loans in the aggregate at such date and (b) if applicable, the outstanding principal amount of Incremental Term Loan Commitments in the aggregate at such date.

"Restoration Certification" shall mean, with respect to any Recovery Prepayment Event, a certification made by an Authorized Officer of the Borrower or a Restricted Subsidiary, as applicable, to the Administrative Agent prior to the end of the Reinvestment Period certifying (a) that the Borrower or such Restricted Subsidiary intends to use the proceeds received in connection with such Recovery Prepayment Event to repair, restore or replace the property or assets in respect of which such Recovery Prepayment Event occurred, or otherwise invest in assets useful to the business, (b) the approximate costs of completion of such repair, restoration or replacement and (c) that such repair, restoration, reinvestment, or replacement will be completed within the later of (x) eighteen months after the date on which cash proceeds with respect to such Recovery Prepayment Event were received and (y) 180 days after delivery of such Restoration Certification.

"Restricted Investments" shall mean any Investment other than a Permitted Investment.

"Restricted Payment Amount" shall mean, at any time, the greater of (x) $65,000,000 and (y) 40.625% of Consolidated EBITDA of the Borrower for the Test Period most recently ended (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date, minus the sum of (a) the amount utilized by the Borrower or any Restricted Subsidiary to make Restricted Payments in reliance on Section 10.6(f)(iv), (b) the amount utilized by the Borrower or any Restricted Subsidiary to make Investments in reliance on Section 10.5(uu), (c) the amount utilized by the Borrower or any Restricted Subsidiary to incur Indebtedness in reliance on Section 10.1(w) utilizing the Available RP Capacity Amount and (d) the amount utilized by the Borrower or any Restricted Subsidiary to prepay, repurchase, redeem or otherwise defease or make similar payments in respect of Junior Debt prior to its stated maturity made by the Borrower or any Restricted Subsidiary in reliance on Section 10.7(a)(iii)(D).

"Restricted Payments" shall have the meaning provided in Section 10.6.

"Restricted Subsidiary" shall mean any Subsidiary of the Borrower other than an Unrestricted Subsidiary. Unless otherwise expressly provided herein, all references herein to a "Restricted Subsidiary" shall mean a Restricted Subsidiary of the Borrower.

"Retained Asset Sale Proceeds" shall mean that portion of the Net Cash Proceeds of an Asset Sale Prepayment Event or Recovery Prepayment Event not required to be offered to prepay Term Loans pursuant to Section 5.2(a)(i) due to the Disposition Percentage being less than 100.0%.

"Retained Refused Proceeds" shall have the meaning provided in Section 5.2(c)(ii).

"Return" shall mean, with respect to any Investment, any dividend, distribution, interest, fee, premium, return of capital, repayment of principal, income, profit (from a Disposition or otherwise) and any other similar amount received or realized in respect thereof.

"Revolving Credit Facility" shall have the meaning provided in the recitals to 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 transaction or series of related transactions pursuant to which the Borrower or any of the Restricted Subsidiaries (a) sells, transfers or otherwise disposes of any property, real or personal, whether now owned or hereafter acquired, and (b) as part of such transaction, thereafter rents or leases such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold, transferred or Disposed of.

"Sanctions" shall mean any U.S. sanctions administered by OFAC.

"SEC" shall mean the Securities and Exchange Commission or any successor thereto.

"Second Lien Obligations" shall mean the Obligations, any Permitted Additional Debt Obligations (other than any Permitted Additional Debt Obligations that are unsecured or are secured by a Lien on the Collateral ranking either senior to or junior to the Liens on the Collateral securing the Obligations (but without regard to the control of remedies)) and any Permitted Equal Priority Refinancing Debt, collectively.

"Section 9.1 Financials" shall mean the financial statements delivered, or required to be delivered, pursuant to Section 9.1(a) or 9.1(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, at the Borrower's written election to the Administrative Agent, (a) any agreement relating to Cash Management Services that is entered into by and between Holdings, the Borrower or any Restricted Subsidiary and a Cash Management Bank and (b) on and after the First Lien Termination Date, any such agreement that constituted a "Secured Hedging Agreement" (as defined in the First Lien Credit Agreement) immediately prior to the First Lien Termination Date.

"Secured Hedging Agreement" shall mean, at the Borrower's written election to the Administrative Agent, (a) any Hedging Agreement that is entered into by and between Holdings, the Borrower or any Restricted Subsidiary and any Hedge Bank and (b) on and after the First Lien Termination Date, any such agreement that constituted a "Secured Hedging Agreement" (as defined in the First Lien Credit Agreement) immediately prior to the First Lien Termination Date. For purposes of the preceding sentence, the Borrower may deliver one notice designating all Hedging Agreements entered into pursuant to a specified Master Agreement as "Specified Hedging Agreements".

"Secured Parties" shall mean, collectively, (a) the Lenders, (b) the Administrative Agent, (c) the Collateral Agent, (d) each Hedge Bank, (e) each Cash Management Bank, (f) the beneficiaries of each indemnification obligation undertaken by any Credit Party under the Credit Documents and (g) any successors, endorsees, permitted transferees and permitted assigns of each of the foregoing.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Securitization Repurchase Obligation" shall mean any obligation of a seller (or any guaranty of such obligation) of assets subject to a Receivables Facility in a Qualified Receivables Facility to repurchase such assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including, without limitation, as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, offset or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"Security Agreement" shall mean the Second Lien Security Agreement, dated as of the Closing Date, among Holdings, the Borrower, the Domestic Subsidiary grantors party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit B.

"Security Documents" shall mean, collectively the Security Agreement, the Pledge Agreement, the Mortgages, if any, and each other security agreement or other instrument or document executed and delivered pursuant to Section 6.2, 9.10, 9.11 or 9.14, the First Lien/Second Lien Intercreditor Agreement and any other Customary Intercreditor Agreement executed and delivered pursuant to Section 10.2 or pursuant to any of the Security Documents.

"Similar Business" shall mean any business conducted or proposed to be conducted by the Borrower and the Restricted Subsidiaries on the Closing Date or any business that is similar, reasonably related, incidental or ancillary thereto.

"Software" shall have the meaning provided in the Security Agreement.

"Sold Entity or Business" shall have the meaning provided in the definition of the term "Consolidated EBITDA".

"Solvent" shall mean, at the time of determination:

(a) each of the Fair Value and the Present Fair Saleable Value of the assets of a Person and its Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; and

(b) such Person and its Subsidiaries taken as a whole do not have Unreasonably Small Capital; and

(c) such Person and its Subsidiaries taken as a whole can pay their Stated Liabilities and Identified Contingent Liabilities as they mature.

Defined terms used in the foregoing definition shall have the meanings set forth in the solvency certificate delivered on the Closing Date pursuant to Section 6.8.

"Special Purpose Subsidiary" shall mean any (a) not-for-profit Subsidiary, (b) captive insurance company or (c) Receivables Subsidiary and any other Subsidiary formed for a specific bona fide purpose not including substantive business operations and that does not own any material assets, in each case, that has been designated as a "Special Purpose Subsidiary" by the Borrower.

"Specified Debt Incurrence Prepayment Event" shall have the meaning provided in Section 5.2(a)(i).

"Specified Restructuring" shall mean any restructuring initiative, cost saving initiative or other similar strategic initiative of the Borrower or any of its Restricted Subsidiaries after the Closing Date described in reasonable detail in a certificate of an Authorized Officer delivered by the Borrower to the Administrative Agent.

"Specified Subsidiary" shall mean, at any date of determination, (a) any Restricted Subsidiary whose total assets (when combined with the assets of such Restricted Subsidiary's Subsidiaries after eliminating intercompany obligations) at the last day of the Test Period most recently ended on or prior to such date of determination were equal to or greater than 15% of the Consolidated Total Assets of the Borrower and the Restricted Subsidiaries at such date, (b) any Restricted Subsidiary whose gross revenues (when combined with the gross revenues of such Restricted Subsidiary's Subsidiaries after eliminating intercompany obligations) for such Test Period were equal to or greater than 15% of the consolidated gross revenues of the Borrower and the Restricted Subsidiaries for such Test Period, in each case determined in accordance with GAAP or (c) each other Restricted Subsidiary that, when such Restricted Subsidiary's total assets or gross revenues (when combined with the total assets or gross revenues of such Restricted Subsidiary's Subsidiaries after eliminating intercompany obligations) are aggregated with each other Restricted Subsidiary (when combined with the total assets or gross revenues of such Restricted Subsidiary's Subsidiaries after eliminating intercompany obligations) that is the subject of an Event of Default described in Section 11.5 would constitute a "Specified Subsidiary" under clause (a) or (b) above.

"Specified Transaction" shall mean, with respect to any period, any Investment (including Acquisitions), Permitted Change of Control, sale, transfer or other Disposition of assets or property, Incurrence, Refinancing, prepayment, redemption, repurchase, defeasance, acquisition, similar payment, extinguishment, retirement or repayment of Indebtedness, Restricted Payment, Subsidiary designation, provision of Incremental Term Loans (whether under, or as defined in, this Agreement or under the First Lien Credit Agreement), provision of Incremental Revolving Credit Commitment Increases (as defined in the First Lien Credit Agreement), provision of Additional/Replacement Revolving Credit Commitments (as defined in the First Lien Credit Agreement), creation of Extended Term Loans or Extended Revolving Credit Commitments (as defined in the First Lien Credit Agreement) or other event that by the terms of the Credit Documents 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, collectively, Hellman & Friedman LLC and/or its respective Affiliates and any funds, partnerships or other co-investment vehicles managed, advised or controlled by the foregoing or its respective Affiliates (but excluding any operating portfolio companies of Hellman & Friedman LLC or any such Affiliate), and any New Sponsor and, if applicable, its respective Affiliates and any funds, partnerships or other co-investment vehicles managed, advised or controlled by the foregoing or its respective Affiliates.

"SPV" shall have the meaning provided in Section 13.6(c).

"Standard Securitization Undertakings" shall mean representations, warranties, covenants and indemnities entered into by the Borrower or any Subsidiary of the Borrower which the Borrower has determined in good faith to be customary in a Receivables Facility, including, without limitation, those relating to the servicing of the assets of a Receivables Subsidiary, it being understood that any Securitization Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

"Statutory Reserves" shall have the meaning provided in the definition of the term "Eurodollar Rate".

"Subordinated Indebtedness" shall mean any third-party Indebtedness for borrowed money owing by any Loan Party (and any Guarantee Obligations in respect thereof) that is subordinated expressly by its terms in right of payment to the Obligations.

"Subsidiary" of any Person shall mean and include (a) any corporation more than 50.0% of whose equity 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 equity 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 and (b) any limited liability company, partnership, association, Joint Venture or other entity in which such Person directly or indirectly through Subsidiaries has more than a 50.0% equity interest at the time. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Borrower.

"Subsidiary Guarantor" shall mean each Guarantor that is a Subsidiary of the Borrower.

"Successor Benchmark Rate" shall have the meaning provided in Section 2.10(d).

"Successor Borrower" shall have the meaning provided in Section 10.3(a).

"Successor Holdings" shall have the meaning provided in Section 10.9(b).

"Swap" shall mean any agreement, contract, or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swap Obligation" shall mean any obligation to pay or perform under any Swap.

"Swap Termination Value" shall mean, in respect of any one or more Hedging Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedging Agreements, (a) for any date on or after the date such Hedging Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedging Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedging Agreements (which may include a Lender or any Affiliate of a Lender).

"Tax Restructuring" means any reorganizations and other transactions entered into among Holdings (or any Parent Entity thereof), the Borrower and/or its Restricted Subsidiaries for tax planning

(as determined by the Borrower in good faith) entered into after the Closing Date so long as such reorganizations and other transactions do not impair the value of the Collateral, when taken as a whole, or the value of the Guarantees, taken as a whole, in any material respect and is otherwise not adverse to the Lenders in any material respect and after giving effect to such reorganizations and other transactions, Holdings, the Borrower and its Restricted Subsidiaries otherwise comply with Section 9.14.

"Taxes" shall have the meaning provided in Section 5.4(a).

"Term Loan" shall mean an Initial Term Loan, an Incremental Term Loan or any Extended Term Loan, as applicable.

"Term Loan Exchange Effective Date" shall have the meaning provided in Section 2.17(a).

"Term Loan Exchange Notes" shall have the meaning provided in Section 2.17(a).

"Term Loan Extension Request" shall have the meaning provided in Section 2.15(a)(i).

"Term Loan Facility" shall mean any of the Initial Term Loan Facility, any Incremental Term Loan Facility and any Extended Term Loan Facility.

"Term Note" shall mean a promissory note of the Borrower payable to any Initial Term Loan Lender or its registered assigns, in substantially the form of Exhibit F hereto, evidencing the aggregate Indebtedness of the Borrower to such Initial Term Loan Lender resulting from the Initial Term Loans made by such Initial Term Loan Lender.

"Test Period" shall mean, (a) for any determination under this Agreement other than any determination pursuant to Sections 5.2(a)(i) and (ii), the most recent period of four consecutive fiscal quarters of the Borrower ended on or prior to such date of determination (taken as one accounting period) in respect of which Internal Financial Statements are available for each fiscal quarter or fiscal year in such period and (b) for any determination pursuant to Sections 5.2(a)(i) and (ii), the most recent period of four consecutive quarters of the Borrower ended on or prior to such date of determination (taken as one accounting period) in respect of which Section 9.1 Financials shall have been delivered to the Administrative Agent for each fiscal quarter or fiscal year in such period; provided that, prior to the first date that Internal Financial Statements or Section 9.1 Financials are available or shall have been delivered pursuant to Section 9.1(a) or (b), the Test Period in effect shall be the period of four consecutive fiscal quarters of the Borrower ended June 30, 2018. A Test Period may be designated by reference to the last day thereof (i.e. the June 30, 2018 Test Period refers to the period of four consecutive fiscal quarters of the Borrower ended June 30, 2018), and a Test Period shall be deemed to end on the last day thereof.

"Total Commitment" shall mean the sum of the Total Initial Term Loan Commitment and the Total Incremental Term Loan Commitment.

"Total Credit Exposure" shall mean, at any date, the outstanding principal amount of all Term Loans at such date.

"Total Incremental Term Loan Commitment" shall mean the sum of the Incremental Term Loan Commitments of any Class of Incremental Term Loans of all the Lenders providing such Class of Incremental Term Loans.

"Total Initial Term Loan Commitment" shall mean the sum of the Initial Term Loan Commitments of all the Lenders.

"Transaction Expenses" shall mean any fees or expenses incurred or paid by the Sponsor, Permitted Holders, Holdings (or Parent Entity thereof), the Borrower, any of their Subsidiaries or any of their Affiliates in connection with the Transactions, this Agreement and the other Credit Documents and the transactions contemplated hereby and thereby.

"Transactions" shall mean, collectively, (a) the entering into of the Agreement, the other Credit Documents, the First Lien Credit Agreement and the other First Lien Credit Documents and funding of the Loans and the First Lien Initial Term Loans, (b) the Existing Debt Refinancing, (c) the declaration and payment of the 2018 Dividend, (d) the payment of the Transaction Expenses and (e) the consummation of any other transactions in connection with the foregoing (including all or any of those contemplated by the recitals to this Agreement).

"Transferee" shall have the meaning provided in Section 13.6(f).

"Treasury Capital Stock" shall have the meaning provided in Section 10.6(a).

"Type" shall mean as to any Loan, its nature as an ABR Loan or a Eurodollar Loan.

"UCC" shall mean the Uniform Commercial Code as in effect from time to time (except as otherwise specified) in any applicable state or jurisdiction.

"Unfunded Current Liability" of any Pension Plan shall mean the amount, if any, by which the present value of the accrued benefits under the Pension Plan exceeds the Fair Market Value of the assets allocable thereto as of the close of its most recent plan year, determined in both cases using the applicable assumptions promulgated under Section 430 of the Code.

"United States Tax Compliance Certificate" shall have the meaning provided in Section 5.4(d)(i).

"Unrestricted Subsidiary" shall mean (a) any Subsidiary of the Borrower that is formed or acquired after the Closing Date and is designated as an Unrestricted Subsidiary by the Borrower pursuant to Section 9.15 subsequent to the Closing Date, (b) any existing Restricted Subsidiary of the Borrower that is designated as an Unrestricted Subsidiary by the Borrower pursuant to Section 9.15 subsequent to the Closing Date and (c) any Subsidiary of an Unrestricted Subsidiary.

"Voting Stock" shall mean, with respect to any Person, shares of such Person's Capital Stock that is at the time generally entitled, without regard to contingencies, to vote in the election of the Board of Directors of such Person. To the extent that a partnership agreement, limited liability company agreement or other agreement governing a partnership or limited liability company provides that the members of the Board of Directors of such partnership or limited liability company (or, in the case of a limited partnership whose business and affairs are managed or controlled by its general partner, the Board of Directors of the general partner of such limited partnership) is appointed or designated by one or more Persons rather than by a vote of Voting Stock, each of the Persons who are entitled to appoint or designate the members of such Board of Directors will be deemed to own a percentage of Voting Stock of such partnership or limited liability company equal to (a) the aggregate votes entitled to be cast on such Board of Directors by the members of such Board of Directors which such Person or Persons are entitled to appoint or designate divided by (b) the aggregate number of votes of all members of such Board of Directors.

"Weighted Average Life to Maturity" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of

principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Indebtedness.

"Wholly-Owned Subsidiary" shall mean a Subsidiary of a Person, all of the outstanding Capital Stock of which (other than (x) any director's qualifying shares and (y) shares issued to other Persons to the extent required by Applicable Law) are owned by such Person and/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 withholding agent, if applicable.

"Write-Down and Conversion Power" shall mean, 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.

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) The term "including" is by way of example and not limitation.

(d) Section, Exhibit and Schedule references are to the Credit Document in which such reference appears.

(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) Any reference to any Person shall be constructed to include such Person's successors or assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all of the functions thereof.

(i) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(j) The word "will" shall be construed to have the same meaning as the word "shall."

(k) 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.

1.3 Accounting Terms.

(a) 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 manner consistent with that used in preparing, prior to the Closing Date, the Historical Financial Statements and, after the Closing Date, the Section 9.1 Financials, except as otherwise specifically prescribed herein; provided, however, that (i) if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any Accounting Change occurring after the Closing Date on the operation of such provision, regardless of whether any such notice is given before or after such Accounting Change, then such provision shall be interpreted as if such Accounting Change had not occurred until such notice shall have been withdrawn or such provision amended in accordance herewith and (ii) if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof to eliminate the effect of any Accounting Change occurring after the Closing Date on the operation of such provision, regardless of whether any such notice is given before or after such Accounting Change, then such provision shall be interpreted as if such Accounting Change had not occurred until such notice shall have been withdrawn or such provision amended in accordance herewith, but only to the extent that, without undue burden or expense, the Borrower, its auditors and/or its financial systems are capable of interpreting such provisions as if such Accounting Change had not occurred.

(b) Where reference is made to "the Borrower and its Restricted Subsidiaries, on a consolidated basis" or similar language, such consolidation shall not include any Subsidiaries of the Borrower other than Restricted Subsidiaries.

(c) Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under the Financial Accounting Standards Board's Accounting Standards Codification No. 825—Financial Instruments, or any successor thereto (including pursuant to the Accounting Standards Codification), to value any Indebtedness of Holdings, the Borrower or any Subsidiary at "fair value" as defined therein.

(d) 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 Net Income of such Person or business shall not be excluded from the calculation of Net Income until such Disposition shall have been consummated.

1.4 Rounding. Any financial ratios required to be maintained or complied with by the Borrower 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 (with a rounding-up if there is no 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 Obligations shall be deemed to include all subsequent amendments, restatements, amendment and restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, amendment and restatements, extensions, supplements and other modifications are permitted by this Agreement; and (b) references to any Applicable Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Applicable Law.

1.6 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable), for times of the day in New York City, New York.

1.7 Timing of Payment or Performance. Except as otherwise provided herein, when the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as described in Section 2.5 or Section 2.9) or performance shall extend to the immediately succeeding Business Day.

1.8 Currency Equivalents Generally.

(a) For purposes of any determination under Section 9, Section 10 (other than for purposes of calculating the Consolidated First Lien Debt to Consolidated EBITDA Ratio, the Consolidated Secured Debt to Consolidated EBITDA Ratio, the Consolidated Total Debt to Consolidated EBITDA Ratio or the Consolidated EBITDA to Consolidated Interest Expense Ratio) or Section 11 or any determination under any other provision of this Agreement requiring the use of a current exchange rate, all amounts Incurred or proposed to be Incurred in currencies other than Dollars shall be translated into Dollars at the Exchange Rate then in effect on the date of such determination; provided, however, that (x) for purposes of determining compliance with Section 10 with respect to the amount of any Indebtedness, Investment, Disposition, Restricted Payment or payment under Section 10.7 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 or Investment is Incurred or Disposition, Restricted Payment or payment under Section 10.6(a) is made, (y) for purposes of determining compliance with any Dollar-denominated restriction on the Incurrence of Indebtedness, if such Indebtedness is Incurred to Refinance other Indebtedness denominated in a foreign 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 (or accreted amount) of the Indebtedness that is Incurred to Refinance such Indebtedness does not exceed the principal amount (or accreted amount) of such Indebtedness being Refinanced, except by an amount equal to the accrued interest, dividends and premium (including tender premiums), if any, thereon plus defeasance costs, underwriting discounts and other amounts paid and fees and expenses (including OID, closing payments, upfront fees and similar fees) incurred in connection with such Refinancing plus an amount equal to any existing commitment unutilized and letters of credit undrawn thereunder and (z) for the avoidance of doubt, the foregoing provisions of this Section 1.8 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness or Investment may be Incurred or Disposition, Restricted Payment or payment under Section 10.6(a) may be made at any time under such Sections. For purposes of calculating the Consolidated First Lien Debt to Consolidated EBITDA Ratio, the Consolidated Secured

Debt to Consolidated EBITDA Ratio, the Consolidated Total Debt to Consolidated EBITDA Ratio and the Consolidated EBITDA to Consolidated Interest Expense Ratio, amounts in currencies other than Dollars shall be translated into Dollars at the applicable exchange rates used in preparing the most recently delivered financial statements pursuant to Section 9.1(a) or Section 9.1(b) or, prior to the Closing Date, the Historical Financial Statements.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify with the Borrower's consent (such consent not to be unreasonably withheld) to appropriately reflect a change in currency of any country and any relevant market conventions or practices relating to such change in currency.

1.9 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., an "Initial Term Loan") or by Type (e.g., a "Eurodollar Loan") or by Class and Type (e.g., a "Eurodollar Initial Term Loan"). Borrowings also may be classified and referred to by Class (e.g., a "Initial Term Loan Borrowing") or by Type (e.g., a "Eurodollar Borrowing") or by Class and Type (e.g., a "Eurodollar Initial Term Loan Borrowing").

1.10 Limited Condition Transactions.

(a) In connection with any action being taken in connection with a Limited Condition Transaction, for purposes of determining compliance with any provision of this Agreement that requires that no Default, Event of Default or specified Event of Default, as applicable, has occurred, is continuing or would result from any such action, as applicable, such condition shall, at the option of the Borrower, be deemed satisfied, so long as no Default, Event of Default or specified Event of Default, as applicable, exists on the LCT Test Date (as defined below) for such Limited Condition Transaction are entered. For the avoidance of doubt, if the Borrower has exercised its option under the first sentence of this clause (a), and any Default, Event of Default or specified Event of Default occurs following the LCT Test Date for the applicable Limited Condition Transaction and prior to or on the date of the consummation of such Limited Condition Transaction, any such Default, Event of Default or specified Event of Default shall be deemed to not have occurred or be continuing for purposes of determining whether any action being taken in connection with such Limited Condition Transaction is permitted hereunder.

(b) In connection with any action being taken in connection with a Limited Condition Transaction, for purposes of:

(i) determining compliance with any provision of this Agreement which requires the calculation of the Consolidated First Lien Debt to Consolidated EBITDA Ratio, the Consolidated Secured Debt to Consolidated EBITDA Ratio, the Consolidated Total Debt to Consolidated EBITDA Ratio or the Consolidated EBITDA to Consolidated Interest Expense Ratio or any other ratio test; or

(ii) testing baskets or any other calculations (including any minimum equity calculation) set forth in this Agreement (including baskets or any other calculations measured as a percentage of Consolidated Total Assets or Consolidated EBITDA);

in each case, at the option of the Borrower (the Borrower's election to exercise such option in connection with any Limited Condition Transaction, an "LCT Election"), the date of determination of whether any such action is permitted hereunder shall be deemed to be (x) the date on which the definitive acquisition agreements for such Limited Condition Transaction (including any Permitted Change of Control) are entered into, (y) the date of any prepayment, redemption, repurchase, defeasance, acquisition or other payment or (z) in respect of sales in connection with an acquisition to which the United Kingdom City

Code on Takeovers and Mergers applies (or similar law or practice in other jurisdictions), the date on which a "Rule 2.7 announcement" of a firm intends to make an offer or similar announcement or determination in another jurisdiction subject to laws similar to the United Kingdom City Code on Takeovers and Mergers in respect of a target of a Limited Condition Transaction (the "LCT Test Date"), and if, after giving pro forma effect to the Limited Condition Transaction and the other transactions to be entered into in connection therewith (including any Incurrence of Indebtedness and the use of proceeds thereof) as if they had occurred at the beginning of the Test Period most recently ended on or prior to the applicable LCT Test Date, the Borrower could have taken such action on the relevant LCT Test Date in compliance with such ratio, calculation or basket, such ratio, calculation or basket shall be deemed to have been complied with. For the avoidance of doubt, if the Borrower has made an LCT Election and any of the ratios, calculations or baskets for which compliance was determined or tested as of the LCT Test Date are exceeded as a result of fluctuations in any such ratio, calculation or basket, including due to fluctuations in Consolidated EBITDA, Consolidated Total Assets or the valuation of any rollover or existing equity in connection with any minimum equity calculation of the Borrower or the Person subject to such Limited Condition Transaction, on or prior to the date of consummation of the relevant transaction or action, such baskets, calculations or ratios will not be deemed to have been exceeded as a result of such fluctuations. If the Borrower has made an LCT Election for any Limited Condition Transaction, then in connection with any subsequent calculation of any ratio, calculation or test with respect to the Incurrence of Indebtedness or Liens, or the making of distributions or Restricted Payments, Investments, payments pursuant to Section 10.7, Dispositions, mergers, Dispositions of all or substantially all of the assets of the Borrower or the designation of an Unrestricted Subsidiary on or following the relevant LCT Test Date and prior to the earlier of the date on which such Limited Condition Transaction is consummated or the definitive agreement for such Limited Condition Transaction is terminated or expires without consummation of such Limited Condition Transaction, any such ratio, calculation or test shall be calculated on a pro forma basis assuming such Limited Condition Transaction and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have been consummated.

1.11 Pro Forma and Other Calculations.

(a) Notwithstanding anything to the contrary herein, financial ratios, calculations and tests (including measurements of baskets and other calculations calculated on the basis of Consolidated Total Assets or Consolidated EBITDA), including the Consolidated EBITDA to Consolidated Interest Expense Ratio, Consolidated First Lien Debt to Consolidated EBITDA Ratio, Consolidated Secured Debt to Consolidated EBITDA Ratio and Consolidated Total Debt to Consolidated EBITDA Ratio shall be calculated in the manner prescribed by this Section 1.11; provided that, notwithstanding anything to the contrary in clauses (b), (c), (d) or (e) of this Section 1.11, when calculating the Consolidated First Lien Debt to Consolidated EBITDA Ratio for purposes of Section 5.2(a)(i) and Section 5.2(a)(ii), the events described in this Section 1.11 that occurred subsequent to the end of the applicable Test Period shall not be given pro forma effect; provided, however, that, for purposes of any determination under the proviso to Section 5.2(a)(ii), Consolidated First Lien Debt shall be determined after giving pro forma effect to (A) the aggregate principal amount of (1) Term Loans voluntarily prepaid pursuant to Section 5.1, (2) First Lien Term Loans voluntarily prepaid pursuant to Section 5.1 of the First Lien Credit Agreement (or, in accordance with the corresponding provisions of the documentation governing any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) and (3) secured Permitted Additional Debt and secured Credit Agreement Refinancing Indebtedness voluntarily prepaid, repurchased, defeased, acquired or redeemed, (B) the aggregate amount of cash consideration paid by any Purchasing Borrower Party (as defined in this Agreement or in the First Lien Credit Agreement, as applicable) to effect any assignment to it of (1) Term Loans pursuant to Section 13.6(g) or (2) First Lien Term Loans pursuant to Section 13.6(g) of the First Lien Credit Agreement (or, in accordance with the corresponding provisions of the documentation governing any Indebtedness representing secured

Permitted Refinancing Indebtedness in respect thereof), but only to the extent that such Term Loans or such First Lien Term Loans (or such Permitted Refinancing Indebtedness in respect thereof), as applicable, have been cancelled and (C) the aggregate amount of all permanent reductions of Revolving Credit Commitments, Extended Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments (each as defined in the First Lien Credit Agreement) pursuant to Section 4.2 of the First Lien Credit Agreement (for the avoidance of doubt, excluding any such commitment reductions required by the proviso to Section 2.14(b) of the First Lien Credit Agreement or in connection with the Incurrence of any Credit Agreement Refinancing Indebtedness Incurred to Refinance any Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments and/or Extended Revolving Credit Commitments (each as defined in the First Lien Credit Agreement)), in each case, after the end of the Borrower's most recently ended full fiscal year and prior to the date of the applicable payment to be made pursuant to such Section 5.2(a)(ii) assuming such voluntary prepayments had been made on the last day of such fiscal year. In addition, whenever a financial ratio, calculation or test is to be calculated on a pro forma basis or requires pro forma compliance, the reference to "Test Period" for purposes of calculating such financial ratio or test shall be deemed to be a reference to, and shall be based on, the most recently ended Test Period for which Internal Financial Statements are internally available.

(b) For purposes of calculating any financial ratio, calculation (including any minimum equity calculation) or test (including measurements of baskets and other calculations on the basis of Consolidated Total Assets or Consolidated EBITDA), Specified Transactions (with any Incurrence or Refinancing of any Indebtedness in connection therewith to be subject to clause (d) of this Section 1.11) that have been made (i) during the applicable Test Period or (ii) subsequent to such Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made shall be calculated on a pro forma basis assuming that all such Specified Transactions (and any increase or decrease in Consolidated EBITDA and the component financial definitions used therein attributable to any Specified Transaction) had occurred on the first day of the applicable Test Period (or, in the case of Consolidated Total Assets or "unrestricted" cash and cash equivalents, or any new cash equity contribution and/or rollover and/or valuation of existing equity in connection with such Specified Transaction, on the last day of the applicable Test Period). If, since the beginning of any applicable Test Period, any Person that subsequently became a Restricted Subsidiary or was merged, amalgamated or consolidated with or into the Borrower or any Restricted Subsidiary since the beginning of such Test Period shall have made any Specified Transaction that would have required adjustment pursuant to this Section 1.11, then such financial ratio, calculation or test (including measurements of baskets and other calculations on the basis of Consolidated Total Assets and Consolidated EBITDA) shall be calculated to give pro forma effect thereto in accordance with this Section 1.11.

(c) Whenever pro forma effect or a determination of pro forma compliance is to be given to a Specified Transaction or a Specified Restructuring, the pro forma calculations shall be made in good faith by an Authorized Officer of the Borrower and may include, for the avoidance of doubt, the amount of "run rate" cost savings, operating expense reductions and cost synergies and other synergies projected by the Borrower in good faith to result from or relating to any Specified Transaction (including the Transactions) or Specified Restructuring that is being given pro forma effect or for which a determination of pro forma compliance is being made that have been realized or are expected to be realized and for which the actions necessary to realize such cost savings, operating expense reductions, cost synergies or other synergies have been taken, have been committed to be taken, with respect to which substantial steps have been taken or which are expected to be taken (in the good faith determination of the Borrower) (calculated on a pro forma basis as though such cost savings, operating expense reductions, cost synergies and other synergies had been realized on the first day of such period and as if such cost savings, operating expense reductions, cost synergies and other synergies were realized during the entirety of such period and "run rate" means the full recurring benefit for a period that is associated with any action taken, any action committed to be taken, any action with respect to which substantial steps have been taken or any

action that is expected to be taken (including any savings expected to result from the elimination of Public Company Costs, if any) net of the amount of actual benefits realized during such period from such actions, and any such adjustments shall be included in the initial pro forma calculations of such financial ratios or tests and during any subsequent Test Period in which the effects thereof are expected to be realized) relating to such Specified Transaction or Specified Transaction, and any such adjustments included in the initial pro forma calculations shall continue to apply to subsequent calculations of such financial ratios or tests, including during any subsequent Test Periods in which the effects thereof are expected to be realizable; provided that (A) such amounts are reasonably identifiable in the good faith judgment of the Borrower, (B) such actions are taken, such actions are committed to be taken, substantial steps with respect to such action have been taken or such actions are expected to be taken no later than eight fiscal quarters after the date of consummation of such Specified Transaction or the date of initiation of such Specified Restructuring (or, with respect to the Transactions, twelve fiscal quarters) and (C) no amounts shall be added to the extent duplicative of any amounts that are otherwise added back in computing Consolidated EBITDA (or any other components thereof), whether through a pro forma adjustment or otherwise, with respect to such period.

(d) In the event that the Borrower or any Restricted Subsidiary Incurs (including by assumption or guarantee) or Refinances (including by redemption, repurchase, repayment, retirement or extinguishment) any Indebtedness, in each case included in the calculations of any financial ratio or test, (i) during the applicable Test Period or (ii) subsequent to the end of the applicable Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made, then such financial ratio or test shall be calculated giving pro forma effect to such Incurrence or Refinancing of Indebtedness (including pro forma effect to the application of the net proceeds therefrom), in each case to the extent required, as if the same had occurred on the last day of the applicable Test Period (except in the case of the Consolidated EBITDA to Consolidated Interest Expense Ratio (or similar ratio), in which case such Incurrence or Refinancing of Indebtedness will be given effect, as if the same had occurred on the first day of the applicable Test Period); provided that, with respect to any Incurrence of Indebtedness permitted by the provisions of this Agreement in reliance on the pro forma calculation of the Consolidated First Lien Debt to Consolidated EBITDA Ratio, the Consolidated Secured Debt to Consolidated EBITDA Ratio, the Consolidated EBITDA to Consolidated Interest Expense Ratio and/or the Consolidated Total Debt to Consolidated EBITDA Ratio, as applicable, pro forma effect shall not be given to any Indebtedness being Incurred (or expected to be Incurred) substantially simultaneously or contemporaneously with the Incurrence of any such Indebtedness in reliance on any "basket" set forth in this Agreement, including the Incremental Base Amount, any "baskets" measured as a percentage of Consolidated Total Assets or Consolidated EBITDA, any Credit Event (as defined in the First Lien Credit Agreement) under the Revolving Credit Facility or, except to the extent expressly required to be calculated otherwise in Section 2.14 or Section 10.1(u), any Additional/Replacement Revolving Credit Facility (as defined in the First Lien Credit Agreement).

(e) Whenever pro forma effect is to be given to a pro forma event, the pro forma calculations shall be made in good faith by an Authorized Officer of the Borrower. 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 the event for which the calculation of the Consolidated EBITDA to Consolidated Interest Expense Ratio is made had been the applicable rate for the entire period (taking into account any interest Hedging Agreements applicable to such Indebtedness). To the extent interest expense generated by Hedging Obligations that have been terminated is included in Consolidated Interest Expense prior to the date of the event for which the calculation of the Consolidated EBITDA to Consolidated Interest Expense Ratio is being made, Consolidated Interest Expense shall be adjusted to exclude such expense. Interest on a Financing Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by an Authorized Officer of the Borrower to be the rate of interest implicit in such Financing Lease Obligation in accordance with GAAP. 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 determined to have been based upon the rate actually chosen, or if none, then based upon such optional rate chosen as the Borrower or applicable Restricted Subsidiary may designate. For purposes of making the computations 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 maximum commitments under such revolving credit facility as of the date of the event for which the calculation of the Consolidated EBITDA to Consolidated Interest Expense Ratio is being made, except as set forth in Section 1.11(d).

(f) Any such pro forma calculation may include, without limitation, (1) all adjustments of the type described in clause (a)(viii) of the definition of "Consolidated EBITDA" to the extent such adjustments, without duplication, continue to be applicable to such Test Period, and (2) adjustments calculated in accordance with Regulation S-X under the Securities Act.

(g) In connection with any incurrence of Indebtedness to be consummated in connection with any Permitted Change of Control, subject to the Borrower's corporate credit rating being in B3 or better from Moody's and B- or better from S&P (in each case, with a stable outlook), respectively, at the time of the incurrence thereof or as of the LCT Test Date, as applicable, all leverage ratios related thereto shall be deemed to be 0.50 to 1.00 times higher than the otherwise applicable incurrence test ratio set forth in this Agreement.

(h) After an IPO, at the option of the Borrower (the exercising of such option to release Holdings from its obligations under the Credit Documents pursuant to this Section 1.11(h), a "Holdings Termination Event"), but only if, upon giving effect to such IPO and through a series of mergers, consolidations, dissolutions, amalgamations or otherwise, the Borrower would cease to have a direct or indirect Parent Entity that owns all of the Capital Stock of the Borrower, Holdings shall be released from its Guarantee and all of its property (including the Capital Stock of the Borrower) released as Collateral automatically, and Holdings shall be released from all obligations under this Agreement and the other Credit Documents, including with respect to all representations and warranties, covenants, and defaults related to or referencing Holdings. Following any such release, this Agreement and the other Credit Documents shall be deemed to be amended to eliminate or modify all references to Holdings, as applicable.

SECTION 2. Amount and Terms of Credit Facility.

2.1 Loans.

(a) Subject to and upon the terms and conditions herein set forth, each Lender having an Initial Term Loan Commitment severally agrees to make a loan or loans (each, an "Initial Term Loan") to the Borrower, which Initial Term Loans (i) shall not exceed, for any such Lender, the Initial Term Loan Commitment of such Lender, (ii) shall not exceed, in the aggregate, the Total Initial Term Loan Commitment, (iii) shall be made on the Closing Date and shall be denominated in Dollars, (iv) may, at the option of the Borrower, be Incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; provided that all such Initial Term Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise provided herein, consist entirely of Initial Term Loans of the same Type and (v) may be repaid or prepaid in accordance with the provisions hereof, but once repaid or prepaid may not be reborrowed. On the Initial Term Loan Maturity Date, all outstanding Initial Term Loans shall be repaid in full.

(b) [Reserved].

(c) Each Lender may at its option make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Eurodollar Loan; provided that (i) any exercise of such option shall not affect the obligation of the Borrower to repay such Eurodollar Loan and (ii) in exercising such option, such Lender shall use its reasonable efforts to minimize any increased costs to the Borrower resulting therefrom (which obligation of the Lender shall not require it to take, or refrain from taking, actions that it determines would result in increased costs for which it will not be compensated hereunder or that it determines would be otherwise disadvantageous to it and in the event of such request for costs for which compensation is provided under this Agreement, the provisions of Section 2.10 shall apply).

(d) [Reserved].

2.2 Minimum Amount of Each Borrowing; Maximum Number of Borrowings. The aggregate principal amount of each Borrowing of Term Loans shall be in a multiple of $500,000 and shall not be less than the Minimum Borrowing Amount with respect for such Type of Loans. More than one Borrowing may be Incurred on any date; provided that at no time shall there be outstanding more than fifteen (15) Eurodollar Borrowings under this Agreement (which number of Eurodollar Borrowings may be increased or adjusted by agreement between the Borrower and the Administrative Agent in connection with any Incremental Facility or Extended Term Loans). For purposes of the foregoing, Borrowings having different Interest Periods, regardless of whether they commence on the same date, shall be considered separate Borrowings.

2.3 Notice of Borrowing.

(a) The Borrower 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 (or telephonic notice promptly confirmed in writing) of the Borrowing of Initial Term Loans or any Borrowing of Incremental Term Loans (unless otherwise set forth in the applicable Incremental Agreement), as the case may be, if all or any of such Term Loans are to be initially Eurodollar Loans and (ii) written notice (or telephonic notice promptly confirmed in writing) prior to 1:00 p.m. (New York City time) on the date of the Borrowing of Initial Term Loans or any Borrowing of Incremental Term Loans, as the case may be, if all or any of such Term Loans are to be ABR Loans; provided that any notice of a Borrowing of Eurodollar Loans to be made on the Closing Date or any Incremental Facility Closing Date may be given not later than 1:00 p.m. (New York City time) (or such later date as the Administrative Agent may reasonably agree) one Business Day prior to the date of the proposed Borrowing, which notice may be subject to the effectiveness of the Credit Agreement. Such notice (a "Notice of Borrowing") shall be in substantially the form of Exhibit D and shall specify (i) the aggregate principal amount of the Initial Term Loans or Incremental Term Loans, as the case may be, to be made, (ii) the date of the Borrowing (which shall be, (x) in the case of the Initial Term Loans, the Closing Date, and, (y) in the case of the Incremental Term Loans, the applicable Incremental Facility Closing Date in respect of such Class) and (iii) whether the Initial Term Loans or Incremental Term Loans, as the case may be, shall consist of ABR Loans and/or Eurodollar Loans and, if the Initial Term Loans or Incremental Term Loans, as the case may be, are to include Eurodollar Loans, the Interest Period to be initially applicable thereto; provided that the Notice of Borrowing for a Borrowing of Term Loans shall be revocable so long as the Borrower agrees to comply with the applicable provisions of Section 2.11 upon any such revocation. The Administrative Agent shall promptly give each Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Initial Term Loans or Incremental Term Loans, as the case may be, of such Lender's proportionate share thereof and of the other matters covered by the related Notice of Borrowing.

(b) [Reserved].

(c) [Reserved].

(d) [Reserved].

(e) [Reserved].

(f) If the Borrower fails to specify a Type of Loan in a Notice of Borrowing, then the applicable Loans shall be made as Eurodollar Loans with an Interest Period of one (1) month. If the Borrower requests a Borrowing of Eurodollar Loans, in any such Notice of Borrowing, but fails to specify an Interest Period (or fails to give a timely notice requesting a continuation of Eurodollar Loans), it will be deemed to have specified an Interest Period of one (1) month.

(g) Without in any way limiting the obligation of the Borrower to confirm in writing any notice it may give hereunder by telephone, 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. In each such case, the Borrower hereby waives the right to dispute the Administrative Agent's record of the terms of any such telephonic notice.

2.4 Disbursement of Funds.

(a) No later than 12:00 p.m. (New York City time) on the date specified in each Notice of Borrowing, each Lender will 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 (or, with respect to any Incremental Facilities, on the relevant Incremental Facilities Closing Date), such funds may be made available at such earlier time as may be agreed among the relevant Lenders, the Borrower and the Administrative Agent for the purpose of consummating the Transactions.

(b) Each Lender shall make available all such requested amounts it is to fund to the Borrower under any Borrowing for its applicable Commitments in immediately available funds to the Administrative Agent at the Administrative Agent's Office and the Administrative Agent will make available to the Borrower by depositing to an account designated by the Borrower to the Administrative Agent in writing, the aggregate of the amounts so made available. Unless the Administrative Agent shall have been notified in writing 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 same 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, and the Borrower shall immediately pay such corresponding amount to the Administrative Agent. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower, as the case may be, 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 Federal Funds Effective Rate, or (ii) if paid by the Borrower, the then-applicable rate of interest, calculated in accordance with Section 2.8, for the respective Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the

Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing.

(c) [Reserved].

(d) Nothing in this Section 2.4, including any payment by the Borrower, shall be deemed to relieve any Lender from its obligation to fulfill its commitments hereunder or to prejudice any rights that the Borrower 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 Borrower agrees to repay to the Administrative Agent, for the benefit of the applicable Lenders, (i) on the Initial Term Loan Maturity Date, all then outstanding Initial Term Loans, (ii) on the relevant Incremental Term Loan Maturity Date for any Class of Incremental Term Loans, any then outstanding Incremental Term Loans of such Class and (iii) on the relevant maturity date for any Class of Extended Term Loans, all then outstanding Extended Term Loans of such Class.

(b) The Borrower shall repay to the Administrative Agent, in Dollars, for the ratable benefit of the Initial Term Loan Lenders, on the Initial Term Loan Maturity Date, the aggregate principal amount of Initial Term Loans then outstanding.

(c) In the event any Incremental Term Loans are made, such Incremental Term Loans shall mature and be repaid in amounts and on dates as agreed between the Borrower and the relevant Lenders of such Incremental Term Loans in the applicable Incremental Agreement, subject to the requirements set forth in Section 2.14. In the event that any Extended Term Loans are established, such Extended Term Loans shall, subject to the requirements of Section 2.15, mature and be repaid by the Borrower in the amounts and on dates set forth in the applicable Extension Agreement; provided, however, that notwithstanding anything to the contrary contained herein, Extended Term Loans may not have any scheduled amortization payments prior to the Initial Term Loan Maturity Date.

(d) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower 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, on behalf of the Borrower, shall maintain the Register pursuant to Section 13.6(b)(v), 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 an Initial Term Loan, an Incremental Term Loan (and the relevant Class thereof) or an Extended Term Loan (and the relevant Class thereof), as applicable, the Type of each Loan made 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, (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof and (iv) any cancellation or retirement of Loans contemplated by Section 13.6(i).

(f) The entries made in the Register and accounts and subaccounts maintained pursuant to paragraphs (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 Borrower therein recorded and, in the case of the Register, shall be conclusive absent manifest error; provided, however, that the failure of any Lender or the Administrative Agent to maintain such account, such Register or such subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans made to the Borrower in accordance with the terms of this Agreement; provided, further, that in the event of any inconsistency between the accounts maintained by the Administrative Agent pursuant to paragraph (e) of this Section 2.5 and any Lender's records, the accounts of the Administrative Agent shall govern.

(g) For the avoidance of doubt, all Initial Term Loans shall be repaid, whether pursuant to this Section 2.5 or otherwise, in Dollars.

2.6 Conversions and Continuations.

(a) The Borrower shall have the option on any Business Day, subject to Section 2.11, to convert all or a portion equal to at least the Minimum Borrowing Amount of the outstanding principal amount of Term Loans of one Type into a Borrowing or Borrowings of another Type and except as otherwise provided herein the Borrower shall have the option on the last day of an Interest Period to continue the outstanding principal amount of any Eurodollar Loans as Eurodollar Loans for an additional Interest Period; provided that (i) no partial conversion of Eurodollar Loans shall reduce the outstanding principal amount of Eurodollar Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) ABR Loans may not be converted into Eurodollar 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) Eurodollar Loans may not be continued as Eurodollar 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 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', in the case of a continuation of, or conversion to, Eurodollar Loans or (ii) the same Business Day in the case of a conversion into ABR Loans), prior written notice (or telephonic notice promptly confirmed in writing) (each a "Notice of Conversion or Continuation") specifying the Loans to be so converted or continued, the Type of Loans to be converted or continued, the requested date of the conversion or continuation, as the case may be (which shall be a Business Day), the principal amount of Loans to be converted or continued, as the case may be, and if such Loans are to be converted into or continued as Eurodollar Loans, the Interest Period to be initially applicable thereto. If the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made or continued as the same Type of Loan, which if a Eurodollar Loan, shall have a one-month Interest Period. Any such automatic continuation shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Loans. If the Borrower requests a conversion to, or continuation of, Eurodollar Loans in any such Notice of Conversion or Continuation, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one (1) month's duration. 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 Eurodollar Loans and the Administrative Agent has, or the Required Lenders have, determined in its or their sole discretion not to permit such continuation, Eurodollar Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans.

2.7 Pro Rata Borrowings. Each Borrowing of Initial Term Loans under this Agreement shall be granted by the Lenders pro rata on the basis of their then-applicable Initial Term Loan Commitments. Each Borrowing of Incremental Term Loans under this Agreement shall be granted by the Lenders of the relevant Class thereof pro rata on the basis of their then-applicable Incremental Term Loan Commitments for the applicable Class. 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 and 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) 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 obligations 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 in effect from time to time plus the ABR in effect from time to time.

(b) The unpaid principal amount of each Eurodollar 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 in effect from time to time plus the relevant Eurodollar Rate in effect from time to time.

(c) If at any time after the occurrence of and during the continuance of an Event of Default under Section 11.1, all or a portion of the principal amount of any Loan or any interest payable thereon or any fees or other amounts due hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest (including post-petition interest in any proceeding under any applicable Debtor Relief Law) at a rate per annum that is (i) in the case of overdue principal, the rate that would otherwise be applicable thereto plus 2.00% or (ii) in the case of overdue interest, fees or other amounts due hereunder, to the extent permitted by Applicable Law, the rate described in Section 2.8(a) plus 2.00% from and including the date of such non-payment to but excluding the date on which such amount is paid in full. All such interest shall be payable on demand.

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof, and shall be payable in Dollars and, except as otherwise provided below, 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 Eurodollar 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, (iii) in respect of each Loan, on any prepayment date (on the amount prepaid), at maturity (whether by acceleration or otherwise) and, after such maturity, on demand; provided that a Loan that is repaid on the same day on which it is made shall bear interest for one day and (iv) in respect of each Loan, to the extent necessary to create a fungible tranche of Term Loans, the date of the incurrence of any Incremental Term Loans.

(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 Eurodollar Loans shall promptly notify the Borrower and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

(g) Except as otherwise provided herein, whenever any payment hereunder or under the other Credit Documents shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commitment, as the case may be.

2.9 Interest Periods. At the time the Borrower 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 Eurodollar Loans (in the case of the initial Interest Period applicable thereto) on or prior to 1:00 p.m. (New York City time) on the third Business Day prior to the expiration of an Interest Period applicable to a Borrowing of Eurodollar Loans, the Borrower shall have the right to elect, by giving the Administrative Agent written notice (or telephonic notice promptly confirmed in writing), the Interest Period applicable to such Borrowing, which Interest Period shall be the period commencing on the date of such Borrowing and ending on the numerically corresponding day (or, if there is no numerically corresponding day, on the last Business Day) in the calendar month that is one, two, three or six months thereafter (or, if agreed to by all relevant Lenders participating in the relevant Credit Facility, twelve months thereafter or any other period, including a period shorter than one month).

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of Eurodollar 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 would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(c) if any Interest Period relating to a Borrowing of Eurodollar 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;

(d) in the case of Eurodollar Loans, interest shall accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period; and

(e) the Borrower shall not be entitled to elect any Interest Period in respect of any Eurodollar Loan if such Interest Period would extend beyond the applicable 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 or (y) in the case of clauses (ii) and (iii) below, any Lender, 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 Eurodollar Rate for any Interest Period that (x) deposits in the principal amounts of the Loans comprising any Borrowing of Eurodollar Loans are not generally available in the relevant market or (y) by reason of any changes arising on or after the Closing Date affecting the London interbank eurocurrency market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of "Eurodollar Rate"; or

(ii) that, due to a Change in Law, which shall (A) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any reserve requirement taken into account in determining the Statutory Reserves); (B) subject any Lender to any Tax (other than (1) Taxes indemnifiable under Section 5.4, (2) Excluded Taxes or (3) Taxes described in Section 5.4(f)) on its loans, loan principal, letters of credits, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or (C) impose on any Lender or the London interbank eurocurrency market any other condition, cost or expense affecting this Agreement or Eurodollar Loans made by such Lender (other than Taxes), which results in the cost to such Lender of making, converting into, continuing or maintaining Eurodollar Loans increasing by an amount which such Lender reasonably deems material or the amounts received or receivable by such Lender hereunder with respect to the foregoing shall be reduced; or

(iii) at any time after the Closing Date, that the making or continuance of any Eurodollar Loan has become unlawful by compliance by such Lender in good faith with any Applicable Law (or would conflict with any such Applicable Law 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 London interbank eurocurrency market;

then, and in any such event, such Lender (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 and 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, Eurodollar Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower 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 or Continuation given by the Borrower with respect to Eurodollar Loans that have not yet been Incurred shall be deemed rescinded by the Borrower, (y) in the case of clause (ii) above, the Borrower shall pay to such Lender, promptly (but no later than ten Business Days) 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 Lender in its reasonable discretion shall determine) as shall be required to compensate such Lender for such 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 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 shall take one of the actions specified in Section 2.10(b) as promptly as possible and, in any event, within the time period required by Applicable Law.

(b) At any time that any Eurodollar Loan is affected by the circumstances described in Section 2.10(a)(ii) or (iii), the Borrower may (and in the case of a Eurodollar Loan affected pursuant to Section 2.10(a)(iii) shall) either (x) if the affected Eurodollar Loan is then being made pursuant to a

Borrowing, cancel said Borrowing by giving the Administrative Agent telephonic notice (confirmed promptly in writing) thereof on the same date that the Borrower was notified by a Lender pursuant to Section 2.10(a)(ii) or (iii) or (y) if the affected Eurodollar Loan is then outstanding, upon at least three Business Days' notice to the Administrative Agent, require the affected Lender to convert each such Eurodollar Loan into an ABR Loan, if applicable; 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 any Change in Law regarding capital adequacy or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or its parent'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 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 (but no later than ten Business Days) after written demand by such Lender (with a copy to the Administrative Agent), the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or its parent for such 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 such Applicable Law as in effect on the Closing Date except as a result of a Change in Law. 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 (on its own behalf) 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 any of the Borrower's obligations to pay additional amounts pursuant to this Section 2.10(c) upon receipt of such notice.

(d) Notwithstanding any of the provisions in this Agreement (including Section 2.11) to the contrary, if the Borrower and the Administrative Agent reasonably determine in good faith that an interest rate is not ascertainable pursuant to the provisions of the definition of "Eurodollar Rate" or "Reference Rate" and the inability to ascertain such rate is unlikely to be temporary, the "Eurodollar Rate" and "Reference Rate" shall be an alternate rate that is reasonably commercially practicable for the Administrative Agent to administer (as determined by the Administrative Agent in its reasonable discretion) that is either: (i) an alternate rate established by the Administrative Agent and the Borrower that is generally accepted as the then prevailing market convention for determining a rate of interest for syndicated leveraged loans of this type in the United States at such time, in which case, the Administrative Agent and the Borrower shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable (including the making of appropriate adjustments to such alternate rate and this Agreement (x) to preserve pricing in effect at the time of selection of such alternate rate (but for the avoidance of doubt which would not reduce the Applicable Margin) and (y) other changes necessary to reflect the available interest periods for such alternate rate) (the "Market Convention Rate") or (ii) if a Market Convention Rate is not available in the reasonable determination of the Administrative Agent and the Borrower acting in good faith, an alternate rate, at the option of the Borrower, either (x) established by the Administrative Agent and the Borrower, so long as the Lenders shall have received at least five Business Days' prior written notice thereof (the "Notice Period"), in which case, the Administrative Agent and the Borrower shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable; provided that such alternate rate shall not apply to (and any such amendment shall not be effective with respect to) any Class for which the Administrative Agent has received a written objection within the Notice Period from the Required Lenders of such Class (with the Required Lenders of such Class determined as if such Class of Lenders were the only Class of Lenders hereunder at the time), or (y) selected by the Borrower and the Required Lenders of any applicable Class (with the Required Lenders of such Class determined as if such Class of Lenders were the only Class of Lenders hereunder at the time) solely with respect to such Class, in which case, the Required Lenders of

such Class and the Borrower shall, subject to 15 Business Days' prior written notice to the Administrative Agent, enter into an amendment to this Agreement to reflect such alternate rate of interest for such Class and make such other related changes to this Agreement as may be necessary to reflect such alternate rate applicable to such Class) (any such alternate rate so established in accordance with the foregoing provisions of this clause (d), the "Successor Benchmark Rate"); provided that, in the case of each of clauses (i) and (ii), any such amendment shall become effective without any further action or consent of any other party to this Agreement, notwithstanding anything to the contrary in Section 13.1; provided, further, that until such Successor Benchmark Rate has been determined pursuant to this paragraph, (A) any request for Borrowing, the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective and (B) all outstanding Borrowings shall be converted to an ABR Borrowing.

(e) The agreements in this Section 2.10 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(f) Notwithstanding the foregoing, no Lender shall be entitled to seek compensation under this Section 2.10 based on the occurrence of a Change in Law arising solely from (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act or any requests, rules, guidelines or directives thereunder or issued in connection therewith or (y) Basel III or any requests, rules, guidelines or directives thereunder or issued in connection therewith, unless such Lender is generally seeking compensation from other borrowers in the U.S. leveraged loan market with respect to its similarly affected commitments, loans and/or participations under agreements with such borrowers having provisions similar to this Section 2.10.

(g) This Section 2.10 shall not operate to provide payments that are duplicative of those required under Section 5.4.

2.11 Compensation. If (a) any payment of principal of a Eurodollar Loan is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Eurodollar Loan as a result of a payment or conversion pursuant to Section 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 Eurodollar Loans is not made as a result of a withdrawn Notice of Borrowing or failure to satisfy the conditions of Section 6 and Section 7, (c) any ABR Loan is not converted into a Eurodollar Loan as a result of a withdrawn Notice of Conversion or Continuation, (d) any Eurodollar Loan is not continued as a Eurodollar Loan as a result of a withdrawn Notice of Conversion or Continuation or (e) any prepayment of principal of a Eurodollar Loan is not made as a result of a withdrawn notice of prepayment pursuant to Section 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 and, absent clearly demonstrable error, the amount requested shall be final and conclusive and binding upon all parties hereto), pay to the Administrative Agent for the account of such Lender within ten Business Days of such request 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 borrow, failure to convert, failure to continue, failure to prepay, reduction or failure to reduce, 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 such Lender to fund or maintain such Eurodollar Loan. The agreements in this Section 2.11 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.12 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.10(a)(ii), 2.10(a)(iii), 2.10(c) or 5.4 with respect to such Lender, it will, if requested by the Borrower, 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 economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. The Borrower hereby agrees to pay all reasonable and documented or invoiced out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment. 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 Section 2.10 or 5.4.

2.13 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Section 2.10, 2.11 or 5.4 is given by any Lender more than 180 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, tax or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Section 2.10, 2.11 or 5.4, as the case may be, for any such amounts incurred or accruing prior to the giving of such notice to the Borrower; provided that, if the circumstance giving rise to such claim is retroactive, then such 180 day period referred to above shall be extended to include the period of retroactive effect thereof.

2.14 Incremental Facilities.

(a) The Borrower may at any time or from time to time after the Closing Date, by written notice delivered to the Administrative Agent request one or more additional Classes of term loans or additional term loans of the same Class of any existing Class of term loans (the "Incremental Term Loans" or the "Incremental Facilities" and the commitments in respect thereof are referred to as the "Incremental Commitments"); provided that, subject to Section 1.10, at the time that any such Incremental Term Loan is made or effected (and after giving pro forma effect thereto), except as set forth in the proviso to clause (b) below, no Event of Default (or, in the case of the Incurrence or provision of any Incremental Facility in connection with an Acquisition or other Investment, no Event of Default under Section 11.1 or 11.5) shall have occurred and be continuing.

(b) Each tranche of Incremental Term Loans shall be in an aggregate principal amount that is not less than $5,000,000 or like amount in an Alternative Currency, as applicable, (it being understood that such amount may be less than $5,000,000 or like amount in an Alternative Currency, as applicable, if such amount represents all remaining availability under the limit set forth below) (and in minimum increments of $1,000,000 or like amount in an Alternative Currency, as applicable, in excess thereof), and, subject to the proviso at the end of this Section 2.14(b), the aggregate amount of (x) the Incremental Term Loans (after giving pro forma effect thereto and the use of the proceeds thereof) Incurred pursuant to this Section 2.14(b), plus (y) the aggregate principal amount of Permitted Additional Debt Incurred under Section 10.1(u)(ii)(A) shall not exceed, as of the date of Incurrence of such Indebtedness or commitments, the sum of (A) the Incremental Base Amount plus (B) an aggregate amount of Indebtedness, such that, subject to Section 1.10, after giving pro forma effect to such Incurrence (and after giving pro forma effect to any Specified Transaction or Specified Restructuring to be consummated in connection therewith), the Borrower would be in compliance with a Consolidated Secured Debt to Consolidated EBITDA Ratio as of the last day of the Test Period most recently ended on or prior to the Incurrence of any such Incremental Facility, calculated on a pro forma basis, as if such Incurrence (and transactions) had occurred on the first day of such Test Period, that is no greater than either (x) 5.50:1.00 or (y) if Incurred in connection with an Acquisition or other Investment, the Consolidated Secured Debt to Consolidated EBITDA Ratio immediately prior to such Acquisition or other Investment (this clause (B), the "Incremental Ratio Debt Amount" and, together with the Incremental Base Amount, the "Incremental Limit"); provided that (i) Incremental Term Loans may be Incurred without regard to the Incremental Limit, without regard to whether an Event of Default has occurred and is continuing and, without regard to the minimums set forth in the first part of this Section 2.14(b), to the extent that the Net

Cash Proceeds from such Incremental Term Loans are used on the date of Incurrence of such Incremental Term Loans (or substantially concurrently therewith) to prepay Term Loans and related amounts in accordance with the procedures set forth in Section 5.2(a)(i) (and any such Incremental Term Loans shall be deemed to have been Incurred pursuant to this proviso).

(c)

(i) The Incremental Term Loans (A) shall rank equal in right of payment and security with the Initial Term Loans, shall be secured only by all or a portion of the Collateral securing the Obligations and shall only be guaranteed by the Credit Parties on a senior basis, (B) shall not mature earlier than the Initial Term Loan Maturity Date, (C) shall not have a shorter Weighted Average Life to Maturity than the remaining Initial Term Loans, (D) shall have a maturity date (subject to clause (B)), an amortization schedule (subject to clause (C)), and interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, AHYDO Catch Up Payments, funding discounts, original issue discounts, currency types and denominations and prepayment terms and premiums for the Incremental Term Loans as determined by the Borrower and the lenders of the Incremental Term Loans; provided that, notwithstanding the foregoing, Incremental Term Loans in an amount not exceeding the Incremental/Refinancing Maturity Limitation Excluded Amount may be Incurred without regard to clause (B) and/or (C) of this Section 2.14(c)(i); and (E) may otherwise have terms and conditions different from those of the Initial Term Loans; provided that (x) except with respect to matters contemplated by clauses (B), (C) and (D) above, any differences shall be either, at the option of the Borrower, (1) reasonably satisfactory to the Administrative Agent (except for covenants and other provisions applicable only to the periods after the Latest Maturity Date) or (2) consistent market terms and conditions, when taken as a whole, at the time of Incurrence or effectiveness of such Incremental Facility (as determined by the Borrower in good faith) and (y) the documentation governing any Incremental Term Loans may include any Previously Absent Covenant so long as the Administrative Agent shall have been given prompt written notice thereof and this Agreement is amended to include such Previously Absent Covenant for the benefit of each Credit Facility.

(ii) [Reserved].

(iii) [Reserved].

(d) Each notice from the Borrower pursuant to this Section 2.14 shall be given in writing and shall set forth the requested amount, currency types and denominations and proposed terms of the relevant Incremental Term Loans. Incremental Term Loans may be made subject to the prior written consent of the Borrower (not to be unreasonably withheld or delayed), by any existing Lender (it being understood that no existing Lender with an Initial Term Loan Commitment will have an obligation to make a portion of any Incremental Term Loan) or by any other bank, financial institution, other institutional lender or other investor (any such other bank, financial institution or other investor being called an "Additional Lender"); provided that the Administrative Agent shall have consented (not to be unreasonably withheld or delayed) to such Lender's or Additional Lender's making such Incremental Term Loans if such consent would be required under Section 13.6(b) for an assignment of Loans to such Lender or Additional Lender.

(e) Commitments in respect of Incremental Term Loans shall become Commitments under this Agreement pursuant to an amendment (an "Incremental Agreement") to this Agreement and, as appropriate, the other Credit Documents, executed by Holdings, the Borrower, each Lender agreeing to provide such Commitment, if any, and each Additional Lender, if any, so long as any Additional Lender shall have complied with the provisions of Section 13.6(b)(ii)(C) and delivered such forms to the Administrative Agent and the Administrative Agent shall have received prior notice of the proposed

execution of such Incremental Agreement; provided that, except as specifically set forth in Section 2.14(d), the Administrative Agent shall not otherwise be required to execute any Incremental Agreement unless such Incremental Agreement would affect the Credit Documents in a manner that would require the consent of the Administrative Agent pursuant to Section 13.1(v) or pursuant to clause (x)(1) of the proviso to Section 2.14(c)(i)(E) or clause (x)(1) of the proviso to Section 2.14(c)(iii)(E). The Incremental Agreement may, subject to Section 2.14(c), without the consent of any other Lenders, effect such amendments to this Agreement and the other Credit Documents as may be necessary, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the provisions of this Section (including (i) to increase the Effective Yield of the applicable Class of Term Loans to the extent necessary in order to ensure that any applicable Class of Incremental Term Loans are "fungible" with any applicable existing Class of Term Loans, (ii) to add or extend, in either case, any other "call protection" for the benefit of any applicable existing Class of Term Loans) and/or (iii) in connection with any incurrence of any Incremental Facility denominated in a currency other than U.S. Dollars, to add interest rate definitions and other currency provisions that are customarily included in agreements contemplating Borrowings or the execution of credit documents in any such currency. The effectiveness of any Incremental Agreement (an "Incremental Facility Closing Date") and the occurrence of any Credit Event pursuant to such Incremental Agreement shall be subject to the satisfaction of such conditions as the parties thereto shall agree. The Borrower will use the proceeds of the Incremental Term Loans for any purpose not prohibited by this Agreement; provided, however, that the proceeds of any Incremental Term Loans Incurred, as described in the proviso to Section 2.14(b), shall be used in accordance with the terms thereof.

(f) No Lender shall be obligated to provide any Incremental Term Loans unless it so agrees and the Borrower shall not be obligated to offer any existing Lender the opportunity to provide any Incremental Term Loans.

(g) This Section 2.14 shall supersede any provisions in Section 2.7 or 13.1 to the contrary. For the avoidance of doubt, any provisions of this Section 2.14 may be amended with the consent of the Required Lenders; provided no such amendment shall require any Lender to provide any Incremental Commitment without such Lender's consent.

2.15 Extensions of Term Loans.

(a) The Borrower may at any time and from time to time request that all or a portion of each Term Loan of any Class (an "Existing Term Loan Class") be converted or exchanged to extend the scheduled final maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of such Term Loans or to make any other changes to the terms of such Term Loans (any such Term Loans which have been so extended or changed, "Extended Term Loans") and to provide for other terms consistent with this Section 2.15. Prior to entering into any Extension Agreement with respect to any Extended Term Loans, the Borrower shall provide written notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Existing Term Loan Class, with such request offered equally to all such Lenders of such Existing Term Loan Class) (a "Term Loan Extension Request") setting forth the proposed terms of the Extended Term Loans to be established, which terms shall be similar to the Term Loans of the Existing Term Loan Class from which they are to be extended or changed except that (w) the scheduled final maturity date may be extended or changed, (x)(A) the interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, funding discounts, original issue discounts and prepayment terms and premiums with respect to the Extended Term Loans may be different than those for the Term Loans of such Existing Term Loan Class and/or (B) additional fees and/or premiums may be payable to the Lenders providing such Extended Term Loans in addition to any of the items contemplated by the preceding clause (A), in each case, to the extent provided in the applicable Extension Agreement, (y) subject to the provisions set forth in Sections 5.1 and 5.2, the Extended Term Loans may have optional prepayment terms (including call protection and

prepayment terms and premiums) and mandatory prepayment terms as may be agreed between the Borrower and the Lenders thereof and (z) the Extension Agreement may provide for other covenants and terms. No Lender shall have any obligation to agree to have any of its Term Loans of any Existing Term Loan Class converted into Extended Term Loans pursuant to any Term Loan Extension Request. Any Extended Term Loans of any Extension Series shall constitute a separate Class of Term Loans from the Existing Term Loan Class of Term Loans from which they were extended or changed. Notwithstanding anything to the contrary herein, Extended Term Loans may not have any scheduled amortization prior to the Initial Term Loan Maturity Date.

(b) [Reserved].

(c) The Borrower shall provide the applicable Term Loan Extension Request to the Administrative Agent at least five (5) Business Days (or such shorter period as the Administrative Agent may determine in its reasonable discretion) prior to the date on which Lenders under the Existing Term Loan Class are requested to respond, and shall agree to such procedures, if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably, to accomplish the purpose of this Section 2.15. The Borrower may, at its election, specify as a condition to consummating any Extension Agreement that a minimum amount (to be determined and specified in the relevant Term Loan Extension Request in the Borrower's sole discretion and as may be waived by the Borrower) of Term Loans of any or all applicable Classes be tendered. Any Lender (an "Extending Lender") wishing to have all or a portion of its Term Loans, of an Existing Term Loan Class subject to such Term Loan Extension Request converted or exchanged into Extended Term Loans shall notify the Administrative Agent (an "Extension Election") on or prior to the date specified in such Term Loan Extension Request of the amount of its Term Loans it has elected to convert or exchange into Extended Term Loans (subject to any minimum denomination requirements imposed by the Administrative Agent). In the event that the aggregate amount of Term Loans subject to Extension Elections exceeds the amount of Extended Term Loans requested pursuant to the Extension Request, Term Loans subject to Extension Elections shall be converted to or exchanged to Extended Term Loans on a pro rata basis (subject to such rounding requirements as may be established by the Administrative Agent) based on the amount of Term Loans included in each such Extension Election or as may be otherwise agreed to in the applicable Extension Agreement.

(d) Extended Term Loans shall be established pursuant to an amendment (an "Extension Agreement") to this Agreement (which, except to the extent expressly contemplated by the penultimate sentence of this Section 2.15(d) 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 with respect to the Extended Term Loans established thereby) executed by the Credit Parties, the Administrative Agent and the Extending Lenders. In connection with any Extension Agreement, the Borrower shall deliver an opinion of counsel reasonably acceptable to the Administrative Agent and addressed to the Administrative Agent and the applicable Extending Lenders (i) as to the enforceability of such Extension Agreement, this Agreement as amended thereby, and such of the other Credit Documents (if any) as may be amended thereby (in the case of such other Credit Documents as contemplated by the immediately preceding sentence) and covering customary matters and (ii) to the effect that such Extension Agreement, including the Extended Term Loans provided for therein, does not breach or result in a default under the provisions of Section 13.1 of this Agreement.

(e) Notwithstanding anything to the contrary contained in this Agreement, on any date on which any Existing Term Loan Class is converted or exchanged to extend the related scheduled maturity date(s) in accordance with paragraph (a) above (an "Extension Date"), in the case of the existing Term Loans of each Extending Lender, the aggregate principal amount of such existing Term Loans shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Term Loans so converted or exchanged by such Lender on such date, and the Extended Term Loans shall be established as a separate Class of Term Loans (together with any other Extended Term Loans so established on such date).

(f) In the event that the Administrative Agent determines in its sole discretion that the allocation of Extended Term Loans of a given Extension Series to a given Lender was incorrectly determined as a result of manifest administrative error in the receipt and processing of an Extension Election timely submitted by such Lender in accordance with the procedures set forth in the applicable Extension Agreement, then the Administrative Agent, the Borrower and such affected Lender may (and hereby are authorized to), in their sole discretion and without the consent of any other Lender, enter into an amendment to this Agreement and the other Credit Documents (each, a "Corrective Extension Agreement") within 15 days following the effective date of such Extension Agreement, as the case may be, which Corrective Extension Agreement shall (i) provide for the conversion or exchange and extension of Term Loans under the Existing Term Loan Class in such amount as is required to cause such Lender to hold Extended Term Loans of the applicable Extension Series into which such other Term Loans were initially converted or exchanged, as the case may be, in the amount such Lender would have held had such administrative error not occurred and had such Lender received the minimum allocation of the applicable Loans to which it was entitled under the terms of such Extension Agreement, in the absence of such error, (ii) be subject to the satisfaction of such conditions as the Administrative Agent, the Borrower and such Lender may agree (including conditions of the type required to be satisfied for the effectiveness of an Extension Agreement described in Section 2.15(d)), and (iii) effect such other amendments of the type (with appropriate reference and nomenclature changes) described in the penultimate sentence of Section 2.15(d).

(g) No conversion or exchange of Term Loans pursuant to any Extension Agreement in accordance with this Section 2.15 shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

(h) This Section 2.15 shall supersede any provisions in Section 2.4 or Section 13.1 to the contrary. For the avoidance of doubt, any of the provisions of this Section 2.15 may be amended with the consent of the Required Lenders; provided that no such amendment shall require any Lender to provide any Extended Term Loans without such Lender's consent.

2.16 [Reserved].

2.17 Term Loan Exchange Notes.

(a) The Borrower may by written notice to the Administrative Agent elect to offer (each a "Permitted Debt Exchange Offer") to issue to Lenders holding Term Loans under this Agreement first priority senior secured notes and/or junior lien secured notes and/or unsecured notes (the "Term Loan Exchange Notes") in exchange for the Term Loans (each such exchange, a "Permitted Debt Exchange"); provided that such Term Loan Exchange Notes may not be in an aggregate principal amount (or accreted value) greater than the aggregate principal amount of Term Loans being exchanged plus unpaid accrued interest, fees and premiums (including tender premiums) (if any) thereon, defeasance costs, underwriting discounts and fees, commissions and expenses (including OID, closing payments, upfront fees or similar fees) in connection with the issuance of the Term Loan Exchange Notes. Each such notice shall specify the date (each, a "Term Loan Exchange Effective Date") on which the Borrower proposes that the Term Loan Exchange Notes shall be issued, which shall be a date not less than fifteen days after the date on which such notice is delivered to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent); provided that: (w) the Weighted Average Life to Maturity of such Term Loan Exchange Notes shall not be shorter than the then remaining Weighted Average Life to Maturity of the

Term Loans being exchanged (it being understood that acceleration or mandatory repayment, prepayment, redemption or repurchase of such Term Loan Exchange Notes upon the occurrence of an event of default, a change in control, an event of loss or an asset disposition shall not be deemed to constitute a change in the stated final maturity thereof); (x) if secured, such Term Loan Exchange Notes shall rank equal to or junior in right of payment and of security with the Loans and Commitments being exchanged hereunder; (y) all other terms and conditions (other than interest rates (including through fixed interest rates), interest rate margins, rate floors, fees, maturity, funding discounts, original issue discounts and redemption or prepayment terms and premiums) applicable to such Term Loan Exchange Notes shall reflect market terms and conditions at the time of incurrence (as determined in good faith by the Borrower); provided that the Term Loan Exchange Notes may have the benefit of any Previously Absent Covenant if the Administrative Agent has been given prompt written notice thereof and this Agreement shall have been amended to include such Previously Absent Covenant; and (z) the obligations in respect of the Term Loan Exchange Notes (A) shall not be secured by Liens on any asset of Holdings, the Borrower and the Restricted Subsidiaries other than assets constituting Collateral, (B) if such Term Loan Exchange Notes are secured, all security therefor shall be granted pursuant to documentation that is not more restrictive than the Security Documents in any material respect taken as a whole (as determined by the Borrower) and the representative for such Term Loan Exchange Notes shall enter into a Customary Intercreditor Agreement (it being understood that junior Liens are not required to be equal to other junior Liens, and that Indebtedness secured by junior Liens may be secured by Liens that are equal to, or junior in priority to, other Liens that are junior to the Liens securing the Obligations), or (C) shall not be incurred or guaranteed by any Restricted Subsidiary unless such Restricted Subsidiary is a Credit Party which shall have previously or substantially concurrently guaranteed or borrowed such Term Loans being exchanged.

(b) The Borrower shall offer to issue Term Loan Exchange Notes in exchange for the Class of Term Loans to all Lenders holding such Class of Term Loans (other than any Lender that, if requested by the Borrower, is unable to certify that it is (i) a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act), (ii) an institutional "accredited investor" (as defined in Rule 501 under the Securities Act) or (iii) not a "U.S. person" (as defined in Rule 902 under the Securities Act)) on a pro rata basis, and such Lenders may choose to accept or decline to receive such Term Loan Exchange Notes in their sole discretion. Any such Term Loans exchanged for Term Loan Exchange Notes shall be automatically and immediately, without further action by any Person, cancelled on the Term Loan Exchange Effective Date for all purposes of this Agreement (and, if requested by the Administrative Agent, any applicable exchanging Lender shall execute and deliver to the Administrative Agent an Assignment and Acceptance, or such other form as may be reasonably requested by the Administrative Agent, in respect thereof pursuant to which the respective Lender assigns its interest in the Term Loans being exchanged pursuant to the Permitted Debt Exchange to the Borrower for immediate cancellation), and accrued and unpaid interest on such Term Loans shall be paid to the exchanging Lenders on the Term Loan Exchange Effective Date, or, if agreed to by the Borrower and the Administrative Agent, the next scheduled date interest is due with respect to such Term Loans (with such interest accruing until the date of consummation of such Permitted Debt Exchange).

(c) If the aggregate principal amount of all Term Loans (calculated on the face amount thereof) of a given Class tendered by Lenders in respect of the relevant Permitted Debt Exchange Offer (with no Lender being permitted to tender a principal amount of Term Loans which exceeds the principal amount thereof of the applicable Class actually held by it) shall exceed the maximum aggregate principal amount of Term Loans of such Class offered to be exchanged by the Borrower pursuant to such Permitted Debt Exchange Offer, then the Borrower shall exchange Term Loans under the relevant Class tendered by such Lenders ratably up to such maximum based on the respective principal amounts so tendered, or, if such Permitted Debt Exchange Offer shall have been made with respect to multiple Classes without specifying a maximum aggregate principal amount offered to be exchanged for each Class, and the aggregate principal amount of all Term Loans (calculated on the face amount thereof) of all Classes

tendered by Lenders in respect of the relevant Permitted Debt Exchange Offer (with no Lender being permitted to tender a principal amount of Term Loans which exceeds the principal amount thereof actually held by it) shall exceed the maximum aggregate principal amount of Term Loans of all relevant Classes offered to be exchanged by the Borrower pursuant to such Permitted Debt Exchange Offer, then the Borrower shall exchange Term Loans across all Classes subject to such Permitted Debt Exchange Offer tendered by such Lenders ratably up to such maximum amount based on the respective principal amounts so tendered.

(d) With respect to all Permitted Debt Exchanges effected by the Borrower pursuant to this Section 2.17, unless waived by the Borrower, such Permitted Debt Exchange Offer shall be made for not less than $50,000,000 in aggregate principal amount of Term Loans; provided that subject to the foregoing the Borrower may at its election specify (A) as a condition (a "Minimum Tender Condition") to consummating any such Permitted Debt Exchange that a minimum amount (to be determined and specified in the relevant Permitted Debt Exchange Offer in the Borrower's discretion) of Term Loans of any or all applicable Classes be tendered and/or (B) as a condition (a "Maximum Tender Condition") to consummating any such Permitted Debt Exchange that no more than a maximum amount (to be determined and specified in the relevant Permitted Debt Exchange Offer in the Borrower's discretion) of Term Loans of any or all applicable Classes will be accepted for exchange. The Administrative Agent and the Lenders hereby acknowledge and agree that this Section 2.17 shall supersede any provisions of Section 2.5, Section 5 and Section 13.1 to the contrary, waive the requirements of any other provision of this Agreement or any other Credit Document that may otherwise prohibit the incurrence of any Indebtedness expressly provided for by this Section 2.17 and hereby agree not to assert any Default or Event of Default in connection with the implementation of any such Permitted Debt Exchange or any other transaction contemplated by this Section 2.17.

(e) In connection with each Permitted Debt Exchange, the Borrower shall provide the Administrative Agent at least five Business Days' (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and the Borrower and the Administrative Agent, acting reasonably, shall mutually agree to such procedures as may be necessary or advisable to accomplish the purposes of this Section 2.17; provided that the terms of any Permitted Debt Exchange Offer shall provide that the date by which the relevant Lenders are required to indicate their election to participate in such Permitted Debt Exchange shall be not less than five Business Days following the date on which the Permitted Debt Exchange Offer is made. The Borrower shall provide the final results of such Permitted Debt Exchange to the Administrative Agent no later than one Business Day prior to the proposed date of effectiveness for such Permitted Debt Exchange and the Administrative Agent shall be entitled to conclusively rely on such results.

(f) The Borrower shall be responsible for compliance with, and hereby agrees to comply with, all applicable securities and other laws in connection with each Permitted Debt Exchange, it being understood and agreed that (x) neither the Administrative Agent nor any Lender assumes any responsibility in connection with the Borrower's compliance with such laws in connection with any Permitted Debt Exchange and (y) each Lender shall be solely responsible for its compliance with any applicable "insider trading" laws and regulations to which such Lender may be subject under the Exchange Act.

SECTION 3. [Reserved].

SECTION 4. Fees.

4.1 Fees.

(a) The Borrower agrees to pay to the Administrative Agent the administrative agency fees in the amounts and on the dates as set forth in the Fee Letter.

(b) The Borrower agrees to pay to the Administrative Agent, for the account of each Initial Term Loan Lender on the Closing Date, an upfront fee equal to 1.00% of the aggregate principal amount of the Initial Term Loans made on the Closing Date, which may be reflected as original issue discount. All such fees payable under this Section 4.1(f) shall be payable in full on the Closing Date.

4.2 [Reserved].

4.3 Mandatory Termination of Commitments.

(a) The Total Initial Term Loan Commitment shall terminate upon the occurrence of the Closing Date.

(b) [Reserved].

(c) [Reserved].

(d) The Incremental Term Loan Commitment for any Class shall, unless otherwise provided in the documentation governing such Incremental Term Loan Commitment, terminate at 5:00 p.m. (New York City time) on the Incremental Facility Closing Date for such Class.

SECTION 5. Payments.

5.1 Voluntary Prepayments.

(a) The Borrower shall have the right to prepay Term Loans, without, except as set forth in Section 5.1(b), premium or penalty, in whole or in part from time to time on the following terms and conditions: (1) the Borrower shall give the Administrative Agent at the Administrative Agent's Office written notice (or telephonic notice promptly confirmed in writing) of its intent to make such prepayment, the amount of such prepayment and in the case of Eurodollar Loans, the specific Borrowing(s) pursuant to which made, which notice shall be in the form attached hereto as Exhibit N and be given by the Borrower no later than 1:00 p.m. (New York City time) (x) on the date of such prepayment (in the case of ABR Loans) or (y) three Business Days prior to the date of such prepayment (in the case of Eurodollar Loans), and, in each case, the Administrative Agent shall promptly notify each of the relevant Lenders, (2) each partial prepayment of any Borrowing of Term Loans shall be in a multiple of $500,000 and in an aggregate principal amount of at least $1,000,000; provided that no partial prepayment of Eurodollar Loans made pursuant to a single Borrowing shall reduce the outstanding Eurodollar Loans made pursuant to such Borrowing to an amount less than the Minimum Borrowing Amount for Eurodollar Loans and (3) any prepayment of Eurodollar Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto shall be subject to compliance by the Borrower with the applicable provisions of Section 2.11. Each such notice shall specify the date and amount of such prepayment and the Class(es) and Type(s) of Loans to be prepaid. Each prepayment in respect of any Class of Term Loans pursuant to this Section 5.1 may be applied to any Class of Term Loans as directed by the

Borrower. For the avoidance of doubt, the Borrower may (i) prepay Term Loans of an Existing Term Loan Class pursuant to this Section 5.1 without any requirement to prepay Extended Term Loans that were converted or exchanged from such Existing Term Loan Class and (ii) prepay Extended Term Loans pursuant to this Section 5.1 without any requirement to prepay Term Loans of an Existing Term Loan Class that were converted or exchanged for such Extended Term Loans. In the event that the Borrower does not specify the order in which to apply prepayments as between Classes of Term Loans, the Borrower shall be deemed to have elected that such proceeds be applied on a pro rata basis among Term Loan Classes. All prepayments under this Section 5.1 shall also be subject to the provisions of Section 5.2(d).

(b) Subject to Section 5.1(c), at the time of (x) any prepayment of Initial Term Loans pursuant to Section 5.1(a), (y) any prepayment of Initial Term Loans as a result of any Debt Incurrence Prepayment Event or (z) any Repricing Transaction, in any case that is consummated:

(i) prior to the first anniversary of the Closing Date, the Borrower agrees to pay to the Administrative Agent, for the ratable account of each Lender with outstanding Initial Term Loans, a fee in an amount equal to 2.0% of the aggregate principal amount of all Initial Term Loans so prepaid (in the case of clauses (x) and (y)) or outstanding on such date that are subject to an effective pricing reduction pursuant to such Repricing Transaction (in the case of clause (z)); and

(ii) on and after the first year anniversary of the Closing Date, but prior to the second anniversary of the Closing Date, the Borrower agrees to pay to the Administrative Agent, for the ratable account of each Lender with outstanding Initial Term Loans, a fee in an amount equal to 1.0% of the aggregate principal amount of all Initial Term Loans so prepaid (in the case of clause (x) and (y)) or outstanding on such date that are subject to an effective pricing reduction pursuant to such Repricing Transaction (in the case of clause (z)).

Such fees shall be due and payable upon the date of the applicable prepayment or Repricing Transaction, as applicable. For the avoidance of doubt, on and after the second anniversary of the Closing Date, no fee shall be payable pursuant to this Section 5.1(b).

(c) Notwithstanding anything to the contrary in this Agreement, the Borrower may prepay up to 100.0% of the Initial Term Loans before the second anniversary of the Closing Date, regardless of whether any premium or penalty would otherwise have been required under Section 5.1(b), with proceeds from the issuance of any Capital Stock or with the proceeds of cash and the Fair Market Value of marketable securities or other property, in each case contributed to the capital of the Borrower, in each case without any premium or penalty, at par plus accrued interest on the aggregate principal amount of all Initial Term Loans so prepaid (in the case of Section 5.1(b)(x) and (y)) or outstanding on such date that are subject to an effective pricing reduction pursuant to such Repricing Transaction (in the case of Section 5.1(b)(z)).

5.2 Mandatory Prepayments.

(a) Term Loan Prepayments.

(i) On each occasion that a Prepayment Event occurs, the Borrower shall, within five Business Days after the receipt of Net Cash Proceeds from a Debt Incurrence Prepayment Event and within thirty days after the receipt of Net Cash Proceeds in connection with the occurrence of any other Prepayment Event, offer to prepay (or, in the case of a Debt Incurrence Prepayment Event arising from (A) the Incurrence of Incremental Term Loans in reliance on the proviso to Section 2.14(b), (B) the

Incurrence of Permitted Additional Debt in reliance on Section 10.1(u)(i) or (C) the Incurrence of any Credit Agreement Refinancing Indebtedness (any of the foregoing, a "Specified Debt Incurrence Prepayment Event"), prepay), in accordance with Sections 5.2(c) and 5.2(d) below, a principal amount of Term Loans in an amount equal to 100.0% of the Net Cash Proceeds from such Prepayment Event minus (other than in respect of a Specified Debt Incurrence Prepayment Event) any portion of such Net Cash Proceeds applied to prepay, redeem, repurchase or defease any First Lien Obligations in accordance with or as permitted by Section 5.2(a)(i) of the First Lien Credit Agreement (or any equivalent provision of any document governing such First Lien Obligations); provided that, in the case of Net Cash Proceeds from an Asset Sale Prepayment Event or a Recovery Prepayment Event, the Borrower may use cash in an amount not to exceed the amount of such Net Cash Proceeds (as so reduced) to prepay, redeem, defease, acquire, repurchase or make a similar payment to (I) any Permitted Equal Priority Refinancing Debt or any (II) Permitted Additional Debt secured (in the case of this clause II)) by a Lien on the Collateral that ranks senior or equal in priority to the Liens on such Collateral securing the Obligations (but without regard to the control of remedies), in each case the documentation with respect to which requires the issuer or borrower under such Indebtedness to prepay or make an offer to prepay, redeem, repurchase, defease, acquire or satisfy and discharge such Indebtedness with the proceeds of such Prepayment Event, in each case in an amount not to exceed the product of (1) the amount of such Net Cash Proceeds (as so reduced) multiplied by (2) a fraction, the numerator of which is the outstanding principal amount of (A) all Permitted Equal Priority Refinancing Debt and (B) all Permitted Additional Debt secured (in the case of this clause (B)) by a Lien on the Collateral that ranks senior or equal in priority to the Liens on such Collateral securing the Obligations (but without regard to the control of remedies) and, in the case of clauses (A) and (B), with respect to which such a requirement to prepay or make an offer to prepay, redeem, repurchase, defease, acquire or satisfy and discharge exists and the denominator of which is the sum of the outstanding principal amount of such Permitted Equal Priority Refinancing Debt and Permitted Additional Debt and the outstanding principal amount of Term Loans; provided, further, that in the case of Net Cash Proceeds from an Asset Sale Prepayment Event or a Recovery Prepayment Event, (A) the percentage in this Section 5.2(a)(i) shall be reduced to 50.0% if the Borrower's Consolidated First Lien Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date the Net Cash Proceeds are required to be offered, is less than or equal to 4.00 to 1.00 but greater than 3.75 to 1.00 and (B) no payment of any Term Loans shall be required under this Section 5.2(a)(i) if the Borrower's Consolidated First Lien Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date the Net Cash Proceeds are required to be offered, is less than or equal to 3.75 to 1.00.

(ii) Not later than the date that is ten Business Days following the date Section 9.1 Financials are required to be delivered under Section 9.1(a) (commencing with the Section 9.1 Financials to be delivered with respect to the fiscal year ending December 31, 2019), the Borrower shall offer to prepay, in accordance with Sections 5.2(c) and 5.2(d) below, without premium or penalty, an aggregate principal amount of Term Loans equal to the excess of (I)(x) 50.0% of Excess Cash Flow for such fiscal year minus (y) at the Borrower's option, (A) the aggregate principal amount of (1) Term Loans voluntarily prepaid pursuant to Section 5.1, (2) First Lien Term Loans voluntarily prepaid pursuant to Section 5.1 of the First Lien Credit Agreement (or, in accordance with the corresponding provisions of the governing documentation of any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) and (3) any secured Permitted Additional Debt or secured Credit Agreement Refinancing Indebtedness voluntarily prepaid, repurchased, defeased, acquired or redeemed, (B) the aggregate principal amount of Revolving Credit Loans, Extended Revolving Credit Loans and Additional/Replacement Revolving Credit Loans (each as defined in the First Lien

Credit Agreement) and other revolving loans that are effective in reliance on Section 10.1(b) or Section 10.1(u) voluntarily prepaid pursuant to Section 5.1 to the extent accompanied by a permanent reduction of such Revolving Credit Commitments, Incremental Revolving Credit Commitment Increases, Extended Revolving Credit Commitments, Additional/Replacement Revolving Credit Commitments (each as defined in the First Lien Credit Agreement) or other revolving commitments, as applicable, in an equal amount pursuant to Section 4.2 of the First Lien Credit Agreement (or the equivalent provision governing such revolving credit facility) and (C) the aggregate amount of cash consideration paid by any Purchasing Borrower Party (as defined in this Agreement or in the First Lien Credit Agreement, as applicable) to effect any assignment to it of Term Loans pursuant to Section 13.6(g) or of First Lien Term Loans pursuant to Section 13.6(g) of the First Lien Credit Agreement (or, in accordance with the corresponding provisions of the governing documentation of any Indebtedness representing secured Permitted Refinancing Indebtedness in respect thereof) (but only to the extent that such Term Loans, such First Lien Term Loans or such Permitted Refinancing Indebtedness in respect thereof have been cancelled) but excluding the aggregate principal amount of any such voluntary prepayments and any such assignments made with the proceeds of Incurrences of long-term Indebtedness or issuances of Capital Stock) and (D) the aggregate amount of Additional ECF Reduction Amounts, in each case during such fiscal year or after year-end and prior to the time such prepayment pursuant to this Section 5.2(a)(ii) is due over (II) any portion of Excess Cash Flow (as defined in the First Lien Credit Agreement) applied to prepay the First Lien Term Loans; provided that, in the case that Excess Cash Flow is required to be offered to prepay any Term Loans, the Borrower may use cash in an amount not to exceed the amount of such Excess Cash Flow required to be offered to prepay the Term Loans (as so reduced) to prepay, redeem, defease, acquire, repurchase or make a similar payment to (I) any Permitted Equal Priority Refinancing Debt or (II) any Permitted Additional Debt secured (in the case of this clause (II)) by a Lien on the Collateral that ranks senior or equal in priority to the Liens on such Collateral securing the Obligations (but without regard to the control of remedies), in each case the documentation with respect to which requires the issuer or borrower under such Indebtedness to prepay or make an offer to prepay, redeem, repurchase, defease, acquire or satisfy and discharge such Indebtedness with a percentage of Excess Cash Flow, in each case in an amount not to exceed the product of (1) the amount of such Excess Cash Flow required to be offered to prepay the Term Loans (as so reduced) multiplied by (2) a fraction, the numerator of which is the outstanding principal amount of (A) all Permitted Equal Priority Refinancing Debt and (B) all Permitted Additional Debt secured (in the case of this clause (B)) by a Lien on the Collateral that ranks senior or equal in priority to the Liens on such Collateral securing the Obligations (but without regard to the control of remedies) and, in the case of clauses (A) and (B), with respect to which such a requirement to prepay or make an offer to prepay, redeem, repurchase, defease, acquire or satisfy and discharge exists and the denominator of which is the sum of the outstanding principal amount of such Permitted Equal Priority Refinancing Debt and Permitted Additional Debt and the outstanding principal amount of Term Loans; provided, further, that (A) the percentage in this Section 5.2(a)(ii) shall be reduced to 25.0% if the Borrower's Consolidated First Lien Debt to Consolidated EBITDA Ratio for the fiscal year ended prior to such prepayment date is less than or equal to 4.00 to 1.00 but greater than 3.75 to 1.00 and (B) no payment of any Term Loans shall be required under this Section 5.2(a)(ii) if the Consolidated First Lien Debt to Consolidated EBITDA Ratio for the fiscal year ended prior to such prepayment date is less than or equal to 3.75 to 1.00. Any prepayment amounts credited pursuant to subclause (y) above against such amount in subclause (x) above shall be without duplication of any such credit in any prior or subsequent fiscal year.

(b) [Reserved].

(c) Application to Repayment Amounts.

(i) Subject to clause (ii) of this Section 5.2(c), the first proviso to Section 5.2(a)(i) and the first proviso to Section 5.2(a)(ii), (A) each prepayment of Term Loans required by Sections 5.2(a)(i) and (ii) (other than in connection with a Debt Incurrence Prepayment Event) shall be allocated to the Classes of Term Loans outstanding, pro rata, based upon the applicable remaining outstanding principal amount due in respect of each such Class of Term Loans (excluding any Class of Term Loans that has agreed to receive a less than pro rata share of any such mandatory prepayment and taking into account any reduction in the amount of any required Excess Cash Flow payment to any Class of Term Loans that have

been subject to a Section 13.6(g) transaction), shall be applied pro rata to Lenders within each Class, based upon the outstanding principal amounts owing to each such Lender under each such Class of Term Loans and (B) each prepayment of Term Loans required by Section 5.2(a)(i) in connection with a Debt Incurrence Prepayment Event shall be allocated to any Class of Term Loans outstanding as directed by the Borrower (subject to the requirement that the proceeds of any Specified Debt Incurrence Prepayment Event shall in all cases be applied to prepay or repay the applicable Refinanced Indebtedness), shall be applied pro rata to Lenders within each such Class, based upon the outstanding principal amounts owing to each such Lender under each such Class of Term Loans; provided that, with respect to the allocation of such prepayments under clause (A) above only, between an Existing Term Loan Class and Extended Term Loans of the same Extension Series, the Borrower may allocate such prepayments as the Borrower may specify, subject to the limitation that the Borrower shall not allocate to Extended Term Loans of any Extension Series any such mandatory prepayment under such clause (A) unless such prepayment is accompanied by at least a pro rata prepayment of the Term Loans of the Existing Term Loan Class, if any, from which such Extended Term Loans were converted or exchanged (or such Term Loans of the Existing Term Loan Class have otherwise been repaid in full).

(ii) With respect to each such prepayment required by Section 5.2(a)(i) and Section 5.2(a)(ii) (other than any Debt Incurrence Prepayment Event), (A) the Borrower will, not later than the date specified in Section 5.2(a) for offering to make such prepayment, give the Administrative Agent telephonic notice (promptly confirmed in writing) requesting that the Administrative Agent provide notice of such prepayment to each Lender and the Administrative Agent will promptly provide such notice to each Lender, (B) other than if such prepayment arises due to a Specified Debt Incurrence Prepayment Event, each Lender of Term Loans will have the right to refuse any such prepayment by giving written notice of such refusal to the Administrative Agent and the Borrower within three Business Days after such Lender's receipt of notice from the Administrative Agent of such prepayment (and the Borrower shall not prepay any Term Loans until the date that is specified in clause (C) below) (such refused amounts, the "First Refused Proceeds"), (C) the Borrower will make all such prepayments not so refused upon the tenth Business Day after the Lender received first notice of repayment from the Administrative Agent and (D) thereafter, any First Refused Proceeds may be retained by the Borrower (the "Retained Refused Proceeds") (it being understood that if no Term Loans are outstanding at the time the notice referenced in clause (A) above is required to be delivered, such prepayment shall be deemed First Refused Proceeds without any further action by the Borrower for purposes of this Section 5.2(c)(ii)).

(d) Application to Term Loans.

(i) With respect to each prepayment of Term Loans elected by the Borrower pursuant to Section 5.1 or pursuant to a Specified Debt Incurrence Prepayment Event, the Borrower may designate the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made (or, if not designated, in direct order of maturity); provided that the Borrower pays any amounts, if any, required to be paid pursuant to Section 2.11 with respect to prepayments of Eurodollar Loans made on any date other than the last day of the applicable Interest Period. In the absence of a designation by the Borrower as described in the preceding sentence, the Administrative Agent, shall, subject to the above, make such designation in a manner that minimizes the amount of payments required to be made by the Borrower pursuant to Section 2.11.

(ii) With respect to each prepayment of Term Loans by the Borrower required pursuant to Section 5.2(a) (other than in respect of a Specified Debt Incurrence Prepayment Event), such prepayments shall be applied on a pro rata basis to the then outstanding Term Loans (other than any Class of Term Loans that has agreed to receive a less than pro rata share of any such mandatory prepayment) being prepaid irrespective of whether such outstanding Term Loans are ABR Loans or Eurodollar Loans; provided that, if no Lender exercises the right to waive a given mandatory prepayment of the Term Loans

pursuant to Section 5.2(c)(ii), then, with respect to such mandatory prepayment, the amount of such mandatory prepayment shall be applied first to Term Loans that are ABR Loans to the full extent thereof before application to Term Loans that are Eurodollar Loans in a manner that minimizes the amount of any payments required to be made by the Borrower pursuant to Section 2.11.

(e) [Reserved].

(f) Eurodollar Interest Periods. In lieu of making any payment pursuant to this Section 5.2 in respect of any Eurodollar Loan other than on the last day of the Interest Period thereof, so long as no Default or Event of Default shall have occurred and be continuing, the Borrower at its option may deposit with the Administrative Agent an amount equal to the amount of the Eurodollar Loan to be prepaid and such Eurodollar Loan shall be repaid on the last day of the Interest Period therefor in the required amount. Such deposit shall be held by the Administrative Agent in a deposit account established on terms reasonably satisfactory to the Administrative Agent, which account may, for the avoidance of doubt, be established at an unaffiliated financial institution. Such deposit shall constitute Cash Collateral for the Obligations; provided that the Borrower may at any time direct that such deposit be applied to make the applicable payment required pursuant to this Section 5.2.

(g) Minimum Amount.

(i) No prepayment shall be required pursuant to Section 5.2(a)(i) (except to the extent such prepayment arises due to a Debt Incurrence Prepayment Event) unless and until the amount at any time of Net Cash Proceeds from Prepayment Events required to be offered at or prior to such time pursuant to such Section and not yet offered at or prior to such time to prepay Term Loans pursuant to such Section exceeds (i) $12,000,000 for any single Prepayment Event or series of related Prepayment Events and (ii) $24,000,000 in the aggregate for all such Prepayment Events in any fiscal year, at which time the amount in excess of $12,000,000 or $24,000,000 , as the case may be, will be offered to be prepaid as provided in Section 5.2(a)(i), with the date of receipt of such Net Cash Proceeds being deemed for such purpose to be the date such thresholds set forth in clauses (i) and (ii) of this clause (g) are met.

(ii) No prepayment shall be required pursuant to Section 5.2(a)(ii) unless and until the amount of Excess Cash Flow required to be offered to prepay Term Loans for a fiscal year pursuant to such Section exceeds $12,000,000, at which time the amount in excess of $12,000,000, will be offered to be prepaid as provided in Section 5.2(a)(ii).

(h) Non-Credit Party Asset Sales. Notwithstanding any other provisions of this Section 5.2, (i) to the extent that any of or all the Net Cash Proceeds of any asset sale by a Non-Credit Party giving rise to an Asset Sale Prepayment Event (a "Non-Credit Party Asset Sale"), the Net Cash Proceeds of any Recovery Event from a Non-Credit Party (a "Non-Credit Party Recovery Event") or Excess Cash Flow, are prohibited, delayed or restricted by applicable local law, rule or regulation (including financial assistance and corporate benefit restrictions and statutory duties of the relevant directors) from being repatriated or expatriated to the United States or from being distributed to a Credit Party, the portion of such Net Cash Proceeds or Excess Cash Flow so affected will not be required to be applied to repay Term Loans at the times provided in this Section 5.2(h)(i) but may be retained by the applicable Non-Credit Party so long, but only so long, as the applicable local law, rule or regulation will not permit repatriation to the United States or expatriation or distribution to a Credit Party (the Borrower hereby agreeing to cause the applicable Non-Credit Party to promptly take all commercially reasonable actions available under applicable local law, rule or regulation to permit such repatriation, expatriation or distribution), and once such repatriation, expatriation or distribution of any of such affected Net Cash Proceeds or Excess Cash Flow is permitted under the applicable local law, rule or regulation, such repatriation, expatriation or distribution will be immediately effected and such repatriated, expatriated or distributed Net Cash

Proceeds or Excess Cash Flow will be promptly (and in any event not later than two Business Days after such repatriation, expatriation or distribution) applied (net of additional taxes payable or reserved against as a result thereof) to the repayment of the Term Loans (and, if applicable, such other Indebtedness as is contemplated by this Section 5.2(h)(i) pursuant to this Section 5.2(h)(i) and (ii) to the extent that the Borrower has determined in good faith that such repatriation or expatriation of any of or all the Net Cash Proceeds of any Non-Credit Party Asset Sale, any Non-Credit Party Recovery Event or Excess Cash Flow would have a material adverse tax cost consequence with respect to such Net Cash Proceeds or Excess Cash Flow (but only for so long as such material adverse tax cost consequence exists), the Net Cash Proceeds or Excess Cash Flow so affected may be retained by the applicable Non-Credit Party; provided that, in the case of this clause (ii), on or before the date on which any Net Cash Proceeds from any Non-Credit Party Asset Sale or Non-Credit Party Recovery Event so retained would otherwise have been required to be applied to reinvestments or prepayments pursuant to Section 5.2(a) (or, in the case of Excess Cash Flow, a date on or before the date that is six months after the date such Excess Cash Flow would have been so required to be applied to prepayments pursuant to Section 5.2(a)(ii) unless previously repatriated or expatriated in which case such repatriated or expatriated Excess Cash Flow shall have been promptly applied to the repayment of the Term Loans pursuant to Section 5.2(a)), (x) the Borrower applies an amount equal to such Net Cash Proceeds or Excess Cash Flow to such reinvestments or prepayments as if such Net Cash Proceeds or Excess Cash Flow had been received by the Borrower rather than such Non-Credit Party, less the amount of additional taxes that would have been payable or reserved against if such Net Cash Proceeds or Excess Cash Flow had been repatriated or expatriated (or, if less, the Net Cash Proceeds or Excess Cash Flow that would be calculated if received by such Non-Credit Party) or (y) such Net Cash Proceeds or Excess Cash Flow are applied to the repayment of Indebtedness of a Non-Credit Party.

(i) Notwithstanding anything in this Section 5.2 to the contrary, until the First Lien Termination Date, except with respect to a Specified Debt Incurrence Payment Event, (i) no mandatory prepayments of Term Loans that would otherwise be required to be made under this Section 5.2 shall be required to be made, except with respect to the portion (if any) of the proceeds of any event giving rise to such mandatory prepayment as shall have been rejected by the term lenders under the First Lien Credit Agreement (or by lenders or investors under any documentation governing any Permitted Refinancing Indebtedness in respect of any Refinancing thereof or under the documentation governing any Permitted Additional Debt constituting First Lien Obligations), in each case in accordance with and as required by Section 5.2(c) of the First Lien Credit Agreement (or such similar provision in any such other documentation governing First Lien Obligations) and (ii) the references to five and ten Business Days or thirty calendar days following the event giving rise to such mandatory prepayment in paragraph (a) of this Section 5.2 shall be deemed to be the fifth or tenth Business Day or thirtieth calendar day, respectively, next following the date of determination that proceeds of the event giving rise to such mandatory prepayment shall be applied to prepayments of the Term Loans in accordance with this Section 5.2.

5.3 Method and Place of Payment.

(a) All payments under this Agreement shall be made by the Borrower, without set-off, counterclaim or deduction of any kind. Except as otherwise specifically provided in this Agreement, all payments by the Borrower under this Agreement shall be made in Dollars to the Administrative Agent for the ratable account of the applicable Lenders entitled thereto, not later than 2:00 p.m. (New York City time) on the date when due and shall be made in immediately available funds at the Administrative Agent's Office it being understood that written, electronic or facsimile notice by the Borrower to the Administrative Agent to make a payment from the funds in the Borrower's account at the Administrative Agent's Office shall constitute the making of such payment to the extent of such funds held in such account. The Administrative Agent will thereafter cause to be distributed like funds relating to the payment of principal or interest or Fees ratably to the Lenders entitled thereto.

(b) For purposes of computing interest or fees, 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 (and the Administrative Agent may extend such deadline in its discretion whether or not such payments are in process). Except as otherwise provided in this Agreement, 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) Except as required by law, all payments made by or on behalf of a Credit Party under this Agreement or any other Credit Document shall be made free and clear of, and without deduction or withholding for or on account of, any current or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority (including any interest, additions to tax and penalties applicable thereto) (collectively, "Taxes") excluding in the case of each Lender and each Agent and, except as otherwise provided in Section 5.4(f), (A) net income Taxes and franchise Taxes (imposed in lieu of net income Taxes) imposed on such Agent or such Lender as a result of (i) such Agent or such Lender having been organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax or (ii) a present or former connection between such Agent or such Lender and the jurisdiction imposing such Tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising from such Agent or such Lender having executed, delivered or performed its obligations or received a payment under, or enforced, or engaged in any other transactions pursuant to, this Agreement or any other Credit Document), (B) any branch profits Taxes imposed by the United States of America or any similar Tax imposed by any other jurisdiction described in clause (A)(i) or (A)(ii) and (C) any withholding Tax imposed pursuant to FATCA (collectively, "Excluded Taxes"). If any such non-Excluded Taxes imposed on or with respect to any payment by or on account of any obligation of any Credit Party under Credit Documents ("Non-Excluded Taxes") are required to be withheld by a Withholding Agent from any amounts payable under this Agreement or any other Credit Document, the applicable Credit Party shall increase the amounts payable to the Administrative Agent or such Lender to the extent necessary to yield to the Administrative Agent or such Lender (after payment of all Non-Excluded Taxes including those applicable to any amounts payable under this Section 5.4) interest or any such other amounts payable hereunder at the rates or in the amounts specified in such Credit Document. Whenever any withholding Taxes are payable by any Credit Party in respect of amounts payable under any Credit Document, promptly thereafter, the applicable Credit Party shall send to the Administrative Agent for its own account or for the account of such Lender, as the case may be, a certified copy of an original official receipt, if available (or other evidence acceptable to such Lender, acting reasonably) received by the applicable Credit Party showing payment thereof. The agreements in this Section 5.4 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(b) In addition, each Credit Party shall pay any present or future stamp, court, documentary, filing, mortgage, recording, property or intangible taxes, charges or similar levies (including any interest, additions to tax and penalties) that arise from any payment made by such Credit Party hereunder or under any other Credit Documents or from the execution, delivery or registration or recordation of, from the receipt or perfection of a security interest or performance under, or otherwise with respect to, this Agreement or the other Credit Documents, except any taxes imposed as a result of a present or former connection between an assignee and the jurisdiction imposing such tax (other than a connection arising solely from an assignee having executed, delivered, become a party to, performed its obligations under, received or perfected a security interest under, engaged in any transaction pursuant to, or enforced this Agreement) with respect to an assignment (other than an assignment requested by a Credit Party) (hereinafter referred to as "Other Taxes").

(c) (i) Subject to Section 5.4(f), the Credit Parties shall jointly and severally indemnify each Lender and each Agent for and hold them harmless against the full amount of Non-Excluded Taxes and Other Taxes payable or paid by such Lender or Agent (as the case may be) or required to be withheld or deducted from a payment to such Lender or Agent (as the case may be) that are imposed or asserted (whether or not correctly or legally asserted) by any jurisdiction (including on any additional amounts or indemnities payable under this Section 5.4) and any liability (including penalties, additions to tax, interest and expenses) arising therefrom or with respect thereto; provided that if any claim pursuant to this Section 5.4(c)(i) is made later than 180 days after the date on which the relevant Lender or Agent had actual knowledge of the relevant Non-Excluded Taxes or Other Taxes, then the Credit Parties shall not be required to indemnify the applicable Lender or Agent for any penalties which accrue in respect of such Non-Excluded Taxes or Other Taxes after the 180th day. This indemnification shall be made within 30 days from the date such Lender or such Agent (as the case may be) makes written demand therefor.

(ii) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Non-Excluded Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified the Administrative Agent for such Non-Excluded Taxes and without limiting the obligation of Credit Parties to do so), (y) the Administrative Agent and the Credit Parties, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 13.6(d)(ii) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Credit Parties, as applicable, against any Excluded Taxes attributable to such Lender that are payable or paid by the Administrative Agent or the Credit Parties in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. 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 clause (ii).

(d) Each Lender shall, at such times as are reasonably requested by the Borrower or the Administrative Agent, provide the Borrower and the Administrative Agent with any documentation prescribed by any Applicable Law or reasonably requested by the Borrower or the Administrative Agent (A) as will permit such payments to be made without, or at a reduced rate of, withholding or (B) as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Each such Lender shall, whenever a lapse in time or change in circumstances renders such documentation obsolete, expired or inaccurate in any material respect, deliver promptly to the Borrower and the Administrative Agent updated or other appropriate documentation (including any new documentation reasonably requested by the Borrower or the Administrative Agent) or promptly notify the Borrower and the Administrative Agent of its inability to do so. Notwithstanding anything herein to the contrary, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 5.4(d)(i)(w)-(y), 5.4(e) and 5.4(g) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender. Without limiting the foregoing to the extent

permitted by law, each Lender that is not a United States person within the meaning of Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall:

(i) deliver to the Borrower and the Administrative Agent on or before the date on which it becomes a party to this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent) two properly executed copies of (v) in the case of a Non-U.S. Lender claiming the benefits of an income tax treaty to which the United States is a party, executed copies of United States Internal Revenue Service Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding tax, (w) in the case of Non-U.S. Lender claiming exemption from U.S. federal withholding Tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", United States Internal Revenue Service Form W-8BEN or W-8BEN-E (together with a certificate representing that such Non-U.S. Lender is not a bank for purposes of Section 881(c)(3)(A) of the Code, is not a 10 percent shareholder (within the meaning of Section 871(h)(3)(B) of the Code) of the Borrower and is not a controlled foreign corporation related to the Borrower (within the meaning of Section 864(d)(4) of the Code) substantially in the form of Exhibit K (a "United States Tax Compliance Certificate")), (x) United States Internal Revenue Service Form W-8ECI, (y) to the extent a Non-U.S. Lender is not the Beneficial Owner (for example, where the Non-U.S. Lender is a partnership), United States Internal Revenue Service Form W-8IMY (or any successor forms) of the Non-U.S. Lender, accompanied by a Form W-8ECI, W-8BEN or W-8BEN-E, United States Tax Compliance Certificate, Form W-9, Form W-8IMY or any other required information from each Beneficial Owner, as applicable (provided that, if one or more Beneficial Owners are claiming the portfolio interest exemption, the United States Tax Compliance Certificate may be provided by such Non-U.S. Lender on behalf of such Beneficial Owner), and/or (z) any other form prescribed by applicable U.S. federal income Tax laws (including the United States Treasury Regulations) as a basis for claiming a complete exemption from, or a reduction in, U.S. federal withholding Tax on any payments to such Lender under the Credit Documents, in each case properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or reduced rate of, U.S. federal withholding Tax on payments by the Borrower under this Agreement; and

(ii) deliver to the Borrower and the Administrative Agent two further copies of any such form or certification (or any applicable successor form) on or before the date that any such form or certification expires or becomes obsolete or inaccurate and promptly after the occurrence of any event requiring a change in the most recent form previously delivered by it to the Borrower;

unless in any such case such Lender is not legally entitled to duly complete and deliver any such form with respect to it. Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(e) If a payment made to a Lender under this Agreement or any other 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 Withholding Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Withholding 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 Withholding Agent as may be necessary for the Withholding Agent to comply with its obligations under FATCA, to determine that such Lender has or has not complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 5.4(e), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(f) No Credit Party shall be required to indemnify any Lender or Agent pursuant to Section 5.4(c), or to pay any additional amounts to any Lender or Agent pursuant to Section 5.4(a) in respect of (i) U.S. federal withholding Taxes imposed under any law in effect on the date such Lender acquired its interest in the applicable Loan or changed its lending office; provided, however, that this Section 5.4(f) shall not apply to the extent that (x) the indemnity payments or additional amounts any Lender would be entitled to receive (without regard to this clause (i)) do not exceed the indemnity payment or additional amounts that the person making the assignment or change in lending office would have been entitled to receive immediately prior to such assignment or change in lending office, or (y) such assignment had been requested by a Credit Party or (ii) Taxes attributable to such Lender's failure to comply with the provisions of Section 5.4(d), 5.4(e) or 5.4(g).

(g) Each Lender that is organized in the United States of America or any state thereof or the District of Columbia shall (A) on or prior to the date such Lender becomes a Lender hereunder, (B) on or prior to the date on which any such form or certification expires or becomes obsolete, (C) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it pursuant to this Section 5.4(g) and (D) from time to time if requested by the Borrower or the Administrative Agent (or, in the case of a participant, the relevant Lender), provide the Administrative Agent and the Borrower (or, in the case of a participant, the relevant Lender) with two duly completed and signed originals of United States Internal Revenue Service Form W-9 (certifying that such Lender is entitled to an exemption from U.S. backup withholding tax) or any successor form.

(h) If any Lender or the Administrative Agent determines in its sole discretion, exercised in good faith, that it has received a refund of a Non-Excluded Tax, Other Taxes or taxes described in Section 5.4(f) for which a payment has been made by a Credit Party pursuant to this Agreement, which refund in the good-faith judgment of such Lender or the Administrative Agent, as the case may be, is attributable to such payment made by such Credit Party, then such Lender or the Administrative Agent, as the case may be, shall reimburse the Credit Party for such amount (together with any interest paid by the relevant Governmental Authority with respect to such refund) as such Lender or the Administrative Agent, as the case may be, reasonably determines to be the proportion of the refund as will leave it, after such reimbursement, in no better or worse position than it would have been in if the payment had not been required; provided that the Credit Party, upon the request of such Lender, agrees to repay the amount paid over to the Credit Party (with interest, penalties and other charges imposed by the relevant Governmental Authority) in the event such Lender or the Administrative Agent is required to repay such refund to such Governmental Authority. Neither any Lender nor the Administrative Agent shall be obliged to disclose any information regarding its tax affairs or computations to any Credit Party in connection with this paragraph (h) or any other provision of this Section 5.4; provided, further, that nothing in this Section 5.4 shall obligate any Lender (or Transferee) or the Administrative Agent to apply for any refund.

(i) Each Lender authorizes the Administrative Agent to deliver to the Credit Parties and to any successor Administrative Agent any documentation provided by such Lender to the Administrative Agent pursuant to this Section 5.4.

5.5 Computations of Interest and Fees. All computations of interest and of fees shall be made by the Administrative Agent on the basis of a year of 360 days and, in the case of ABR Loans, 365 or 366 days, as the case may be, in each case for the actual number of days (including the first day but excluding the last) occurring in the period for which such interest and fees are payable.

5.6 Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrower shall not be obliged to pay any interest or other amounts under or in connection with this Agreement or any other Credit Document in excess of the amount or rate permitted under or consistent with any Applicable Law.

(b) Payment at Highest Lawful Rate. If the Borrower is not obliged to make a payment which it would otherwise be required to make, as a result of Section 5.6(a), the Borrower shall make such payment to the maximum extent permitted by or consistent with Applicable Law.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate the Borrower to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate which would be prohibited by any Applicable Law, or would result in receipt by an Agent or Lender of interest at a rate prohibited by any Applicable Law, 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 Applicable Law (in the case of the Borrower), such adjustment to be effected, to the extent necessary, as follows:

(i) firstly, by reducing the amount or rate of interest required to be paid by the Borrower to the affected Lender under Section 2.8; and

(ii) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid by the Borrower to the affected Lender.

Notwithstanding the foregoing, and after giving pro forma effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrower an amount in excess of the maximum permitted by any Applicable Law, then the Borrower shall be entitled, by notice in writing to the Administrative Agent, to obtain reimbursement from such Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by such Lender to the Borrower.

SECTION 6. Conditions Precedent to the Closing Date. The occurrence of the initial Credit Event is subject to the satisfaction of the following conditions precedent:

6.1 Credit Documents. The Administrative Agent's receipt of the following, each of which shall be originals, facsimiles or electronic copies unless otherwise specified, each properly executed by an Authorized Officer of the signing Credit Party:

(a) this Agreement, executed and delivered by (i) an Authorized Officer of each of Holdings and the Borrower, (ii) each Agent and (iii) each Lender;

(b) the Guarantee, executed and delivered by an Authorized Officer of each Person that is a Guarantor as of the Closing Date;

(c) the Security Agreement, executed and delivered by an Authorized Officer of Holdings, the Borrower and each other grantor party thereto as of the Closing Date;

(d) the Pledge Agreement, executed and delivered by an Authorized Officer of the Borrower and each other pledgor party thereto;

(e) the First Lien/Second Lien Intercreditor Agreement, executed and delivered by an Authorized Officer of each Person that is a Credit Party as of the Closing Date and by Morgan Stanley Senior Funding, Inc. (in each of its capacities thereunder); and

(f) such certificates of good standing (to the extent such concept exists) from the applicable secretary of state or other relevant Governmental Authority of the jurisdiction of organization of each Credit Party.

6.2 Collateral.

(a) All Capital Stock of the Borrower and all Capital Stock of each wholly owned Restricted Subsidiary of the Borrower directly owned by the Borrower or any Subsidiary Guarantor, in each case as of the Closing Date, shall have been pledged pursuant to the Pledge Agreement (except that such Credit Parties shall not be required to pledge any Excluded Capital Stock) and the Collateral Agent (or its agent, designee or bailee in accordance with Section 5.05 of the First Lien/Second Lien Intercreditor Agreement) shall have received all certificates, if any, (except as permitted by Section 9.17) representing such securities pledged under the Pledge Agreement, accompanied by instruments of transfer and undated stock powers endorsed in blank.

(b)

(i) Except with respect to intercompany Indebtedness, all evidences of Indebtedness for borrowed money in a principal amount in excess of $10,000,000 (individually) that is owing to Holdings, the Borrower or any Subsidiary Guarantor shall be evidenced by a promissory note and shall have been pledged pursuant to the Pledge Agreement, and the Collateral Agent (or its agent, designee or bailee in accordance with Section 5.05 of the First Lien/Second Lien Intercreditor Agreement) shall have received all such promissory notes, together with undated instruments of transfer with respect thereto endorsed in blank.

(ii) All Indebtedness of Holdings, the Borrower and each Restricted Subsidiary on the Closing Date that is owing to any Credit Party shall be evidenced by the Intercompany Note, which shall be executed and delivered by Holdings, the Borrower and each Restricted Subsidiary on the Closing Date and shall have been pledged pursuant to the Pledge Agreement, and the Collateral Agent (or its agent, designee or bailee in accordance with Section 5.05 of the First Lien/Second Lien Intercreditor Agreement) shall have received such Intercompany Note, together with undated instruments of transfer with respect thereto endorsed in blank; provided, however, that, if the Intercompany Note cannot be delivered to the Collateral Agent on or prior to the Closing Date notwithstanding the Borrower's use of commercially reasonable efforts to do so, delivery thereof shall not be a condition to closing, and in such case the Borrower agrees to deliver same to the Collateral Agent not later than 90 days following the Closing Date (or such later date as the Collateral Agent shall agree in its discretion).

(c) All documents and instruments, including UCC or other applicable personal property security financing statements and Intellectual Property Security Agreements (as defined in the Security Agreement), required by Applicable Law or reasonably requested by the Collateral Agent to be filed, registered or recorded to create the Liens intended to be created by the Security Documents on the Collateral owned by the Borrower and the Guarantors and perfect such Liens in the United States to the extent required by, and with the priority required by, the Security Documents shall have been filed, registered or recorded or delivered to the Collateral Agent in appropriate form for filing, registration or recording under the UCC and with the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

(d) The Collateral Agent shall have received a completed Perfection Certificate, dated as of the Closing Date and signed by an Authorized Officer of the Borrower, together with all attachments contemplated thereby.

6.3 Legal Opinions. The Administrative Agent shall have received the executed legal opinions of Simpson Thacher & Bartlett LLP, New York and California counsel to Holdings, the Borrower and its Subsidiaries, in form and substance reasonably satisfactory to the Administrative Agent.

6.4 Structure and Terms of the Transaction.

(a) The Existing Debt Refinancing shall have been consummated or shall be consummated substantially simultaneously with the initial Credit Event hereunder to occur on the Closing Date.

6.5 Closing Certificates. The Administrative Agent shall have received a certificate of each Person that is a Credit Party as of the Closing Date, dated the Closing Date, substantially in the form of Exhibit E, with appropriate insertions, executed by two Authorized Officers of such Credit Party, and attaching the documents referred to in Sections 6.6 and 6.7.

6.6 Corporate Proceedings. The Administrative Agent shall have received a copy of the resolutions, in form and substance reasonably satisfactory to the Administrative Agent, of the Board of Directors or other governing body, as applicable, of each Person that is a Credit Party as of the Closing Date (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 Borrower, the extensions of credit contemplated hereunder.

6.7 Corporate Documents. The Administrative Agent shall have received true and complete copies of the Organizational Documents of each Person that is a Credit Party as of the Closing Date.

6.8 Solvency Certificate. The Administrative Agent shall have received a certificate from the chief financial officer of the Borrower substantially in the form of Exhibit J.

6.9 Financial Statements. The Administrative Agent and the Joint Bookrunners shall have received the Historical Financial Statements.

6.10 PATRIOT ACT.

(a) The Administrative Agent and the Joint Bookrunners shall have received, at least three Business Days prior to the Closing Date, all documentation and other information about the Borrower and the Guarantors that shall have been reasonably requested by the Administrative Agent or the Joint Bookrunners in writing at least 10 Business Days prior to the Closing Date and that the Administrative Agent and the Joint Bookrunners reasonably determine is required by United States regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including without limitation the PATRIOT ACT.

(b) At least three days prior to the Closing Date, if the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, it shall deliver a Beneficial Ownership Certification in relation to such Borrower.

6.11 Fees and Expenses. All fees required to be paid on the Closing Date pursuant to agreements among Holdings, the Borrower and the Lead Arrangers and Joint Bookrunners and reasonable out-of-pocket expenses required to be paid on the Closing Date and with respect to expenses to the extent invoiced at least three Business Days prior to the Closing Date pursuant to agreements among Holdings, the Borrower and the Lead Arrangers and Joint Bookrunners (except as otherwise reasonably agreed by the Borrower), shall, upon the initial borrowings under the Credit Facilities, have been, or will be substantially simultaneously, paid (which amounts may be offset against the proceeds of the Credit Facility).

Without limiting the generality of the provisions of the last paragraph of Section 12.3, for purposes of determining compliance with the conditions specified in this Section 6, 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.

7.1 No Default; Representations and Warranties. The agreement of each Lender to make any Loan requested to be made by it on any date (excluding borrowings made pursuant to Section 2.14, Section 2.15 and/or Section 2.17, which may be subject to different conditions precedent and representations, but only if so agreed by the Borrower and the applicable Lenders) is subject to the satisfaction of the condition precedent that at the time of each such Credit Event and also after giving effect thereto (a) no Default or Event of Default shall have occurred and be continuing at the time of and after giving effect to such Credit Event 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, and except where such representations and warranties are qualified by materiality, "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct in all respects). The acceptance of the benefits of each such Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that the conditions contained in this Section 7.1 have been met as of such date.

7.2 Notice of Borrowing;.

(a) Prior to the making of each Term Loan, the Administrative Agent shall have received a Notice of Borrowing (whether in writing or by telephone) meeting the requirements of Section 2.3.

SECTION 8. Representations, Warranties and Agreements. In order to induce the Lenders to enter into this Agreement and make the Loans as provided for herein, each of Holdings (solely with respect to the representation and warranties applicable to it) and the Borrower makes the following representations and warranties to, and agreements with, the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans:

8.1 Corporate Status. Holdings, the Borrower and each Restricted Subsidiary (a) is a duly organized and validly existing corporation or other entity and, to the extent such concept is applicable in the corresponding jurisdiction, is in good standing under the laws of the jurisdiction of its organization or formation and has the corporate 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 (to the extent such concept is applicable in the corresponding jurisdiction) in all jurisdictions where it is required to be so qualified, except, in the case of clauses (a) and (b), where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

8.2 Corporate Power and Authority; Enforceability. 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, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting the enforceability of creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law). Holdings, the Borrower and each of the Restricted Subsidiaries (a) is in compliance with all Applicable Laws and (b) has all requisite governmental licenses, authorizations, consents and approvals to operate its business as currently conducted except, in each case to the extent that failure to be in compliance therewith or to have all such licenses, authorizations, consents and approvals would not reasonably be expected to have a Material Adverse Effect.

8.3 No Violation. The execution, delivery and performance by any Credit Party of the Credit Documents to which it is a party and compliance with the terms and provisions hereof and thereof will not (a) contravene any material applicable provision of any material Applicable Law of any Governmental Authority, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or give rise to any right to accelerate or to require the prepayment, repurchase or redemption of any obligation under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of any of Holdings, the Borrower or any of the Restricted Subsidiaries (other than Liens created under the Credit Documents and the Liens created under the First Lien Credit Documents) pursuant to, the terms of any indenture, loan agreement, lease agreement, mortgage or deed of trust or any other Contractual Obligation to which Holdings, the Borrower or any of their Restricted Subsidiaries is a party or by which they or any of their property or assets is bound, except, in the case of either of clause (a) or (b), to the extent that any such conflict, breach, contravention, default, creation or imposition would not reasonably be expected to result in a Material Adverse Effect or (c) violate any provision of the Organizational Documents of Holdings, the Borrower or any of their Restricted Subsidiaries.

8.4 Litigation. There are no actions, suits, investigations, claims, arbitrations or proceedings (including Environmental Claims) pending or, to the knowledge of Holdings or the Borrower, threatened, in either case with respect to Holdings, the Borrower or any of the Restricted Subsidiaries that (a) involve any of the Credit Documents or (b) would 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, Regulation U or Regulation X of the Board.

8.6 Governmental Approvals. No order, consent, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, any Governmental Authority is required to authorize or is required in connection with (a) the execution, delivery and performance of any Credit Document or (b) the legality, validity, binding effect or enforceability of any Credit Document, except, in the case of either clause (a) or (b), (i) such orders, consents, approvals, licenses, authorizations, validations, filings, recordings, registrations or exemptions as have been obtained or made and are in full force and effect, (ii) filings and recordings in respect of Liens created pursuant to the Security Documents and (iii) such orders, consents, approvals, licenses, authorizations, validations, filings, recordings, registrations or exemptions to the extent that failure to so receive would not reasonably be expected to result in a Material Adverse Effect.

8.7 Investment Company Act. None of the Credit Parties is an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

8.8 True and Complete Disclosure.

(a) The written factual information or written factual data (taken as a whole) heretofore or contemporaneously furnished by Holdings, the Borrower, any of their respective Subsidiaries or any of their respective authorized representatives in writing to any Agent or any Lender on or before the Closing Date (including all such information contained in the Confidential Information Memorandum (and all information incorporated by reference therein) and in the Credit Documents) for purposes of, or in connection with, this Agreement or any transaction contemplated does not contain any untrue statement of material fact and does not omit to state any material fact necessary to make such information and data (taken as a whole) not materially misleading at such time (after giving effect to all supplements so furnished from time to time) in light of the circumstances under which such information or data was furnished; it being understood and agreed that for purposes of this Section 8.8(a), such factual information and data shall not include projections (including financial estimates, forecasts and other forward-looking information), pro forma financial information or information of a general economic or industry specific nature.

(b) The projections contained in the information and data referred to in Section 8.8(a) were prepared in good faith based upon assumptions believed by Holdings and the Borrower to be reasonable at the time made; it being recognized by the Agents and the Lenders that such projections are as to future events and are not to be viewed as facts, the projections are subject to significant uncertainties and contingencies, many of which are beyond the control of Holdings, the Borrower and the Restricted Subsidiaries, that no assurance can be given that any particular projections will be realized 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.

(c) As of the Closing Date, the information included in the Beneficial Ownership Certificate with respect to any Beneficial Owner (as defined in the Beneficial Ownership Regulation) of the Borrower, is true and correct in all material respects to the best of the Beneficial Owner's knowledge.

8.9 Financial Statements.

(a) The Historical Financial Statements present fairly in all material respects the financial position and results of operations of the Borrower and its consolidated Subsidiaries at the respective dates of such information and for the respective periods covered thereby and have been prepared in all material respects in accordance with GAAP consistently applied (except to the extent provided in the notes to such financing statements), and subject, in the case of the unaudited financial information, to changes resulting from audit, normal year-end audit adjustments and to the absence of footnotes and the inclusion of any explanatory note.

(b) Each Lender and each Agent hereby acknowledges and agrees that the Borrower and its Subsidiaries may be required to restate the Historical Financial Statements as the result of the implementation of changes in GAAP or the interpretation thereof, and that such restatements will not result in a Default under the Credit Documents under Section 11.2 (including any effect on any conditions required to be satisfied on the Closing Date) to the extent that the restatements do not reveal any material omission, misstatement or other material inaccuracy in the reported information from actual results for any relevant prior period.

8.10 Tax Returns and Payments, Etc. (a) Holdings, the Borrower and each of the Restricted Subsidiaries have filed all tax returns, domestic and foreign, required to be filed by them and have paid all taxes and assessments payable by them that have become due, other than those not yet delinquent or being diligently contested in good faith by appropriate proceedings and for which adequate reserves have been established on the applicable financial statements in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction and (b) each of Holdings, the Borrower and the Restricted Subsidiaries have paid, or have provided adequate reserves (in the good-faith judgment of the management of the Borrower) in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction for the payment of, all material U.S. federal, state, and foreign income taxes applicable for all prior fiscal years and for the current fiscal year to the Closing Date, except in the case of either of clauses (a) or (b), to the extent that the failure to be in compliance therewith would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

8.11 Compliance with ERISA. Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (a) each Pension Plan is in compliance with ERISA, the Code and any Applicable Law; (b) no Reportable Event has occurred (or is reasonably likely to occur); (c) no Multiemployer Plan is "insolvent" within the meaning of Section 4245 of ERISA (or is reasonably likely to be insolvent), and no written notice of any such insolvency has been given to any of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate; (d) none of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate has failed to make a required contribution to a Multiemployer Plan, whether or not waived (or is reasonably likely to fail to make such required contribution); (e) no Pension Plan is, or is expected to be, in "at-risk" status within the meaning of Section 430 of the Code or Section 303 of ERISA and no Multiemployer Plan is, or is expected to be, in "endangered or critical status" within the meaning of Section 432 of the Code or Section 305 of ERISA; (f) none of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate has incurred (or is reasonably likely to incur) any liability to or on account of a Pension Plan or Multiemployer Plan, as applicable, pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212(c) of ERISA or Section 4971 or 4975 of the Code or has been notified in writing that it will incur any liability under any of the foregoing Sections with respect to any Pension Plan or Multiemployer Plan; (g) no proceedings by the PBGC have been instituted (or are reasonably likely to be instituted) to terminate or to reorganize any Pension Plan or Multiemployer Plan or to appoint a trustee to administer any Pension Plan or Multiemployer Plan, and no written notice of any such proceedings has been given to any of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate; (h) the conditions for imposition of a Lien that could be imposed under the Code or ERISA on the assets of any of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate with respect to a Pension Plan do not exist (and are not reasonably likely to exist) nor has the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate been notified in writing that such a lien will be imposed on the assets of any of the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate on account of any Pension Plan; and (i) each Foreign Plan is in compliance with Applicable Laws (including funding requirements under such Applicable Laws), and no proceedings have been instituted to terminate any Foreign Plan which would reasonably be expected to give rise to liability for the Borrower or any Restricted Subsidiary. No Pension Plan has an Unfunded Current Liability that would, individually or when taken together with any other liabilities incurred or reasonably likely to be incurred by the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate as referenced in this Section 8.11, be reasonably likely to have a Material Adverse Effect. With respect to Multiemployer Plans, the representations and warranties in this Section 8.11, other than any made with respect to (i) liability under Section 4201, 4204 or 4212(c) of ERISA, (ii) any contribution required to be made, or (iii) liability for termination of any such Multiemployer Plan under ERISA, are made to the best knowledge of the Borrower.

8.12 Subsidiaries. On the Closing Date, after giving effect to the Transactions, Holdings does not have any Subsidiaries other than the Subsidiaries listed on Schedule 8.12. Schedule 8.12 sets forth, as

of the Closing Date, after giving effect to the Transactions, the name and the jurisdiction of organization of each Subsidiary and, as to each Subsidiary, the percentage of each class of Capital Stock owned by any Credit Party and the designation of such Subsidiary as a Guarantor, a Restricted Subsidiary, an Unrestricted Subsidiary, a Specified Subsidiary or an Immaterial Subsidiary. The Borrower does not own or hold, directly or indirectly, any Capital Stock of any Person other than such Subsidiaries and Investments permitted by Section 10.5.

8.13 Intellectual Property. The Borrower and each of the Restricted Subsidiaries owns, has good and marketable title to, or has a valid license or otherwise has the right to use, all Intellectual Property, that is used in, held for use in or that is otherwise necessary for the operation of their respective businesses as currently conducted, free and clear of all Liens (other than Liens permitted by Section 10.2), except where the failure to own, or have any such title, license or rights would not reasonably be expected to have a Material Adverse Effect. Except as would not reasonably be expected to have a Material Adverse Effect, (i) to the Borrower's knowledge, the operation of the businesses conducted by each of the Borrower and the Restricted Subsidiaries, and the Intellectual Property now employed by any of the Credit Parties does not infringe upon, misappropriate, or otherwise violate any Intellectual Property rights owned by any other Person, and (ii) no material written claim has been received by the Borrower, or any of the Restricted Subsidiaries, and no litigation regarding the foregoing is pending or, to the Borrower's knowledge, threatened in writing, in either case against the Borrower or any of the Restricted Subsidiaries.

8.14 Environmental Laws.

(a) Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, (i) Holdings, the Borrower and each of the Restricted Subsidiaries are and have been in compliance with all Environmental Laws (including having obtained and complied with all permits required under Environmental Laws for their current operations); (ii) to the knowledge of Holdings or the Borrower, there are no facts, circumstances or conditions arising out of or relating to the operations of Holdings, the Borrower or any of the Restricted Subsidiaries or any currently or formerly owned, operated or leased Real Property that would reasonably be expected to result in Holdings, the Borrower or any of the Restricted Subsidiaries incurring liability under any Environmental Law; and (iii) none of Holdings, the Borrower or any of the Restricted Subsidiaries has become subject to any pending or, to the knowledge of Holdings or the Borrower, threatened Environmental Claim or, to the knowledge of Holdings or the Borrower, any other liability under any Environmental Law.

(b) None of the Borrower or any of the Restricted Subsidiaries has treated, stored, transported or Released Hazardous Materials at or from any currently or formerly owned, operated or leased Real Property in a manner that would reasonably be expected to have a Material Adverse Effect.

8.15 Properties, Assets and Rights.

(a) As of the Closing Date and as of the date of each Credit Event thereafter, the Borrower and each of the Restricted Subsidiaries has good and marketable title to, valid leasehold interest in, or easements, licenses or other limited property interests in, all properties (other than Intellectual Property) that are necessary for the operation of their respective businesses as currently conducted, except where the failure to have such good title or interest in such property would not reasonably be expected to have a Material Adverse Effect. None of such properties and assets is subject to any Lien, except for Liens permitted under Section 10.2.

(b) Set forth on Schedule 8.15 hereto is a complete and accurate list of all Real Property owned in fee by the Credit Parties on the Closing Date, showing as of the Closing Date the street address, county or other relevant jurisdiction, state and record owner thereof.

(c) All permits required to have been issued or appropriate to enable all Real Property of the Credit Parties to be lawfully occupied and used for all of the purposes for which they are currently occupied and used have been lawfully issued and are in full force and effect, other than those permits the failure of which to be issued or to so enable lawful occupation and use would not reasonably be expected to have a Material Adverse Effect.

8.16 Solvency. On the Closing Date after giving pro forma effect to the Transactions, the Credit Parties and their Subsidiaries on a consolidated basis are Solvent.

8.17 Material Adverse Change. Since the Closing Date there have been no events or developments that have had or would reasonably be expected to have a Material Adverse Effect.

8.18 Use of Proceeds. The proceeds of the borrowings of the Initial Term Loans shall be used (a) on the Closing Date, together with cash on hand at the Borrower and its Subsidiaries and the proceeds of the borrowings of the First Lien Initial Term Loans and the borrowings under the Revolving Credit Facility in the amount of the Initial Revolving Borrowing Amount (as defined in the First Lien Credit Agreement) to pay the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and (b) to the extent any proceeds remain after the application described in clause (a), will be used on and after the Closing Date for other general corporate purposes of the Borrower and its Subsidiaries, including the financing of acquisitions, other Investments and Restricted Payments and other distributions on account of the Capital Stock of the Borrower (or any Parent Entity thereof), in each case permitted hereunder, and any other use not prohibited hereby.

8.19 Anti-Corruption Laws.

(a) The Borrower and each other Credit Party and their respective Restricted Subsidiaries are in compliance with the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), except to the extent that the failure to be in compliance would not reasonably be expected to result in a Material Adverse Effect.

(b) None of the Borrower or any other Credit Party will use the proceeds of the Loans or otherwise make available such proceeds to any Person for the purposes of 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 or obtain any improper advantage, in violation of the FCPA, as amended.

8.20 Sanctioned Persons.

(a) None of the Borrower, any other Credit Party or any of their respective Restricted Subsidiaries is currently the target of any U.S. sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") of the U.S. Treasury Department or the U.S. Department of State.

(b) None of the Borrower or any other Credit Party will use the proceeds of the Loans or otherwise make available such proceeds to any Person for use in any manner that will result in a violation by any Lender of any U.S. sanctions administered by OFAC or the U.S. Department of State.

8.21 PATRIOT ACT. Except to the extent as could not reasonably be expected to have a Material Adverse Effect, neither the Borrower nor any other Credit Party is in violation of any Applicable Laws relating to money laundering, including the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "PATRIOT ACT").

8.22 Labor Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (a) there are no strikes or other labor disputes against any of the Borrower or the Restricted Subsidiaries pending or, to the knowledge of the Borrower, threatened in writing and (b) none of the Borrower or the Restricted Subsidiaries have been in violation of the Fair Labor Standards Act or any other Applicable Laws dealing with wage and hour matters.

8.23 Subordination of Junior Financing. The Obligations are "Designated Senior Debt" (if applicable), "Senior Debt", "Senior Indebtedness", "Guarantor Senior Debt" or "Senior Secured Financing" (or any comparable term) under, and as defined in, any indenture or document governing any Junior Debt.

8.24 No Default. As of the date of any Credit Event after the Closing Date, no Default has occurred and is continuing.

SECTION 9. Affirmative Covenants. The Borrower (and, in the case of Section 9.14, Holdings) hereby covenants and agrees that, on the Closing Date and thereafter, until the Loans, together with interest, fees and all other Obligations Incurred hereunder (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements and contingent indemnification obligations and other contingent obligations not then due and payable), are paid in full:

9.1 Information Covenants. The Borrower will furnish to the Administrative Agent for prompt further distribution to each Lender:

(a) Annual Financial Statements. As soon as available and in any event on or before the date that is 90 days after the end of each fiscal year (or, after an IPO, if later, such later time as may be permitted for the filing of a 10-K under the Exchange Act), the consolidated balance sheet of the Borrower and its consolidated Subsidiaries and, if different, the Borrower and its Restricted Subsidiaries, in each case as at the end of such fiscal year, and the related consolidated statement of income and cash flows for such fiscal year, setting forth for each fiscal year comparative consolidated figures for the preceding fiscal year (or, in lieu of such audited financial statements of the Borrower and the Restricted Subsidiaries, a detailed reconciliation, reflecting such financial information for the Borrower and the Restricted Subsidiaries, on the one hand, and the Borrower and its consolidated Subsidiaries, on the other hand), all in reasonable detail and prepared in all material respects in accordance with GAAP (except as otherwise disclosed in such financial statements) and, except with respect to any such reconciliation, reported on by independent registered public accountants of recognized national standing with an unmodified report by such independent registered public accountants without an emphasis of matter paragraph related to going concern as defined by Statement on Accounting Standards AU-C Section 570 "The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern" (or any similar statement under any amended or successor rule as may be adopted by the Auditing Standards Board from time to time) (other than (1) solely with respect to, or expressly resulting solely from, an upcoming maturity date under the documentation governing any Indebtedness or (2) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiaries), and, for the avoidance of doubt, without modification as to the scope of audit. Notwithstanding the foregoing, the obligations in this Section 9.1(a) may be satisfied

with respect to financial information of the Borrower and its consolidated Subsidiaries by furnishing (A) the applicable financial statements of Holdings (or any Parent Entity of Holdings), (B) the Borrower's or Holdings' (or any Parent Entity thereof), as applicable, Form 10-K filed with the SEC or (C) following an election by the Borrower pursuant to the definition of "GAAP", the applicable financial statements shall be determined in accordance with IFRS; provided that, with respect to each of clauses (A) and (B), (i) to the extent such information relates to Holdings (or such Parent Entity), such information is accompanied by consolidating information that explains in reasonable detail the differences between the information relating to Holdings (or such Parent Entity), on the one hand, and the information relating to the Borrower and its consolidated Subsidiaries on a standalone basis, on the other hand and (ii) to the extent such information is in lieu of information required to be provided under the first sentence of this Section 9.1(a), such materials shall be reported on by an independent registered public accounting firm of recognized national standing, with an unmodified report by such independent registered public accountants without an emphasis of matter paragraph related to going concern as defined by Statement on Accounting Standards AU-C Section 570 "The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern" (or any similar statement under any amended or successor rule as may be adopted by the Auditing Standards Board from time to time) (other than (1) solely with respect to, or expressly resulting solely from, an upcoming maturity date under the documentation governing any Indebtedness or (2) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiaries) (it being understood that there shall be no obligation to audit any such consolidating information), and, for the avoidance of doubt, without modification as to the scope of audit.

(b) Quarterly Financial Statements. Beginning with the fiscal quarter ending March 31, 2019, as soon as available and in any event on or before the date that is 45 days after the end of each of the first three quarterly accounting periods in each fiscal year of the Borrower (or, after an IPO, if later, such later time as may be permitted for the filing of a 10-Q under the Exchange Act), the consolidated balance sheet of the Borrower and its consolidated Subsidiaries and, if different, the Borrower and the Restricted Subsidiaries, in each case as at the end of such quarterly period and the related consolidated statement of income 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 the elapsed portion of the fiscal year ended with the last day of such quarterly period, and 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 prior fiscal year (or in lieu of such financial statements of the Borrower and the Restricted Subsidiaries, a detailed reconciliation, reflecting such financial information for the Borrower and the Restricted Subsidiaries, on the one hand, and the Borrower and its consolidated Subsidiaries on the other hand), all in reasonable detail and all of which shall be certified by an Authorized Officer of the Borrower as fairly presenting in all material respects the financial condition, results of operations and cash flows of the Borrower and its consolidated Subsidiaries (and, if applicable, the Borrower and the Restricted Subsidiaries) in all material respects accordance with GAAP (except as disclosed in the notes to such financing statements), subject to changes resulting from audit and normal year-end audit adjustments and to the absence of footnotes and the inclusion of any explanatory note. Notwithstanding the foregoing, the obligations in this Section 9.1(b) may be satisfied with respect to financial information of the Borrower and its consolidated Subsidiaries by furnishing (A) the applicable financial statements of Holdings (or any Parent Entity thereof), (B) the Borrower's or Holdings' (or any Parent Entity thereof), as applicable, Form 10-Q filed with the SEC or (C) following an election by the Borrower pursuant to the definition of "GAAP", the applicable financial statements shall be determined in accordance with IFRS; provided that, with respect to each of clauses (A) and (B), to the extent such information relates to Holdings (or any such Parent Entity), such information is

accompanied by consolidating information that explains in reasonable detail the differences between the information relating to Holdings (or such Parent Entity), on the one hand, and the information relating to the Borrower and its consolidated Subsidiaries on a standalone basis (and, if different, the Borrower and the Restricted Subsidiaries), on the other hand.

(c) Budget. Prior to an IPO, no later than five Business Days following the delivery by the Borrower of the financial statements required under Section 9.1(a), beginning at the time of the delivery of such financial statements for the fiscal year ending December 31, 2019, a detailed quarterly budget of the Borrower and its Restricted Subsidiaries in reasonable detail for the current fiscal year as customarily prepared by management of the Borrower for its internal use (but including, in any event, only a projected consolidated statement of income of the Borrower and its Restricted Subsidiaries for the current fiscal year and not a projected consolidated balance sheet or statement of projected cash flow) and setting forth the principal assumptions upon which such budget is based (provided that no such budget shall be required to be delivered for the fiscal year which began January 1, 2018 or the fiscal year which begins January 1, 2019). It is understood and agreed that any financial or business projections furnished by any Credit Party (i)(A) are subject to significant uncertainties and contingencies, which may be beyond the control of the Credit Parties, (B) no assurance is given by the Credit Parties that the results or forecast in any such projections will be realized and (C) the actual results may differ from the forecast results set forth in such projections and such differences may be material and (ii) are not a guarantee of performance.

(d) Officer's Certificates. No later than five Business Days following the delivery of the financial statements provided for in Sections 9.1(a) and 9.1(b), a certificate of an Authorized Officer of the Borrower to the effect that no Default or Event of Default exists or, if any Default or Event of Default does exist, specifying the nature and extent thereof, which certificate shall set forth a specification of any change in the identity of the Guarantors, the Restricted Subsidiaries, the Unrestricted Subsidiaries, the Specified Subsidiaries, the Immaterial Subsidiaries and the Foreign Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Guarantors, Restricted Subsidiaries, the Unrestricted Subsidiaries, the Specified Subsidiaries, the Immaterial Subsidiaries and the Foreign Subsidiaries, respectively, provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be. At the time of the delivery of the financial statements provided for in Section 9.1(a) beginning with the fiscal year ended December 31, 2019, a certificate of an Authorized Officer of the Borrower setting forth in reasonable detail the calculation of Excess Cash Flow, the Available Amount and the Available Equity Amount as at the end of the fiscal year to which such financial statements relate.

(e) Notice of Certain Events. Promptly after an Authorized Officer of Holdings, the Borrower or any of its Restricted Subsidiaries obtains knowledge thereof, notice of the occurrence of (i) any event that constitutes a Default or an Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action Holdings or the Borrower proposes to take with respect thereto, and (ii) any litigation or governmental proceeding pending against Holdings, the Borrower or any of its Restricted Subsidiaries that could reasonably be expected to result in a Material Adverse Effect.

(f) Other Information. (i) Promptly upon filing thereof, (x) copies of any annual, quarterly and other regular, material periodic and special reports (including on Form 10-K, 10-Q or 8-K) and registration statements which Holdings (or any Parent Entity), the Borrower or any Restricted Subsidiary files with the SEC or any analogous Governmental Authority in any relevant jurisdiction (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

for further delivery to the Lenders), exhibits to any registration statement and, if applicable, any registration statements on Form S-8 and other than any filing filed confidentiality with the SEC or any analogous Governmental Authority in any relevant jurisdiction) and (y) copies of all financial statements, proxy statements and material reports that Holdings, the Borrower or any of the Restricted Subsidiaries shall send to the holders of any publicly issued debt of Holdings, the Borrower and/or any of the Restricted Subsidiaries in their capacity as such holders (in each case to the extent not theretofore delivered to the Administrative Agent for further delivery to the Lenders pursuant to this Agreement) and (ii) with reasonable promptness, but subject to the limitations set forth in the last sentence of Section 9.2 and Section 13.16, such other information (financial or otherwise) as the Administrative Agent on its own behalf or on behalf of any Lender may reasonably request in writing from time to time.

Documents required to be delivered pursuant to Sections 9.1(a), 9.1(b) and 9.1(f)(i) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto, on the Borrower's website on the Internet at the website address listed on Schedule 13.2 or (ii) on which such documents are transmitted by electronic mail to the Administrative Agent; provided that: (A) upon written request by the Administrative Agent, the Borrower 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 (B) the Borrower 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. Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide paper copies of the certificates required by Section 9.1(d) to the Administrative Agent. 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 and Inspections. The Borrower will, and will cause each of the Restricted Subsidiaries to, maintain proper books of record and account, in which entries that are full, true and correct in all material respects and are in conformity with GAAP consistently applied shall be made of all material financial transactions and matters involving the assets and business of Holdings, the Borrower or such Restricted Subsidiary, as the case may be. The Borrower will, and will cause each of the Restricted Subsidiaries to, permit representatives and independent contractors of the Administrative Agent and the Required Lenders to visit and inspect any of its properties (to the extent it is within such Person's control to permit such inspection), to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at the reasonable expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower (and subject, in the case of any such meetings or advice from such independent accountants, to such accountants' customary policies and procedures); provided that, excluding any such visits and inspections during the continuation of an Event of Default, only the Administrative Agent on behalf of the Lenders may exercise rights of the Administrative Agent and the Required Lenders under this Section 9.2 and the Administrative Agent shall not exercise such rights more often than once during any calendar year absent the existence of an Event of Default at the Borrower's expense; and provided, further, that when an Event of Default exists, the Administrative Agent or the Required Lenders (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and upon reasonable advance notice. The Administrative Agent and the Required Lenders shall give the Borrower the opportunity to participate in any discussions with the Borrower's independent public accountants. Notwithstanding anything to the contrary in Section 9.1 or this Section 9.2, none of Holdings, the Borrower or any Restricted Subsidiary will be required to disclose, permit the inspection, examination or

making copies or abstracts of, 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 any Agent or any Lender (or their respective representatives or contractors) is prohibited by Applicable Law or any binding agreement or (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product.

9.3 Maintenance of Insurance.

(a) The Borrower will, and will cause each of the Restricted Subsidiaries to, at all times maintain in full force and effect, with insurance companies that the Borrower believes (in the good-faith judgment of the management of the Borrower) 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 Borrower believes (in the good-faith judgment of management of the Borrower) is reasonable and prudent in light of the size and nature of its business) and against at least such risks (and with such risk retentions) as are usually insured against in the same general area by companies engaged in businesses similar to those engaged by the Borrower and the Restricted Subsidiaries; and will furnish to the Administrative Agent for further delivery to the Lenders, upon written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried. The Collateral Agent, for the benefit of the Secured Parties, shall be the additional insured on any such liability insurance and the Collateral Agent, for the benefit of the Secured Parties, shall be the additional loss payee or additional mortgagee under any such casualty or property insurance, except in each case as the Collateral Agent and the Borrower may otherwise agree.

(b) If any buildings or improvements comprising of any Mortgaged Property are at any time located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a special flood hazard area with respect to which flood insurance has been made available under the Flood Insurance Laws, then the Borrower shall, or shall cause the applicable Credit Parties to, solely to the extent required by Applicable Law, (i) maintain, or cause to be maintained, with a financially sound and reputable insurer (determined at the time such insurance is obtained or renewed), flood insurance in an amount and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to the Flood Insurance Laws and (ii) deliver to the Collateral Agent evidence of such compliance in form reasonably acceptable to the Collateral Agent.

(c) It is understood and agreed that, prior to the First Lien Termination Date, to the extent that the First Lien Administrative Agent is satisfied with or agrees to any deliveries or documents required to be provided under Section 9.3(a) or Section 9.3(b), the Administrative Agent shall be deemed to be satisfied with such deliveries or documents.

9.4 Payment of Taxes. The Borrower will pay and discharge, and will cause each of the Restricted Subsidiaries to pay and discharge, all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which such payments become overdue, and all lawful claims in respect of taxes imposed, assessed or levied that, if unpaid, would reasonably be expected to become a Lien upon any properties of the Borrower or any of the Restricted Subsidiaries, except to the extent that the failure to do so would not reasonably be expected to result in a Material Adverse Effect; provided that none of the Borrower or any of the Restricted Subsidiaries shall be required to pay any such tax, assessment, charge, levy or claim that is being diligently contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good-faith judgment of the management of the Borrower) with respect thereto in accordance with GAAP or the equivalent accounting principles in the relevant local jurisdiction.

9.5 Consolidated Corporate Franchises. The Borrower will do, and will cause each of the Restricted Subsidiaries to do, or cause to be done, all things necessary to preserve and keep in full force and effect its existence, corporate rights, privileges and authority, except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect; provided, however, that the Borrower and the Restricted Subsidiaries may consummate any transaction permitted under Section 10.3, 10.4 or 10.5.

9.6 Compliance with Statutes. The Borrower 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, (i) the FCPA, (ii) applicable Sanctions and (iii) the PATRIOT ACT, and (b) maintain in effect all governmental approvals or authorizations required to conduct its business, except in the case of each of clauses (a) and (b), where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

9.7 ERISA. As soon as reasonably practicable after the Borrower or any of the Restricted Subsidiaries or any ERISA Affiliate knows or has reason to know of the occurrence of any of the following events that, individually or in the aggregate (including in the aggregate such events previously disclosed or exempt from disclosure hereunder, to the extent the liability therefor remains outstanding), would be reasonably likely to have a Material Adverse Effect, the Borrower will deliver to the Administrative Agent a certificate of an Authorized Officer or any other senior officer of the Borrower setting forth details as to such occurrence and the action, if any, that the Borrower, such Restricted Subsidiary or such ERISA Affiliate is required or proposes to take, together with any notices (required, proposed or otherwise) given to or filed with or by the Borrower, such Restricted Subsidiary, such ERISA Affiliate, the PBGC, or a Multiemployer Plan administrator (provided that if such notice is given by the Multiemployer Plan administrator, it is given to any of the Borrower or any of the Restricted Subsidiaries or any ERISA Affiliates thereof): (a) that a Reportable Event has occurred; (b) that there has been a failure to satisfy the minimum funding standard under Section 412 of the Code or Section 302 of ERISA or an application is to be made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including any required installment payments) or an extension of any amortization period under Section 412 of the Code with respect to a Pension Plan; (c) that a Pension Plan having an Unfunded Current Liability has been or is to be terminated under Title IV of ERISA (including the giving of written notice thereof); (d) that a Pension Plan has an Unfunded Current Liability that has or will result in a Lien under ERISA or the Code on the assets of any of Holdings, the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate; (e) that proceedings will be or have been instituted by the PBGC to terminate a Pension Plan having an Unfunded Current Liability (including the giving of written notice thereof); (f) that a proceeding has been instituted against the Borrower, a Restricted Subsidiary thereof or an ERISA Affiliate pursuant to Section 515 of ERISA to collect a delinquent contribution to a Multiemployer Plan; (g) that the PBGC has notified the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate of its intention to appoint a trustee to administer any Pension Plan; (h) that the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate has failed to make any required contribution or payment to a Multiemployer Plan; (i) that a determination has been made that any Pension Plan is in "at-risk" status within the meaning of Section 430 of the Code or Section 303 of ERISA or any Multiemployer Plan is in "endangered or critical status" within the meaning of Section 432 of the Code or Section 305 of ERISA; (j) that the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate has incurred (or has been notified in writing that it will incur) any liability (including any contingent or secondary liability) to or on account of a Pension Plan or Multiemployer Plan pursuant to Section 409, 502(i) 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212(c) of ERISA or Section 4971 or 4975 of the Code; (k) that a Multiemployer Plan is "insolvent" within the meaning of Section 4245 of ERISA; (l) that the termination of any Foreign Plan has occurred that gives rise to liability for Holdings, the Borrower or any Restricted Subsidiary; or (m) that any non-compliance with any funding requirements under Applicable Law for any Foreign Plan has occurred. Such certificate and notice shall be provided as soon as reasonably practicable after the Borrower, any Restricted Subsidiary or any ERISA Affiliate knows or has reason to know of the occurrence of any such event.

9.8 Good Repair. The Borrower will, and will cause each of the Restricted Subsidiaries to, ensure that its properties and equipment used or useful in its business in whomsoever's possession they may be to the extent that it is within the control of such party to cause same, are kept in good repair, working order and condition, normal wear and tear excepted, and that from time to time there are made in such properties and equipment all needful and proper repairs, renewals, replacements, extensions, additions, betterments and improvements thereto, to the extent and in the manner customary for companies in the industry in which the Borrower and the Restricted Subsidiaries conduct business and consistent with third party leases, except in each case to the extent the failure to do so would not be reasonably expected to have a Material Adverse Effect.

9.9 End of Fiscal Years; Fiscal Quarters. The Borrower will, for financial reporting purposes, cause (a) each of its, and each of the Restricted Subsidiaries', fiscal years to end on December 31 of each year and (b) each of its, and each of the Restricted Subsidiaries', fiscal quarters to end on dates consistent with such fiscal year-end and the Borrower's past practice; provided, however, that the Borrower may, upon written notice to, and consent by, the Administrative Agent, change the financial reporting convention specified above to any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Borrower 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.

9.10 Additional Guarantors and Grantors. Subject to any applicable limitations set forth in the Guarantee, the Security Agreement, the Pledge Agreement or any other Security Document, as applicable, the Borrower will cause (i) any direct or indirect Domestic Subsidiary of the Borrower (other than any Excluded Subsidiary) formed or otherwise purchased or acquired after the Closing Date (including pursuant to an Acquisition) and (ii) any Domestic Subsidiary of the Borrower that ceases to be an Excluded Subsidiary, to promptly execute and deliver to the Collateral Agent (A) a supplement to each of the Guarantee, the Security Agreement and the Pledge Agreement substantially in the form of Annex B, Exhibit 1 or Annex A, as applicable, to the respective agreement in order to become a Guarantor under the Guarantee, a grantor under the Security Agreement and a pledgor under the Pledge Agreement, (B) a counterpart signature page to the Intercompany Note and (C) a joinder agreement or such comparable documentation to each other applicable Security Document, substantially in the form annexed thereto, and to take all actions required thereunder to perfect the Liens created thereunder.

9.11 Pledges of Additional Stock and Evidence of Indebtedness.

(a) Subject to any applicable limitations set forth in the Security Documents, as applicable, the Borrower will pledge, and, if applicable, will cause each other Subsidiary Guarantor (or a Person required to become a Subsidiary Guarantor pursuant to Section 9.10) to pledge, to the Collateral Agent (or its agent, designee or bailee in accordance with Section 5.05 of the First Lien/Second Lien Intercreditor Agreement) for the benefit of the Secured Parties, (i) all the Capital Stock (other than any Excluded Capital Stock) of each Subsidiary owned by the Borrower or any Subsidiary Guarantor (or Person required to become a Subsidiary Guarantor pursuant to Section 9.10), in each case, formed or otherwise purchased or acquired after the Closing Date, pursuant to a supplement to the Pledge Agreement substantially in the form of Annex A thereto and (ii) except with respect to intercompany Indebtedness, all evidences of Indebtedness for borrowed money in a principal amount in excess of $10,000,000 (individually) that are owing to the Borrower or any Subsidiary Guarantor (or Person required to become a Subsidiary Guarantor pursuant to Section 9.10) (which shall be evidenced by a promissory note), in each case pursuant to a supplement to the Pledge Agreement substantially in the form of Annex A thereto.

(b) The Borrower agrees that all Indebtedness of the Borrower and each of its Restricted Subsidiaries that is owing to any Credit Party (or a Person required to become a Subsidiary Guarantor pursuant to Section 9.10) shall be evidenced by the Intercompany Note, which promissory note shall be required to be pledged to the Collateral Agent (or its agent, designee or bailee in accordance with Section 5.05 of the First Lien/Second Lien Intercreditor Agreement), for the benefit of the Secured Parties, pursuant to the Pledge Agreement.

9.12 Use of Proceeds. The proceeds of borrowings of the Initial Term Loans shall be used (a) on the Closing Date, together with the proceeds from the borrowing of the First Lien Initial Term Loans, the proceeds of borrowings under the Revolving Credit Facility in the amount of the Initial Revolving Borrowing Amount (as defined in the First Lien Credit Agreement) and cash on hand at the Borrower and its Subsidiaries to pay the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and (b) to the extent any proceeds remain after the application described in clause (a), on and after the Closing Date for other general corporate purposes of the Borrower and its Subsidiaries, including the financing of acquisitions, other Investments and Restricted Payments and other distributions on account of the Capital Stock of the Borrower (or any Parent Entity thereof), in each case permitted hereunder, and any other use not prohibited hereby. The proceeds of borrowings of any Incremental Term Loan Facility may be used for working capital requirements and other general corporate purposes of the Borrower and its Subsidiaries including the financing of acquisitions, other Investments and Restricted Payments and other distributions on account of the Capital Stock of the Borrower (or any Parent Entity thereof), in each case permitted hereunder, and any other use not prohibited hereby.

9.13 Changes in Business. The Borrower and its 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 Borrower and its Restricted Subsidiaries, taken as a whole, on the Closing Date and other similar, incidental, ancillary, supportive, complementary, synergetic or related businesses or reasonable extensions thereof (and non-core incidental businesses acquired in connection with any Acquisition or Investment or other immaterial businesses).

9.14 Further Assurances.

(a) Subject to the limitations set forth in this Agreement and the Security Documents, Holdings and the Borrower will, and will cause each other Subsidiary Guarantor 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 and other similar 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 the validity and priority of the security interests created or intended to be created by the Security Documents, all at the expense of the Borrower and its Restricted Subsidiaries.

(b) Subject to any applicable limitations set forth in the Security Documents and in Sections 9.10 and 9.11, (i) if any Material Real Property is acquired by any Credit Party after the Closing Date or, (ii) if any Credit Party that becomes a Credit Party after the Closing Date owns any Material Real Property, the Borrower will notify the Collateral Agent (who shall thereafter notify the Lenders) thereof and will, within 90 days after the acquisition of such Material Real Property or within 90 days of the date on which the applicable Credit Party became a Credit Party, as applicable, (or such longer period as may be agreed by the Collateral Agent in its sole discretion), cause such Material Real Property to be subjected to a Mortgage (provided, however, that, in the event any Material Real Property subject to a Mortgage under this Section 9.14 is located in a jurisdiction that imposes mortgage recording taxes or any similar fees or charges, such Mortgage shall only secure an amount equal to the Fair Market Value of such Material Real Property) and will take, and cause the Subsidiary Guarantors to take, such other actions as

shall be necessary or reasonably requested by the Collateral Agent to grant and perfect a Lien on such Material Real Property consistent with the applicable requirements of the Security Documents, including actions described in Section 9.14(a) and Section 9.14(c), all at the expense of the Credit Parties.

(c) Any Mortgage delivered to the Collateral Agent in accordance with Sections 9.14(b) shall be accompanied by:

(i) a completed "Life-of-Loan" Federal Emergency Management Agency standard flood hazard determination with respect to each Mortgaged Property, and with respect to each Mortgaged Property that is: (x) in an area designated by the Federal Emergency Management Agency as being located in a special flood hazard area, and (y) contains a "Building" (as defined by the Flood Insurance Laws) within such special flood hazard area (a "Flood Hazard Property"), the Borrower shall deliver to the Collateral Agent (i) Borrower's written acknowledgment of receipt of written notification from the Collateral Agent as to the fact that such asset is a Flood Hazard Property and as to whether the community in which such Mortgaged Property is located is participating in the National Flood Insurance Program and (ii) evidence of flood insurance in accordance with Section 9.3(b) and otherwise in form and substance reasonably satisfactory to the Collateral Agent;

(ii) a policy or policies of title insurance or a marked unconditional commitment or binder thereof issued by a nationally recognized title insurance company insuring title to such Mortgaged Property is vested in such Credit Party for an amount not to exceed the Fair Market Value (determined at the time described in Section 9.14(b) above) and together with such endorsements as the Collateral Agent may reasonably request and which are available at commercially reasonable rates in the jurisdiction where the applicable Mortgaged Property is located;

(iii) unless the Collateral Agent shall have otherwise agreed either, but only to the extent already prepared and otherwise available, (A) a survey of the applicable Mortgaged Property for which all necessary fees (where applicable) have been paid (1) prepared by a surveyor reasonably acceptable to the Collateral Agent, (2) dated or re-certificated not earlier than three months prior to the date of such delivery or such other date as may be reasonably satisfactory to the Collateral Agent in its sole discretion, (3) for Mortgaged Property situated in the United States, certified to the Collateral Agent and the title insurance company issuing the title insurance policy for such Mortgaged Property pursuant to clause (ii), which certification shall be reasonably acceptable to the Collateral Agent and (4) for Mortgaged Property situated in the United States, complying with current "Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys", jointly established and adopted by American Land Title Association, the American Congress on Surveying and Mapping and the National Society of Professional Surveyors (except for such deviations as are acceptable to the Collateral Agent) or (B) coverage under the title insurance policy or policies referred to in clause (ii) above that does not contain a general exception for survey matters and which contains survey-related endorsements reasonably acceptable to the Collateral Agent; and

(iv) opinions of counsel to the Credit Party mortgagor with respect to the enforceability, perfection, due authorization, execution, and delivery of the applicable Mortgages and any related fixture filings in form and substance reasonably satisfactory to the Collateral Agent.

It is understood and agreed that, prior to the First Lien Termination Date, to the extent that the First Lien Collateral Agent and/or the First Lien Administrative Agent, as the case may be, is satisfied with or agrees to any deliveries or documents required under this Section 9.14(c), the Collateral Agent and/or the Administrative Agent, as the case may be, shall be deemed to be satisfied with the forms of such deliveries or documents for purposes of the corresponding deliveries or documents provided under this Agreement.

(d) Notwithstanding anything herein to the contrary, if the Collateral Agent and the Borrower reasonably determine in writing that the time or cost of creating or perfecting any Lien on any property (including the time and cost required to obtain the flood insurance required under Section 9.14(c)(i)) is excessive in relation to the benefits afforded to the Lenders thereby, then such property may be excluded from the Collateral for all purposes of the Credit Documents (it being understood that, prior to the First Lien Termination Date, the determination of the First Lien Collateral Agent in respect of the matters described in this clause (d) shall be deemed to be the determination of the Administrative Agent with respect to such matters).

(e) Notwithstanding anything herein to the contrary, the Credit Parties shall not be required to take any actions outside the United States, to (i) create any security interest in assets titled or located outside the United States, or (ii) perfect or make enforceable any security interests in any Collateral.

(f) Notwithstanding anything herein to the contrary, the Collateral Agent in its discretion may grant extensions of time for the creation or perfection of security interests in, and Mortgages on, or obtaining of title insurance or taking other actions with respect to, particular assets (including extensions beyond the Closing Date) where it reasonably determines, in consultation with the Borrower and communicated in writing delivered to the Collateral Agent, that the creation or perfection of security interests and Mortgages on, or obtaining of title insurance or taking other actions, or any other compliance with the requirements of this definition cannot be accomplished without undue delay, burden or expense by the time or times at which it would otherwise be required by this Agreement or the Security Documents.

9.15 Designation of Subsidiaries. The Board of Directors of the Borrower may at any time designate any Restricted Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary; provided that immediately before and after such designation, no Event of Default under Section 11.1 or Section 11.5 shall have occurred and be continuing. The designation of any Subsidiary as an Unrestricted Subsidiary after the Closing Date shall constitute an Investment by the Borrower therein at the date of designation in an amount equal to the Fair Market Value of the Borrower's Investment therein. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute the Incurrence at the time of designation of any Investment, Indebtedness or Liens of such Subsidiary existing at such time. Upon any such designation of any Unrestricted Subsidiary as a Restricted Subsidiary (but without duplication of any amount reducing such Investment in such Unrestricted Subsidiary pursuant to the definition of "Investment" or the definition of "Available Amount"), the Borrower and/or the applicable Restricted Subsidiaries shall receive a credit against the applicable clause in Section 10.5 or Section 10.6 that was utilized for the Investment in such Unrestricted Subsidiary for all Returns in respect of such Investment.

9.16 Maintenance of Ratings. The Borrower will use commercially reasonable efforts to cause the public credit rating for the Initial Term Loan Facility issued by S&P and the public credit rating for the Initial Term Loan Facility issued by Moody's, and the Borrower's public corporate credit rating issued by S&P and public corporate credit rating issued by Moody's to each be maintained (but not to obtain or maintain a specific rating).

9.17 Post-Closing Obligations. To the extent not executed and delivered on the Closing Date, unless otherwise agreed by the Administrative Agent in its reasonable discretion, execute and deliver the documents and complete the tasks set forth on Schedule 9.17, in each case within the time limits specified on such schedule (or such later time as the Administrative Agent shall agree in its reasonable discretion).

SECTION 10. Negative Covenants. The Borrower (and, with respect to Section 10.8(i), Holdings) hereby covenants and agrees that on the Closing Date and thereafter, until the Loans, together

with interest, fees and all other payment Obligations (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification or other contingent obligations not then due and payable), are paid in full:

10.1 Limitation on Indebtedness. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, Incur, contingently or otherwise, with respect to any Indebtedness, except:

(a) (i) Indebtedness arising under the Credit Documents, including pursuant to Sections 2.14 and 2.15, and (ii) any Credit Agreement Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness;

(b) (i) Indebtedness arising under the First Lien Credit Documents (including any guarantees in respect thereof) in an aggregate principal amount not to exceed $725,000,000; and (ii) any Permitted Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness; provided that, notwithstanding any other provision herein to the contrary, no Person other than a Credit Party shall at any time be an obligor in respect of any such Indebtedness;

(c) (i) Indebtedness constituting reimbursement obligations in respect of any bankers' acceptance, bank guarantees, letters of credit, warehouse receipt or similar facilities entered into in the ordinary course of business or consistent with past practice (including in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance) and (ii) Indebtedness supported by Letters of Credit (as defined in the First Lien Credit Agreement) or other letters of credit under similar facilities in an amount not to exceed the Stated Amount (as defined in the First Lien Credit Agreement) of such Letters of Credit (as defined in the First Lien Credit Agreement) or stated amount of such other letters of credit under such similar facilities;

(d) Except as otherwise limited by clauses (a), (b), (h) and (u) of this Section 10.1, Guarantee Obligations Incurred by (i) any Restricted Subsidiary in respect of Indebtedness of the Borrower or any other Restricted Subsidiary that is permitted to be Incurred under this Agreement and (ii) the Borrower in respect of Indebtedness of any Restricted Subsidiary that is permitted to be Incurred under this Agreement; provided that, if the applicable Indebtedness is subordinated to the Obligations, any such Guarantee Obligations shall be subordinated to the Obligations;

(e) Guarantee Obligations Incurred in the ordinary course of business or consistent with past practice in respect of obligations to suppliers, customers, franchisees, lessors, licensees, sublicensees or distribution partners;

(f) (i) Indebtedness (including Financing Lease Obligations and other Indebtedness arising under mortgage financings and purchase money Indebtedness (including any industrial revenue bond, industrial development bond or similar financings)) the proceeds of which are used to finance (whether prior to or after) the acquisition, development, construction, repair, restoration,

replacement, maintenance, upgrade, expansion or improvement of property (real or personal), equipment or assets, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets or otherwise Incurred in respect of Capital Expenditures; provided that such Indebtedness is Incurred concurrently with or within 270 days after the completion of the applicable acquisition, development, construction, repair, restoration, replacement, maintenance, upgrade, expansion or improvement or the making of the applicable Capital Expenditure; provided, further, that, at the time of Incurrence thereof and after giving pro forma effect thereto and the use of the proceeds thereof, the aggregate principal amount of such Indebtedness then outstanding pursuant to clause (i) (when aggregated with the aggregate principal amount of Permitted Refinancing Indebtedness pursuant to clause (ii) in respect of such Indebtedness then outstanding) shall not, except as contemplated by the definition of "Permitted Refinancing Indebtedness", exceed an amount equal to (I) the greater of (x) $52,000,000 and (y) 32.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date) minus (II) the aggregate amount of Indebtedness incurred pursuant to Section 10.1(g) and (ii) any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness;

(g) (i) Indebtedness constituting Financing Lease Obligations, other than Financing Lease Obligations in effect on the Closing Date (and set forth on Schedule 10.1) or Financing Lease Obligations entered into pursuant to Section 10.1(f); provided that, at the time of Incurrence thereof and after giving pro forma effect thereto and the use of the proceeds thereof, the aggregate principal amount of such Indebtedness then outstanding pursuant to clause (i) (when aggregated with the aggregate principal amount of Permitted Refinancing Indebtedness pursuant to clause (ii) in respect of such Indebtedness then outstanding) shall not, except as contemplated by the definition of "Permitted Refinancing Indebtedness", exceed an amount equal to (I) the greater of (x) $52,000,000 and (y) 32.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date) minus (II) the aggregate amount of Indebtedness incurred pursuant to Section 10.1(f); and (ii) any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness.

(h) Closing Date Indebtedness and any Permitted Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness;

(i) Indebtedness in respect of Hedging Agreements Incurred in the ordinary course of business or consistent with past practice and, in each case, at the time entered into, not for speculative purposes;

(j) (i) Indebtedness of a Person or Indebtedness attaching to assets of a Person that, in either case, becomes a Restricted Subsidiary (or is a Restricted Subsidiary that survives a merger, consolidation or amalgamation with such Person or any of its Subsidiaries) or Indebtedness attaching to assets that are acquired by the Borrower or any Restricted Subsidiary, in each case after the Closing Date as the result of an Acquisition or other Investment or Indebtedness of any Unrestricted Subsidiary that is redesignated as a Restricted Subsidiary; provided that

(A) subject to Section 1.10, after giving pro forma effect thereto, no Event of Default under Section 11.1 or 11.5 has occurred and is continuing;

(B) as of the date that any such Person becomes a Restricted Subsidiary (or is a Restricted Subsidiary that survives a merger, consolidation or amalgamation with such a Person or any of its Subsidiaries) or the date that any such assets are acquired by the Borrower or any Restricted Subsidiary and after giving pro forma effect thereto, the

aggregate principal amount of Indebtedness then outstanding pursuant to this Section 10.1(j) does not exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the sum of (I) when aggregated with the aggregate principal amount of (1) Indebtedness Incurred pursuant to, and then outstanding under, Section 10.1(k)(i)(B)(I) and (2) Permitted Refinancing Indebtedness Incurred pursuant to clause (ii) of this Section 10.1(j) to Refinance Indebtedness Incurred pursuant to, and then outstanding in reliance on, this clause (I), the greater of (x) $31,200,000 and (y) 19.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date plus (II) subject to Section 1.10, an aggregate amount such that, after giving pro forma effect to the Incurrence of any such Indebtedness, to such Acquisition, Investment, any Specified Transaction or Specified Restructuring to be consummated in connection therewith, the Borrower and the Restricted Subsidiaries shall be in compliance on a pro forma basis, with either (X) a Consolidated EBITDA to Consolidated Interest Expense Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Specified Transaction and Specified Restructuring occurred on the first day of such Test Period, of either (x) not less than 2.00:1.00 or (y) not less than the Consolidated EBITDA to Consolidated Interest Expense Ratio of the Borrower and the Restricted Subsidiaries immediately prior to giving effect to such Incurrence and such other transactions or (Y) with a Consolidated Total Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Investment, Specified Transaction and Specified Restructuring had occurred on the first day of such Test Period of either (x) not greater than 6.00:1.00 or (y) not greater than the Consolidated Total Debt to Consolidated EBITDA Ratio immediately prior to giving pro forma effect to all such Incurrences and such other transactions;

(C) such Indebtedness existed at the time such Person became a Restricted Subsidiary or at the time such assets were acquired and, in each case, was not created in anticipation thereof;

(D) such Indebtedness is not guaranteed in any respect by Holdings, the Borrower or any Restricted Subsidiary (other than any such Person that so becomes a Restricted Subsidiary or is the survivor of a merger with such Person or any of its Subsidiaries) except to the extent permitted under Section 10.5 or Section 10.6;

(E) (x) the Capital Stock of such Person is pledged to the Collateral Agent to the extent required under Section 9.11 and (y) such Person executes a supplement to each of the Guarantee, the Security Agreement and the Pledge Agreement (or alternative guarantee and security arrangements in relation to the Obligations) and a counterpart signature page to the Intercompany Notes, in each case to the extent required under Section 9.10, 9.11 or 9.14(b), as applicable; provided that the requirements of this clause (E) shall not apply to any Indebtedness of the type that could have been Incurred under Section 10.1(f) or Section 10.1(g); and

(ii) any Permitted Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness;

(k) (i) Indebtedness of the Borrower or any Restricted Subsidiary Incurred to finance an Acquisition or other Investment; provided that,

(A) subject to Section 1.10, after giving pro forma effect thereto, no Event of Default under Section 11.1 or 11.5 has occurred and is continuing;

(B) as of the date of such Incurrence and after giving pro forma effect thereto and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding pursuant to this Section 10.1(k), does not exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the sum of (I) when aggregated with the aggregate principal amount of (1) Indebtedness Incurred pursuant to, and then outstanding under, Section 10.1(j)(i)(B)(I) and (2) Permitted Refinancing Indebtedness Incurred pursuant to clause (ii) of this Section 10.1(k) to Refinance Indebtedness Incurred pursuant to, and then outstanding in reliance on, this clause (I), the greater of (x) $31,200,000 and (y) 19.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of determination (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date plus (II) subject to Section 1.10, an aggregate amount such that, after giving pro forma effect to the Incurrence of any such Indebtedness, to such Acquisition, Investment, any Specified Transaction or Specified Restructuring to be consummated in connection therewith, the Borrower and the Restricted Subsidiaries shall be in compliance on a pro forma basis with either (X) a Consolidated EBITDA to Consolidated Interest Expense Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Specified Transaction and Specified Restructuring occurred on the first day of such Test Period, of either (x) not less than 2.00:1.00 or (y) not less than the Consolidated EBITDA to Consolidated Interest Expense Ratio of the Borrower and the Restricted Subsidiaries immediately prior to giving effect to such Incurrence and such other transactions or (Y) with a Consolidated Total Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Investment, Specified Transaction and Specified Restructuring had occurred on the first day of such Test Period of either (x) not greater than 6.00:1.00 or (y) not greater than the Consolidated Total Debt to Consolidated EBITDA Ratio immediately prior to giving pro forma effect to all such Incurrences and such other transactions;

(C) if such Indebtedness is Incurred by a Restricted Subsidiary that is not a Subsidiary Guarantor, such Indebtedness shall not be guaranteed in any respect by Holdings, the Borrower or any other Subsidiary Guarantor except to the extent permitted under Section 10.5;

(D) (x) the Capital Stock of any Person acquired in such Acquisitions or other Investment (the "acquired Person") is pledged to the Collateral Agent to the extent required under Section 9.11 and (y) such acquired Person executes a supplement to each of the Guarantee, the Security Agreement and the Pledge Agreement and a counterpart signature page to the Intercompany Note (or alternative guarantee and security arrangements in relation to the Obligations), in each case, to the extent required under Section 9.10, 9.11 or 9.14(b), as applicable; and

(E) Except to the extent constituting First Lien Obligations, the terms of such Indebtedness shall be consistent with the requirements set forth in clause (a) and clause (b) of the proviso to the definition of "Permitted Additional Debt"; provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees);

(ii) any Permitted Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness;

(l) (i) unsecured Indebtedness in respect of obligations of the Borrower or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services; provided that such obligations are Incurred in connection with open accounts extended by suppliers on customary trade terms in the ordinary course of business or consistent with past practice and not in connection with the borrowing of money and (ii) unsecured Indebtedness in respect of intercompany obligations of the Borrower or any Restricted Subsidiary in respect of accounts payable Incurred in connection with goods sold or services rendered in the ordinary course of business or consistent with past practice and not in connection with the borrowing of money;

(m) Indebtedness arising from agreements of the Borrower or any Restricted Subsidiary providing for indemnification, adjustment of purchase price, earn-outs, deferred purchase price, payment obligations in respect of any non-compete, consulting or similar arrangement, contingent earnout obligations or similar obligations (including earn-outs), in each case entered into in connection with the Transactions, any Permitted Change of Control, Acquisitions, other Investments and the Disposition of any business, assets or Capital Stock permitted hereunder, other than Guarantee Obligations Incurred by any Person acquiring all or any portion of such business, assets or Capital Stock for the purpose of financing such acquisition, but including in connection with Guarantee Obligations, letters of credit, surety bonds on performance bonds securing the performance of the Borrower or any such Restricted Subsidiary pursuant to such agreements;

(n) Indebtedness in respect of contracts (including trade contracts and government contracts), statutory obligations, performance bonds, bid bonds, custom bonds, stay and appeal bonds, surety bonds, indemnity bonds, judgment bonds, performance and completion and return of money bonds and guarantees, financial assurances, bankers' acceptance facilities and similar obligations or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case not in connection with the borrowing of money, including those incurred to secure health, safety and environmental obligations;

(o) Indebtedness of the Borrower or any Restricted Subsidiary consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply agreements, in each case arising in the ordinary course of business or consistent with past practice and not in connection with the borrowing of money;

(p) (i) Indebtedness representing deferred compensation to officers, directors, managers, employees, consultants or independent contractors of Holdings (or any Parent Entity thereof or any Equityholding Vehicle), the Borrower and the Restricted Subsidiaries Incurred in the ordinary course of business and (ii) Indebtedness consisting of obligations of Holdings (or any Parent Entity thereof or any Equityholding Vehicle), the Borrower or the Restricted Subsidiaries under deferred compensation arrangements to their officers, directors, managers, employees, consultants or independent contractors or other similar arrangements Incurred by such Persons in connection with the Transactions, Permitted Change of Control, Acquisitions or any other Investment expressly permitted under Section 10.5 or Section 10.6;

(q) unsecured Indebtedness consisting of promissory notes issued by the Borrower or any Restricted Subsidiary to future, current or former officers, managers, consultants, directors, employees and independent contractors (or their respective Immediate Family Members) of Holdings, the Borrower, any of its Subsidiaries or any Parent Entity or Equityholding Vehicle, in each case, to finance the retirement, acquisition, repurchase or redemption of Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle to the extent such Parent Entity or any Equityholding Vehicle uses the proceeds to finance the purchase or redemption (directly or indirectly) of its Capital Stock) or the Capital Stock of the Borrower, in each case to the extent permitted by Section 10.6; provided that, any such Indebtedness shall reduce availability under Section 10.6 to the extent of any amounts incurred from time to time under this Section 10.1(q), whether or not outstanding, except in respect of amounts forgiven or cancelled without payment being made;

(r) Cash Management Obligations, Cash Management Services and other Indebtedness in respect of netting services, automatic clearing house arrangements, employees' credit or purchase cards, overdraft protections and similar arrangements and otherwise in connection with deposit accounts and repurchase agreements permitted under Section 10.5;

(s) additional senior, senior subordinated or subordinated Indebtedness of the Borrower and the Restricted Subsidiaries, and Permitted Refinancing Indebtedness thereof, in an aggregate principal amount, determined as of the date of the Incurrence of such Indebtedness and giving pro forma effect thereto and the use of the proceeds thereof, not to exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the sum of (i) when aggregated with the aggregate principal amount of Permitted Refinancing Indebtedness Incurred pursuant to this Section 10.1(s) to Refinance Indebtedness Incurred pursuant to, and then outstanding in reliance on, this clause (i), the greater of (x) $31,200,000 and (y) 19.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date plus (ii) an amount such that, after giving pro forma effect to the Incurrence of any such Indebtedness and any Specified Transaction or Specified Restructuring to be consummated in connection therewith, the Borrower and Restricted Subsidiaries shall be in compliance on a pro forma basis with either (x) a Consolidated EBITDA to Consolidated Interest Expense Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, acquisition, Specified Transaction and Specified Restructuring occurred on the first day of such Test Period, of not less than 2.00:1.00 or (y) a Consolidated Total Debt to Consolidated EBITDA Ratio of less than or equal to 6.00:1.00, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, acquisition, Specified Transaction and Specified Restructuring occurred on the first day of such Test Period; provided, that, at the time any such Indebtedness is Incurred and after giving pro forma effect to such Incurrence and any other transactions being consummated in

connection therewith and the use of the proceeds thereof, the aggregate principal amount of all Indebtedness Incurred and then outstanding under this Section 10.1(s) by Non-Credit Parties, when aggregated with the aggregate principal amount of Permitted Refinancing Indebtedness Incurred pursuant to, and then outstanding under, this clause (s) to Refinance Indebtedness of Non-Credit Parties, shall not exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the greater of (x) $58,500,000 and (y) 36.40% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date); provided, further, that, except in the case of any such Indebtedness constituting First Lien Obligations, the terms of such Indebtedness shall be consistent with the requirements of clause (b) of the proviso of the definition of "Permitted Additional Debt"; provided that a certificate of an Authorized Officer of the Borrower delivered to the Administrative Agent at least five Business Days prior to the Incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrower within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees);

(t) (i) Indebtedness Incurred in connection with any Sale Leaseback and (ii) any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness;

(u) Indebtedness in respect of (i) Permitted Additional Debt (which Permitted Additional Debt may be Incurred or provided under the First Lien Credit Agreement in accordance with the terms thereof), the Net Cash Proceeds from which or, in the case of commitments, the new commitments of which, are required to be applied to (x) prepay the Term Loans and related amounts in the manner set forth in Section 5.2(a)(i), (y) prepay the First Lien Term Loans and related amounts in a manner set forth in Section 5.2(a)(i) of the First Lien Credit Agreement (or the equivalent section of the documentation governing any other First Lien Obligations) and subject to the payment of premiums set forth in Section 5.1(b) of the First Lien Credit Agreement (or the equivalent section of the documentation governing any other First Lien Obligations), if applicable, or (z) permanently reduce Revolving Credit Commitments, Extended Revolving Credit Commitments or Additional/Replacement Revolving Credit Commitments (each as defined in the First Lien Credit Agreement) in the manner set forth in Section 5.2(e)(ii) of the First Lien Credit Agreement (or the equivalent section of the documentation governing any other First Lien Obligations) (and any such Permitted Additional Debt shall be deemed to have been Incurred pursuant to this clause (i)), (ii) other Permitted Additional Debt (which Permitted Additional Debt may be Incurred or provided under the First Lien Credit Agreement in accordance with the terms thereof); provided that, in the case of this clause (ii), at the time of Incurrence or provision thereof and after giving pro forma effect thereto and such other transactions being consummated in connection therewith and the use of the proceeds thereof, assuming that all commitments, if any, thereunder were fully drawn, the aggregate principal amount of (X) all such Indebtedness Incurred or provided under this Section 10.1(u)(ii) plus (Y) any Incremental Term Loans (other than those Incremental Term Loans Incurred under the proviso to Section 2.14(b)) that have been Incurred or provided pursuant to Section 2.14(b)(A), shall not exceed the sum of (A) the Incremental Base Amount plus (B) an aggregate amount of Indebtedness, such that, after giving pro forma effect to such Incurrence or provision (and after giving pro forma effect to any Specified Transaction or Specified Restructuring to be consummated in connection therewith and assuming that all Incremental Revolving Credit

Commitment Increases and Additional/Replacement Revolving Credit Commitments (each as defined in the First Lien Credit Agreement) then outstanding and Incurred under Section 2.14(b)(B) were fully drawn), the Borrower would be in compliance with (I) in the case of the Incurrence or provision of any secured Permitted Additional Debt under this clause (ii) that constitutes or is intended to constitute First Lien Obligations (or is otherwise secured by Liens on the Collateral ranking senior to the Liens on the Collateral securing the Obligations), a Consolidated First Lien Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the Incurrence or provision of any such Permitted Additional Debt, calculated on a pro forma basis, as if such Incurrence (and any related transaction) had occurred on the first day of such Test Period, that is no greater than either (x) 4.50:1.00 or (y) if Incurred in connection with an Acquisition or other Investment, the Consolidated First Lien Debt to Consolidated EBITDA Ratio immediately prior to such Acquisition or other Investment, (II) in the case of the Incurrence or provision of any secured Permitted Additional Debt under this clause (ii) that does not constitute or is not intended to constitute First Lien Obligations (and is not otherwise secured by Liens on the Collateral ranking senior to the Liens on the Collateral securing the Obligations), a Consolidated Secured Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the Incurrence or provision of any such Permitted Additional Debt, calculated on a pro forma basis, as if such Incurrence or provision (and any related transaction) had occurred on the first day of such Test Period, that is no greater than either (x) 5.50:1.00 or (y) if Incurred in connection with an Acquisition or other Investment, the Consolidated Secured Debt to Consolidated EBITDA Ratio immediately prior to such Acquisition or other Investment or (III) in the case of the Incurrence or provision of any unsecured Permitted Additional Debt under this clause (ii), a Consolidated Total Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the Incurrence or provision of any such Permitted Additional Debt, calculated on a pro forma basis, as if such Incurrence (and any related transaction) had occurred on the first day of such Test Period, that is no greater than either (x) 6.00:1.00 or (y) if Incurred in connection with an Acquisition or other Investment, the Consolidated Total Debt to Consolidated EBITDA Ratio immediately prior to such Acquisition or other Investment; provided, further, that, in each case of this clause (ii), subject to Section 1.10, no Event of Default (or, in the case of the Incurrence or provision of Permitted Additional Debt in connection with an Acquisition or other Investment, no Event of Default under either Section 11.1 or 11.5) shall have occurred and be continuing at the time of the Incurrence or provision of any such Indebtedness or after giving pro forma effect thereto and (iii) any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness; provided that, without limitation of the requirements set forth in the definition of "Permitted Refinancing Indebtedness", except in the case of any such Indebtedness that constitutes First Liens Obligations, such Permitted Refinancing Indebtedness shall be of the type described in the definition of "Permitted Additional Debt";

(v) Indebtedness of (i) Non-Credit Parties; provided that, at the time of the Incurrence thereof and after giving pro forma effect to such Incurrence and other transactions and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding in reliance on this Section 10.1(v) shall not exceed the greater of (x) $45,500,000 and (y) 28.45% of Consolidated EBITDA of the Borrower for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date) and (ii) of Non-Credit Parties Incurred from time to time pursuant to asset-based facilities or local working capital lines of credit to the extent non-recourse to the Credit Parties so long as (x) such Indebtedness is not secured by assets constituting Collateral and (y) the Credit Parties shall not guarantee such Indebtedness;

(w) Indebtedness in the amount equal to the sum of (i) 200% of any Excluded Contribution to the extent not counted for purposes of the Available Equity Amount or Cure Amount and (ii) the Available RP Capacity Amount; provided, that, the maturity date of such Indebtedness is not earlier than the Latest Maturity Date;

(x) Indebtedness of the Borrower and the Restricted Subsidiaries; provided that, at the time of the Incurrence thereof and after giving pro forma effect to such Incurrence and other transactions and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding under this Section 10.1(x) shall not exceed the greater of (x) $104,000,000 and (y) 65.00% of Consolidated EBITDA of the Borrower for the Test Period most recently ended on or prior to such date of Incurrence (measured as of the date such Indebtedness is Incurred based upon the Internal Financial Statements most recently available on or prior to such date);

(y) (i) Indebtedness of the Borrower or any Restricted Subsidiary owing to the Borrower or any other Restricted Subsidiary; provided that any such Indebtedness owing by a Credit Party to a Subsidiary that is not a Subsidiary Guarantor (other than any Indebtedness (A) in respect of accounts payable incurred in connection with goods and services rendered in the ordinary course of business or consistent with past practice (and not in connection with the borrowing of money) or (B) in connection with cash management tax or accounting operations of the Borrower and its Restricted Subsidiaries) shall be evidenced by the Intercompany Note and (ii) Indebtedness in respect of shares of Disqualified Capital Stock of a Restricted Subsidiary issued to the Borrower or another Restricted Subsidiary; provided that any subsequent issuance or transfer of any Capital Stock or any other event that results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer (other than the incurrence of a lien permitted by Section 10.2) of any such shares of Disqualified Capital Stock (except to the Borrower or another of the Restricted Subsidiaries or any pledge of such Capital Stock constituting a lien permitted by Section 10.2 (but not foreclosure thereon)) shall be deemed in each case to be an issuance of such shares of Disqualified Capital Stock (to the extent such Disqualified Capital Stock is then outstanding) not permitted by this clause;

(z) Indebtedness in respect of commercial letters of credit obtained in the ordinary course of business or consistent with past practice;

(aa) 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 or consistent with past practice;

(bb) customer deposits and advance payments received in the ordinary course of business from customers for goods or services purchased in the ordinary course of business or consistent with past practice;

(cc) Indebtedness Incurred in connection with bankers' acceptances, discounted bills of exchange or the discounting or factoring of receivables for credit management purposes, in each case Incurred or undertaken in the ordinary course of business or consistent with past practice on arm's length commercial terms on a recourse basis;

(dd) Indebtedness of the Borrower or any Restricted Subsidiary undertaken in connection with cash management and related activities with respect to any Subsidiary or Joint Venture in the ordinary course of business or consistent with past practice;

(ee) Indebtedness arising solely as a result of the existence of any Lien (other than for Liens securing debt for borrowed money) permitted under Section 10.2;

(ff) Indebtedness of any Receivables Subsidiary arising under a Qualified Receivables Facility;

(gg) Indebtedness to the seller of any business or assets permitted to be acquired by the Borrower or any Restricted Subsidiary under this Agreement; provided that, at the time of the Incurrence thereof and after giving pro forma effect to such Incurrence and other transactions and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding in reliance on this Section 10.1(gg) shall not exceed the greater of (x) $13,000,000 and (y) 8.125% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(hh) obligations in respect of Disqualified Capital Stock; provided that, at the time of the Incurrence thereof and after giving pro forma effect to such Incurrence and other transactions and the use of the proceeds thereof, the aggregate principal amount of Indebtedness then outstanding under this clause (hh) shall not exceed the greater of (x) $13,000,000 and (y) 8.125% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date of Incurrence (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(ii) unfunded pension fund and other employee benefit plan obligations and liabilities incurred in the ordinary course of business to the extent they do not result in an Event of Default under Section 11.6;

(jj) endorsement of instruments or other payment items for deposit in the ordinary course of business;

(kk) performance guarantees of the Borrower and its Restricted Subsidiaries primarily guaranteeing performance of contractual obligations of the Borrower or Restricted Subsidiaries to a third party and not primarily for the purpose of guaranteeing payment of Indebtedness;

(ll) obligations in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Subsidiary of the Borrower 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;

(mm) Indebtedness owing to any landlord in connection with the financing by such landlord of tenant improvements;

(nn) Indebtedness incurred by the Borrower or any Restricted Subsidiary to the extent that the Net Cash Proceeds are deposited with a trustee or other representative to satisfy any underlying Obligations under the Credit Documents;

(oo) Indebtedness attributable to (but not incurred to finance) the exercise of appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto, in each case with respect to any Acquisition (by merger, consolidation or amalgamation or otherwise) permitted under this Agreement; and

(pp) all customary premiums (if any), interest (including post-petition and capitalized interest), fees, expenses, charges and additional or contingent interest on obligations described in each of the clauses of this Section 10.1.

For purposes of determining compliance with this Section 10.1, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Indebtedness described in clauses (a) through (pp) above, the Borrower shall, in its sole discretion, classify and reclassify or later divide, classify or reclassify all or a portion of such item of Indebtedness (or any portion thereof and including as between the Incremental Base Amount and the Incremental Ratio Debt Amount) in a manner that complies with this Section 10.1 and will only be required to include the amount and type of such Indebtedness in one or more of the above clauses; provided that all Indebtedness outstanding under the Credit Documents and any Credit Agreement Refinancing Indebtedness Incurred to Refinance (in whole or in part) such Indebtedness will be deemed to have been Incurred in reliance only on the exception set forth in Section 10.1(a) (but without limiting the right of the Borrower to classify and reclassify, or later divide, classify or reclassify, Indebtedness incurred under Section 2.14 or Section 10.1(u) as between the Incremental Base Amount and the Incremental Ratio Debt Amount); provided, further, that if the Consolidated First Lien Debt to Consolidated EBITDA Ratio for the incurrence of any such Indebtedness would be satisfied on a pro forma basis as of the end of any subsequent fiscal quarter after such incurrence, the reclassification described in this paragraph shall be deemed to have occurred automatically. The accrual of interest, the accretion of accreted value and the payment of interest in the form of additional Indebtedness shall not be deemed to be an Incurrence of Indebtedness for purposes of this Section 10.1.

At the time of Incurrence, the Borrower will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the paragraphs above.

10.2 Limitation on Liens. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien that secures obligations under any Indebtedness upon any property or assets of any kind (real or personal, tangible or intangible) of the Borrower or any Restricted Subsidiary, whether now owned or hereafter acquired, except:

(a) Liens created pursuant to (i) the Credit Documents to secure the Obligations or permitted in respect of any Mortgaged Property by the terms of the applicable Mortgage, (ii) the Permitted Additional Debt Documents securing Permitted Additional Debt Obligations permitted to be Incurred under Section 10.1(u) (provided that such Liens do not extend to any assets that are not Collateral) and (iii) the documentation governing any Credit Agreement Refinancing Indebtedness (provided that such Liens do not extend to any assets that are not Collateral); provided that, (A) in the case of Liens described in subclause (ii) or (iii) above securing Permitted Additional Debt Obligations that are, or are intended to be, secured by Liens on the Collateral that rank senior in priority to the Liens on the Collateral securing the Obligations, the applicable Permitted Additional Debt Secured Parties (or a representative thereof on behalf of such holders) shall have entered into a Customary Intercreditor Agreement of the type described in clause (b) of the definition thereof with the Administrative Agent and/or the Collateral Agent which agreement shall provide that the Liens on the Collateral securing such Permitted Additional Debt Obligations shall rank senior in priority to the Liens on the Collateral securing the Obligations, (B) in the case of Liens described in subclause (ii) or (iii) above securing Permitted Additional Debt Obligations or Credit Agreement Refinancing Indebtedness that constitute, or are intended to constitute, Second Lien Obligations, the applicable Permitted Additional Debt Secured Parties or parties to such Credit Agreement Refinancing Indebtedness (or a representative thereof on behalf of such holders) shall have entered into a Customary Intercreditor Agreement of the type

described in clause (a) of the definition thereof with the Administrative Agent and/or Collateral Agent which agreement shall provide that the Liens on the Collateral securing such Permitted Additional Debt Obligations or Credit Agreement Refinancing Indebtedness shall have the same priority ranking as the Liens on the Collateral securing the Obligations (but without regard to the control of remedies) and (C) in the case of Liens described in subclause (ii) or (iii) above securing Permitted Additional Debt Obligations or Credit Agreement Refinancing Indebtedness that are, or are intended to be, secured by Liens on the Collateral that rank junior in priority to the Liens on the Collateral securing the Obligations and any other Second Lien Obligations, the applicable Permitted Additional Debt Secured Parties or parties to such Credit Agreement Refinancing Indebtedness (or a representative thereof on behalf of such holders) shall have entered into a Customary Intercreditor Agreement of the type described in clause (c) of the definition thereof with the Administrative Agent and/or Collateral Agent which agreement shall provide that the Liens on the Collateral securing such Permitted Additional Debt Obligations or Credit Agreement Refinancing Indebtedness, as applicable, shall rank junior in priority to the Liens on the Collateral securing the Obligations and any other Second Lien Obligations. Without any further consent of the Lenders, the Administrative Agent and the Collateral Agent shall be authorized to negotiate, execute and deliver on behalf of the Secured Parties any Customary Intercreditor Agreement or any amendment (or amendment and restatement) to the Security Documents or a Customary Intercreditor Agreement to the extent necessary to effect the provisions contemplated by this Section 10.2(a);

(b) Permitted Encumbrances;

(c) Liens securing Indebtedness permitted pursuant to Section 10.1(f) or Section 10.1(g) (including the interests of vendors and lessors under conditional sale and title retention agreements); provided that (i) such Liens attach concurrently with or within 270 days after the acquisition, lease, repair, replacement, restoration, construction, expansion or improvement (as applicable) of the property subject to such Liens or the making of the applicable Capital Expenditures, (ii) other than the property financed by such Indebtedness, such Liens do not at any time encumber any property, except for replacements thereof and accessions and additions to such property and ancillary rights thereto and the proceeds and the products thereof and customary security deposits, related contract rights and payment intangibles and other assets related thereto and (iii) with respect to Financing Lease Obligations, such Liens do not at any time extend to, or cover any assets (except for accessions and additions to such assets, replacements and products thereof and customary security deposits, related contract rights and payment intangibles), other than the assets subject to such Financing Lease Obligations and ancillary rights thereto; provided that individual financings of equipment provided by one lender may be cross collateralized to other financings of equipment provided by such lender;

(d) Liens on property and assets existing on the Closing Date or pursuant to agreements in existence on the Closing Date and listed on Schedule 10.2 or, to the extent not listed in such Schedule, such property or assets have a Fair Market Value that does not exceed $10,000,000 in the aggregate; provided that (i) such Lien does not extend to any other property or asset of the Borrower or any Restricted Subsidiary, other than (A) after acquired property that is affixed or incorporated into the property covered by such Lien or financed by Indebtedness or subject to a Lien securing Indebtedness, in each case, permitted by Section 10.1, the terms of which Indebtedness require or include a pledge of after-acquired property (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) and (B) the proceeds and products thereof and (ii) such Lien shall secure only those obligations that such Liens secured on the Closing Date and any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness permitted by Section 10.1;

(e) the modification, Refinancing, replacement, extension or renewal (or successive modifications, Refinancings, replacements, extensions or renewals) of any Lien permitted by clauses (c), (d), (f), (p), (t), (u), (bb) and (kk)of this Section 10.2 upon or in the same assets theretofore subject to such Lien other than (i) after-acquired property that is affixed or incorporated into the property covered by such Lien, (ii) in the case of Liens permitted by clauses (f), (t), (u), (bb) or (kk), after-acquired property subject to a Lien securing Indebtedness permitted under Section 10.1, the terms of which Indebtedness require or include a pledge of after-acquired property (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) and (iii) the proceeds and products thereof;

(f) Liens existing on the assets, or shares of Capital Stock, of any Person that becomes a Restricted Subsidiary (including by designation as a Restricted Subsidiary pursuant to Section 9.15), or existing on assets acquired, pursuant to an Acquisition or other Investment permitted under Section 10.5 or Section 10.6 to the extent the Liens on such assets secure Indebtedness permitted by Section 10.1(j); provided that such Liens attach at all times only to the same assets that such Liens attached to (other than (i) after-acquired property that is affixed or incorporated into the property covered by such Lien, (ii) after-acquired property subject to a Lien securing Indebtedness permitted under Section 10.1(j), the terms of which Indebtedness require or include a pledge of after-acquired property (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) and (iii) the proceeds and products thereof), and secure only, the same Indebtedness or obligations (or any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness permitted by Section 10.1) that such Liens secured, immediately prior to such Acquisition or such other Investment, as applicable;

(g) Liens arising out of any license, sublicense or cross-license (including of any Intellectual Property) permitted under Section 10.4;

(h) Liens securing Indebtedness or other obligations of the Borrower or a Restricted Subsidiary in favor of the Borrower or any Restricted Subsidiary;

(i) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business and (iii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right to set off) and which are within the general parameters customary in the banking industry;

(j) Liens (i) on advances of cash or Cash Equivalents in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 10.5 or Section 10.6 to be applied against the purchase price for such Investment (or to secure letters of credit, bank guarantee or similar instruments posted or issued in respect thereof), and (ii) consisting of an agreement to sell, transfer, lease or otherwise Dispose of any property in a transaction permitted under Section 10.4, in each case, solely to the extent such Investment or sale, Disposition, transfer or lease, as the case may be, would have been permitted on the date of the creation of such Lien;

(k) (i) Liens arising out of conditional sale, title retention (including any security or quasi-security arising under any retention of title, extended retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods or, in the case of an extended retention of title arrangement, receivables resulting from the sale of such goods supplied to the Borrower or any of the Restricted Subsidiaries in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by the Borrower or any of the Restricted Subsidiaries), consignment or similar arrangements for sale of property and bailee arrangements entered into by the Borrower or any of the Restricted Subsidiaries in the ordinary course of business permitted by this Agreement and (ii) Lien arising by operation of Applicable Law under Article 2 of the Uniform Commercial Code (or any similar provision under any other Applicable Law) in favor of a seller or buyer of goods;

(l) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.5; provided that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;

(m) Liens that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the Incurrence of Indebtedness, (B) relating to pooled deposit, automatic clearing house or sweep accounts of the Borrower or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Borrower and the Restricted Subsidiaries, (C) against credit balances of the Borrower or any Restricted Subsidiary with credit card issuers or credit card processor or amounts owing by credit card issuers or credit card processors to the Borrower or any Restricted Subsidiary to secure the obligations of the Borrower or any Restricted Subsidiary in respect of fees and chargebacks, or (D) relating to purchase orders and other agreements entered into with customers of the Borrower or any Restricted Subsidiary in the ordinary course of business or consistent with past practice; provided that, Liens permitted pursuant to this clause (m) may be first priority Liens and not subject to any Lien or security interest securing the Obligations;

(n) Liens (i) solely on any earnest money deposits of cash or Cash Equivalents made by the Borrower or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder or to secure any letter of credit, bank guarantee or similar instrument issued or posted in respect thereof and (ii) consisting of an agreement to Dispose of any property in a transaction permitted under Section 10.4;

(o) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto and Liens on deposits made or secured provided in the ordinary course of business or consistent with past practice to secure liability to insurance carriers;

(p) Liens on property subject to Sale Leasebacks and customary security deposits, related contract rights and payment intangibles related thereto;

(q) the prior rights of consignees and their lenders under consignment arrangements entered into in the ordinary course of business or consistent with past practice;

(r) agreements to subordinate any interest of the Borrower or any Restricted Subsidiary in any accounts receivable or other proceeds arising from inventory consigned by the Borrower or any Restricted Subsidiary pursuant to an agreement entered into in the ordinary course of business;

(s) (i) Liens on Capital Stock in Joint Ventures or similar arrangements securing obligations of such Joint Ventures or similar arrangements or pursuant to any Joint Ventures or similar agreements and (ii) to the extent constituting Liens, transfer restrictions, purchase options, rights of first refusal, tag or drag, put or call or similar rights of minority holders or Joint Ventures partners, in each case under partnership, limited liability coverage, Joint Venture or similar Organizational Documents;

(t) Liens with respect to property or assets of any Non-Credit Party securing Indebtedness or other obligations of a Non-Credit Party;

(u) Liens not otherwise permitted by this Section 10.2; provided that, at the time of the incurrence thereof and after giving pro forma effect thereto and the use of proceeds thereof, the aggregate amount of Indebtedness and other obligations then outstanding and secured thereby (when aggregated with the principal amount of Indebtedness secured by Liens Incurred in reliance on, and then outstanding under, Section 10.2(e) above in respect of a Refinancing of Indebtedness previously secured under this Section 10.2(u)) does not exceed, except as contemplated by the definition of "Permitted Refinancing Indebtedness", the greater of (x) $65,000,000 and (y) 40.625% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to such date such Lien is created, incurred, assumed or suffered to exist (measured as such date) based upon the Internal Financial Statements most recently available on or prior to such date; provided that, if such Liens are consensual Liens that are secured by Collateral (other than cash and Cash Equivalents), then the Borrower may elect to have the holders of the Indebtedness or other obligations secured thereby (or a representative or trustee on their behalf) enter into a Customary Intercreditor Agreement providing that such Liens on the Collateral (other than cash and Cash Equivalents) securing such Indebtedness or other obligations shall rank, at the option of the Borrower, either senior in priority to, equal in priority (but without regard to the control of remedies) with, or junior to, the Liens on the Collateral (other than cash and Cash Equivalents) securing the Obligations. Without any further consent of the Lenders, the Administrative Agent and the Collateral Agent shall be authorized to negotiate, execute and deliver on behalf of the Secured Parties any Customary Intercreditor Agreement or any amendment (or amendment and restatement) to the Security Documents or a Customary Intercreditor Agreement to the extent necessary to effect the provisions contemplated by this Section 10.2(u);

(v) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts maintained in the ordinary course of business and, at the time of incurrence thereof, not for speculative purposes;

(w) Liens on cash and Cash Equivalents used to defease or to satisfy or discharge Indebtedness; provided such defeasance or satisfaction or discharge is permitted under this Agreement;

(x) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business or consistent with past practice;

(y) Liens securing commercial letters of credit permitted pursuant to Section 10.1(z);

(z) Liens on Capital Stock of an Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary;

(aa) Liens securing Hedging Agreements submitted for clearing in accordance with Applicable Law;

(bb) Liens securing Indebtedness permitted under Section 10.1; provided that, subject to Section 1.10, after giving pro forma effect to the Incurrence of any such Liens and the Incurrence of such Indebtedness and to any Acquisition, Investment, Specified Transaction or Specified Restructuring to be consummated in connection therewith, the Borrower and Restricted Subsidiaries shall be in compliance on a pro forma basis with (A) in the case of any Indebtedness that is secured by Liens on the Collateral that constitutes or is intended to constitute First Lien Obligations, a Consolidated First Lien Debt to Consolidated EBITDA Ratio that is no greater than 4.50:1.00, (B) in the case of any Indebtedness that is secured by Liens on the Collateral that does not constitute or is not intended to constitute First Lien Obligations, a Consolidated Secured Debt to Consolidated EBITDA Ratio that is no greater than 5.50:1.00 and (C) in the case of any other Indebtedness secured by Liens on assets not constituting Collateral, a Consolidated Secured Debt to Consolidated EBITDA Ratio of no greater than 6.00:1.00, in each case as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of such Incurrence, as if such Incurrence, Acquisition, Investment, and any Specified Transaction or Specified Restructuring to be consummated in connection therewith occurred on the first day of such Test Period; provided, further, that, if such Liens are consensual Liens that are secured by the Collateral (other than cash and Cash Equivalents), then the Borrower may elect to have the holders of the Indebtedness or other obligations secured thereby (or a representative or trustee on their behalf) enter into a Customary Intercreditor Agreement providing that the Liens on the Collateral (other than cash and Cash Equivalents) securing such Indebtedness or other obligations shall rank, at the option of the Borrower, senior in priority to, equal in priority (but without regard to the control of remedies) with, or junior to, the Liens on the Collateral (other than cash and Cash Equivalents) securing the Obligations. Without any further consent of the Lenders, the Administrative Agent and the Collateral Agent shall be authorized to negotiate, execute and deliver on behalf of the Secured Parties any Customary Intercreditor Agreement or any amendment (or amendment and restatement) to the Security Documents or a Customary Intercreditor Agreement to the extent necessary to effect the provisions contemplated by this Section 10.2(bb);

(cc) with respect to any Foreign Subsidiary, Liens arising mandatorily by legal requirements (and not as a result of under-capitalization of such Foreign Subsidiary);

(dd) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other Indebtedness permitted to be incurred hereunder (or the underwriters or arrangers thereof) or on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose;

(ee) Liens on vehicles or equipment of the Borrower or any of the Restricted Subsidiaries granted in the ordinary course of business;

(ff) Liens on accounts receivable and related assets, incurred in connection with a Qualified Receivables Facility;

(gg) Liens securing obligations in respect of any overdraft and related liabilities arising from treasury, depository and cash management services or any automated clearing house transfers of funds or in respect of any credit card or similar services incurred in the ordinary course of business or consistent with past practice;

(hh) Liens representing (i) any interest or title of a licensor, lessor or sublicensor or sublessor under any lease or license permitted by this Agreement, (ii) any Lien or restriction that the interest or title of such lessor, licensor, sublessor or sublicensor may be subject to, or (iii) the interest of a licensee, lessee, sublicensee or sublessee arising by virtue of being granted a license or lease permitted by this Agreement;

(ii) Liens granted pursuant to a security agreement between the Borrower or any Restricted Subsidiary and a licensee of Intellectual Property to secure the damages, if any, of such licensee resulting from the rejection of the license of such licensee in a bankruptcy, reorganization or similar proceeding with respect to the Borrower or such Restricted Subsidiary;

(jj) utility and similar deposits in the ordinary course of business;

(kk) Liens securing any Hedging Obligations under any Hedging Agreement so long as the Fair Market Value of the Collateral securing such Hedging Obligations does not exceed the greater of (x) $32,500,000 and (y) 20.3125% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such Lien is created, incurred, assumed or suffered to exist (measured as such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(ll) Liens arising in connection with rights of dissenting equityholders pursuant to Applicable Law in respect of the Transactions, a Permitted Change of Control or any other Acquisition;

(mm) Liens arising solely by virtue of any statutory or common law provision or from customary contractual provisions (such as banks' general terms and conditions) relating to banker's liens, rights of set-off or similar rights;

(nn) Liens on cash and Cash Equivalents arising in connection with the defeasance, discharge or redemption of Indebtedness for no longer than 60 days prior to such defeasance, discharge or redemption, so long as such defeasance, discharge or redemption is not prohibited by the terms of this Agreement;

(oo) Liens securing Indebtedness permitted under Section 10.1(b); provided that such Liens are subject to the terms of the First Lien/Second Lien Intercreditor Agreement or such other Customary Intercreditor Agreement which sets forth the seniority of such Liens on the Collateral relative to the Liens on the Collateral securing the Obligations;

(pp) Liens securing rental payments under agreements for Financing Lease Obligations, which Financing Lease Obligations are permitted to be so secured;

(qq) customary Liens in favor of credit card companies pursuant to agreements therewith; and

(rr) Liens securing Indebtedness or other obligations in an amount not to exceed the amount permitted to be Incurred pursuant to Section 10.1(x).

For purposes of determining compliance with this Section 10.2, (A) Lien need not be incurred solely by reference to one category of Liens permitted by this Section 10.2 but are permitted to be incurred in part under any combination thereof and of any other available exemption, (B) in the event that Lien (or any portion thereof) meets the criteria of one or more of the categories of Liens permitted by this Section 10.2, the Borrower shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this Section 10.2 and (C) in the event that a portion of Indebtedness or other obligations secured by a Lien could be classified as secured in part pursuant to Section 10.2(bb) above (giving pro forma effect to the Incurrence of such portion of such Indebtedness or other obligations), the Borrower, in its sole discretion, may classify such portion of such Indebtedness (and any obligations in respect thereof) as having been secured pursuant to Section 10.2(bb) above and thereafter the remainder of the Indebtedness or other obligations as having been secured pursuant to one or more of the other clauses of this Section 10.2.

10.3 Limitation on Fundamental Changes. Except as expressly permitted by Section 10.4, 10.5 or 10.6, the Borrower will not and will not permit any of the Restricted Subsidiaries to, consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its business units, assets or other properties, except that:

(a) any Subsidiary of the Borrower or any other Person (other than Holdings) may be merged, amalgamated or consolidated with or into the Borrower or the Borrower may Dispose of all or substantially all of its business units, assets and other properties; provided that (i) the Borrower shall be the continuing or surviving Person or, in the case of a merger, amalgamation or consolidation where the Borrower is not the continuing or surviving Person, the Person formed by or surviving any such merger, amalgamation or consolidation (if other than the Borrower) or in connection with a Disposition of all or substantially all of the Borrower's assets, the transferee of such assets or properties, shall, in each case, be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia or any territory thereof (the Borrower or such Person, as the case may be, being herein referred to as the "Successor Borrower"), (ii) the Successor Borrower (if other than the Borrower) shall expressly assume all the obligations of the Borrower under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, and (iii) if such merger, amalgamation, consolidation or Disposition involves the Borrower and a Person that, prior to the consummation of such merger, amalgamation, consolidation, or Disposition, is not a Restricted Subsidiary of the Borrower (A) subject to Section 1.10, no Event of Default under Section 11.1 or Section 11.5 has occurred and is continuing on the date of such merger, amalgamation, consolidation or Disposition or would result from the consummation of such merger, amalgamation, consolidation or Disposition, (B) each Guarantor, unless it is the other party to such merger, amalgamation, consolidation or Disposition or unless the Successor Borrower is the Borrower, shall have confirmed by a supplement to the Guarantee that its Guarantee shall apply to the Successor Borrower's obligations under this Agreement, (C) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation, consolidation or Disposition or unless the Successor Borrower is the Borrower, shall have by a supplement to the Credit Documents confirmed that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, (D) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation, consolidation or Disposition or unless the Successor Borrower is the Borrower, shall have by an amendment to or restatement of the Mortgage confirmed that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, (E) the Borrower shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation, consolidation or Disposition and any supplements to the Credit Documents preserve the

enforceability of the Guarantee and the perfection of the Liens on the Collateral under the Security Documents, (F) if reasonably requested by the Administrative Agent, the Borrower shall be required to deliver to the Administrative Agent an opinion of counsel to the effect that such merger, amalgamation, consolidation or Disposition does not breach or result in a default under this Agreement or any other Credit Document and (G) such merger, amalgamation, consolidation or Disposition shall comply with all the conditions set forth in the definition of the term "Permitted Acquisition" or is otherwise permitted under Section 10.5 or Section 10.6; provided, further, that, if the foregoing are satisfied, the Successor Borrower (if other than the Borrower) will succeed to, and be substituted for, the Borrower under this Agreement (provided, further, that, in the event of a Disposition of all or substantially all of the Borrower's assets or property to a Successor Borrower (which is not the Borrower) as set forth above and notwithstanding anything to the contrary in Section 13.6(a), if the original Borrower retains any assets or property other than immaterial assets or property after such Disposition, such original Borrower shall remain obligated as a co-Borrower along with the Successor Borrower hereunder);

(b) any Subsidiary of the Borrower or any other Person (other than Holdings) may be merged, amalgamated or consolidated with or into any one or more Restricted Subsidiaries of the Borrower or any Restricted Subsidiary may Dispose of all or substantially all of its business units, assets and other properties; provided that, (i) in the case of any merger, amalgamation, consolidation or Disposition involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or the transferee of such assets or (B) the Borrower shall take all steps necessary to cause the Person formed by or surviving any such merger, amalgamation, consolidation or the transferee of such assets and properties (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation, consolidation or Disposition involving one or more Subsidiary Guarantors, if the surviving Person formed by or surviving such merger, amalgamation or consolidation or the transferee of such assets and properties is a Non-Credit Party, then any Indebtedness of any Subsidiary Guarantor assumed by such surviving Person or the transferee of such assets and properties shall be deemed an Incurrence of Indebtedness upon completion of such transaction and such transaction shall be permitted only if such Incurrence is permitted under Section 10.1 of this Agreement (without giving effect to Section 10.1(j) and (iii) if such merger, amalgamation, consolidation or Disposition involves a Restricted Subsidiary and a Person that, prior to the consummation of such merger, amalgamation, consolidation or Disposition, is not a Restricted Subsidiary of the Borrower, (A) subject to Section 1.10, no Event of Default under Section 11.1 or Section 11.5 has occurred and is continuing on the date of such merger, amalgamation, consolidation or Disposition or would result from the consummation of such merger, amalgamation, consolidation or Disposition, (B) the Borrower shall have delivered to the Administrative Agent a certificate of an Authorized Officer stating that such merger, amalgamation, consolidation or Disposition and such supplements to any Credit Document preserve the enforceability of the Guarantees and the perfection and priority of the Liens under the Security Documents and (C) such merger, amalgamation, consolidation or Disposition shall comply with all the conditions set forth in the definition of the term "Permitted Acquisition" or is otherwise permitted under Section 10.4, Section 10.4(d) or Section 10.6;

(c) any Restricted Subsidiary may (i) merge, amalgamate or consolidate with or into any other Restricted Subsidiary and (ii) Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the Borrower or any other Restricted Subsidiary of the Borrower;

(d) the Transactions may be consummated;

(e) any Restricted Subsidiary may liquidate or dissolve or change its legal form if (x) the Borrower determines in good faith that such liquidation or dissolution or change of legal form is in the best interests of the Borrower and is not materially disadvantageous to the Lenders and (y) any assets or business not otherwise Disposed of or transferred in accordance with Section 10.4, Section 10.4(d) or Section 10.6, or, in the case of any such business, discontinued, shall be transferred to, or otherwise owned or conducted by, the Borrower or another Restricted Subsidiary after giving effect to such liquidation or dissolution or change of legal form; and

(f) the Borrower and the Restricted Subsidiaries may consummate a merger, dissolution, liquidation, consolidation, amalgamation or Disposition, the purpose of which is to (i) effect a Disposition permitted pursuant to Section 10.4 (other than 10.4(h)), (ii) reorganize or reincorporate any such Person in the United States, any state thereof, the District of Columbia or any territory thereof, (iii) effect any Holdings Termination Event in accordance with Section 1.11(h) or (iv) convert into a Person organized or existing under the laws of the jurisdiction of organization of such Person or another jurisdiction of the United States, any state thereof, the District of Columbia or any territory thereof; provided that, with respect to any of the actions described in clauses (ii) and (iv) above, the Borrower or applicable Restricted Subsidiary shall have complied with Section 4.2 of the Security Agreement.

10.4 Limitation on Sale of Assets. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, (i) convey, sell, lease, assign, transfer, license or otherwise dispose of any of its property, business or assets (including receivables and including pursuant to a Sale Leaseback and including any disposition of property or assets to a Divided LLC pursuant to an LLC Division), whether now owned or hereafter acquired (each, a "Disposition") (other than any such Disposition resulting from a Recovery Event), or (ii) sell to any Person (other than to the Borrower or a Restricted Subsidiary) any shares owned by it of any of their respective Restricted Subsidiaries' Capital Stock, except that:

(a) the Borrower and the Restricted Subsidiaries may sell, lease, assign, transfer, license, abandon, allow the expiration or lapse of, or otherwise Dispose of, the following: (i) obsolete, worn-out, damaged, uneconomic, no longer commercially desirable, used or surplus assets, rights and properties and other assets, rights and properties that are held for sale or no longer used, useful or necessary for the operation of the Borrower's and its Subsidiaries' business, (ii) inventory, equipment, service agreements, product sales, securities and goods held for sale or other immaterial assets in the ordinary course of business, (iii) cash, Cash Equivalents and Investment Grade Securities in the ordinary course of business, (iv) books of business, client lists or related goodwill in connection with the departure of related employees or producers in the ordinary course of business and (v) any such other assets or Capital Stock to the extent that the aggregate Fair Market Value of such assets sold in any single transaction or series of related transactions does not exceed the greater of (x) $6,500,000 and (y) 4.0625% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such assets are Disposed (measured as of the date such assets are Disposed) based upon the Internal Financial Statements most recently available on or prior to such date;

(b) the Borrower and the Restricted Subsidiaries may (i) enter into non-exclusive licenses, sublicenses or cross-licenses of Intellectual Property including in connection with a research and development agreement in which the other party receives a license to Intellectual Property that results from such agreement, (ii) exclusively license, sublicense or cross-license Intellectual Property if done in the ordinary course of business or consistent with past practice of the Borrower and its Restricted Subsidiaries, (iii) Dispose of Intellectual Property under a research and development agreement in which the other party receives a license to Intellectual

Property that results from such agreement and (iv) assign, lease, sublease, license or sublicense any real or personal property or terminate or allow to lapse any such assignment, lease, sublease, license or sublicense, other than any Intellectual Property, but including in connection with the closure or discontinuation of operations at any Grocery Store, in the ordinary course of business or consistent with past practice;

(c) the Borrower and the Restricted Subsidiaries may sell, transfer or otherwise Dispose of other assets for Fair Market Value; provided that (i) with respect to any Disposition pursuant to this Section 10.4(c) for a purchase price in excess of the greater of (x) $31,200,000 and (y) 19.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such assets are Disposed (measured as of the date such assets are Disposed) based upon the Internal Financial Statements most recently available on or prior to such date, not less than 75% of the aggregate consideration therefor from such Disposition, together with all other Dispositions made since the Closing Date under this Section 10.4(c) (on a cumulative basis), received by the Borrower and its Restricted Subsidiaries shall be in the form of cash or Cash Equivalents; provided that, for purposes of determining what constitutes cash under this clause (i), (A) any liabilities (as shown on the Borrower's or such Restricted Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto or if accrued or incurred subsequent to the date of such balance sheets, such liabilities would have been shown on the Borrower's or such Restricted Subsidiary's balance sheet or in the footnotes thereto as if such accrual or incurrence had taken place on or prior to the date of such balance sheet, as determined in good faith by the Borrower) of the Borrower or such Restricted Subsidiary, other than liabilities that are by their terms subordinated to the payment in cash of the Obligations, that are assumed by the transferee with respect to the applicable Disposition and for which the Borrower and all of the Restricted Subsidiaries shall have been validly released by all applicable creditors in writing shall be deemed to be cash or Cash Equivalents, (B) any securities, notes or other obligations received by the Borrower or such Restricted Subsidiary from such transferee that are converted by the Borrower or such Restricted Subsidiary into cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received) within 180 days following the closing of the applicable Disposition shall be deemed to be cash or Cash Equivalents and (C) any Designated Non-Cash Consideration received by the Borrower or such Restricted Subsidiary in respect of the applicable Disposition having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (C) that is outstanding at the time such Designated Non-Cash Consideration is received, not in excess of the greater of (x) $26,000,000 and (y) 16.25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such assets are Disposed (measured as of the date such assets are Disposed) based upon the Internal Financial Statements most recently available on or prior to such date, 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 or Cash Equivalents, (ii) any non-cash proceeds received in the form of Indebtedness or Capital Stock are pledged to the Collateral Agent to the extent required under Section 9.11, and (iii) to the extent applicable, the Net Cash Proceeds thereof are promptly offered to prepay the Term Loans to the extent required by Section 5.2(a)(i);

(d) the Borrower and the Restricted Subsidiaries may (i) Dispose of, discount, forgive or write off accounts receivable, notes receivable or other current assets in the ordinary course of business or convert accounts receivable to notes receivable or make other Dispositions of accounts receivable in connection with the compromise or collection thereof and (ii) sell or transfer accounts receivable so long as the Net Cash Proceeds of any sale or transfer pursuant to this clause (ii) are offered to prepay the Term Loans pursuant to Section 5.2(a)(i);

(e) the Borrower and the Restricted Subsidiaries may Dispose of properties, rights or assets (including the Disposition or issuance of Capital Stock) to the Borrower or to a Restricted Subsidiary; provided that, if the transferor of such property, right or asset is the Borrower or a Subsidiary Guarantor and the transferee thereof is a Restricted Subsidiary that is not a Subsidiary Guarantor, then the Indebtedness of such transferor assumed by such transferee shall be deemed an Incurrence of Indebtedness upon completion of such transaction and such transaction shall be permitted only if such Incurrence is permitted under Section 10.1 (without giving effect to Section 10.1(j));

(f) the Borrower and the Restricted Subsidiaries may Dispose of property (including like-kind exchanges) to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are promptly applied to the purchase price of such replacement property;

(g) the Borrower and the Restricted Subsidiaries may sell, transfer and otherwise Dispose 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;

(h) the Borrower and the Restricted Subsidiaries may effect any transaction permitted by Section 10.2(bb), 10.4(d) or 10.5(l) and may create, incur, assume or suffer to exist Liens permitted by Section 10.2;

(i) the Borrower and the Restricted Subsidiary may transfer property subject to Recovery Events, including foreclosures, condemnation, expropriation, forced disposition, eminent domain or any similar action with respect to assets;

(j) the Borrower and the Restricted Subsidiaries may make Dispositions listed on Schedule 10.4 and Dispositions of (i) non-core or obsolete assets acquired in connection with Acquisitions or other Investments that are not used or useful in, or are surplus to, the business of the Borrower and the Restricted Subsidiaries, (ii) other assets acquired in connection with Acquisitions or other Investments permitted under this Agreement for Fair Market Value; provided that any such Dispositions referred to in this clause (ii) shall be made or contractually committed to be made within 365 days of the date such assets were acquired by the Borrower or such Restricted Subsidiary or (iii) made in connection with the approval of any applicable antitrust authority or otherwise necessary or advisable in the good faith determination of the Borrower to consummate any Acquisition under this Agreement;

(k) the Borrower and the Restricted Subsidiaries may unwind or terminate any Hedging Agreement or Cash Management Agreement and allow for the expiration of any options agreement with respect to any Real Property or personal property;

(l) the Borrower and the Restricted Subsidiaries may make Dispositions of residential Real Property and related assets in connection with relocation activities for officers, managers, consultants, directors, employees or independent contractors (or their Immediate Family Members) of Holdings (or any Parent Entity thereof or any Equityholding Vehicle), the Borrower and the Restricted Subsidiaries;

(m) the Borrower and the Restricted Subsidiaries may issue directors' qualifying shares and shares issued to foreign nationals, in each case as required by Applicable Laws;

(n) the Borrower and the Restricted Subsidiaries may enter into any netting arrangement of accounts receivable between or among the Borrower and its Restricted Subsidiaries or among Restricted Subsidiaries of the Borrower made in the ordinary course of business;

(o) the Borrower and the Restricted Subsidiaries may allow the lapse of, abandon, cancel or cease to maintain or cease to enforce Intellectual Property rights that are no longer (i) used, useful or necessary for the on-going business of the Borrower and its Restricted Subsidiaries, (ii) economically practicable or commercially reasonable to maintain or (iii) in the best interest of or material for the operation of the Borrower's and the Restricted Subsidiaries' businesses (including by allowing any registrations or any applications for registration thereof to lapse), in each case in the ordinary course of business or consistent with past practice in the reasonable business judgment of the Borrower;

(p) the Borrower and the Restricted Subsidiaries may surrender, terminate or waive any contract rights or surrender, waive, settle, modify, compromise or release any contract rights, litigation claims or any other claims of any kind (including in tort) in the ordinary course of business;

(q) the Borrower and the Restricted Subsidiaries may make Dispositions or issuances of the Capital Stock in, Indebtedness of, or other securities issued by, an Unrestricted Subsidiary;

(r) the Borrower and the Restricted Subsidiaries may effect Sale Leasebacks;

(s) the Borrower may issue Qualified Capital Stock and, to the extent permitted by Section 10.1, Disqualified Capital Stock;

(t) the Borrower and the Restricted Subsidiaries may make Dispositions (including those of the type otherwise described herein) after the Closing Date in an aggregate amount not to exceed the greater of (x) $6,500,000 and (y) 4.0625% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior the date such assets are Disposed (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(u) 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;

(v) sales or transfers of accounts receivable, or participations therein and related assets, in connection with any Qualified Receivables Facility;

(w) sales or dispositions of Capital Stock of any Foreign Subsidiary in order to qualify members of the governing body of such Subsidiary if required by Applicable Law;

(x) samples, including time-limited evaluation software, provided to customers or prospective customers;

(y) de minimis amounts of equipment provided to employees;

(z) the Borrower and any Restricted Subsidiary may (i) terminate or otherwise collapse its cost sharing agreements with the Borrower or any Subsidiary and settle any crossing

payments in connection therewith, (ii) convert any intercompany Indebtedness to Capital Stock, (iii) transfer any intercompany Indebtedness to the Borrower or any Restricted Subsidiary (subject to applicable subordination terms if Indebtedness of a Credit Party is transferred to a non-Credit Party), (iv) settle, discount, write off, forgive or cancel any intercompany Indebtedness or other obligation owing by Holdings, the Borrower 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 Borrower 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;

(aa) the Borrower and the Restricted Subsidiaries may surrender or waive contractual rights and settle or waive contractual or litigation claims in the ordinary course of business or consistent with past practice;

(bb) the Borrower and the Restricted Subsidiaries may make nominal issuances of Capital Stock of Foreign Subsidiaries in an aggregate amount not to exceed 2.00% of all issued and outstanding Capital Stock of such Foreign Subsidiary on a fully-diluted basis;

(cc) the Borrower and the Restricted Subsidiaries may undertake or consummate any IPO Reorganization Transactions and any transaction related thereto or contemplated thereby and any Tax Restructuring; and

(dd) the Borrower and the Restricted Subsidiaries may make Dispositions of any asset between or among the Borrower and/or its Restricted Subsidiaries as a substantially concurrent interim Disposition in connection with a Disposition otherwise permitted pursuant to clauses (a) through (dd) above.

10.5 Limitation on Investments. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, make any Investment, except (each of the following exceptions, the "Permitted Investments"):

(a) extensions of trade credit, asset purchases (including purchases of inventory, Intellectual Property, supplies, materials or equipment or other similar assets), the lease or sublease of any asset and the licensing or sublicensing or contribution of Intellectual Property pursuant to joint marketing arrangements with other Persons, in each case in the ordinary course of business or consistent with past practice;

(b) Investments in assets constituting, or at the time of making such Investments were, cash or Cash Equivalents;

(c) loans and advances to officers, managers, directors, employees, consultants and independent contractors of Holdings (or any Parent Entity thereof), the Borrower or any of its Restricted Subsidiaries (i) to finance the purchase of Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle); provided that the amount of such loans and advances used to acquire such Capital Stock shall be contributed to the Borrower in cash as common equity, (ii) for reasonable and customary business related travel expenses, entertainment expenses, moving expenses and similar expenses or payroll expenses, in each case incurred in the ordinary course of business or consistent with past practice, and (iii) for additional purposes not contemplated by subclause (i) or (ii) above; provided that, after giving pro forma effect to the making of any such loan or advance, the aggregate principal amount of all loans and advances outstanding under this Section 10.5(c)(iii) shall not exceed the greater of (x) $26,000,000 and

(y) 16.25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such Investment is made (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(d) Investments (i) existing on the Closing Date or (ii) contemplated on the Closing Date or made pursuant to binding agreements in effect on the Closing Date to the extent listed on Schedule 10.5 and (iii) in the case of each of clauses (i) and (ii), any modification, replacement, renewal, extension or reinvestment thereof, so long as the aggregate amount of all Investments pursuant to this Section 10.5(d) is not increased at any time above the amount of such Investments or binding agreements existing or contemplated on the Closing Date, except pursuant to the terms of such Investment or binding agreements existing or contemplated as of the Closing Date (including as a result of the accrual or accretion of original issue discount or the issuance of payment-in-kind obligations) or as otherwise permitted by this Section 10.4(d) or Section 10.6;

(e) Investments in Hedging Agreements permitted by Section 10.1(i) and Cash Management Agreements permitted by Section 10.1;

(f) Investments acquired by the Borrower or any of the Restricted Subsidiaries (i) in exchange for any other Investment or accounts receivable held by the Borrower or any such Restricted Subsidiary in connection with or as a result of any bankruptcy, workout, reorganization or recapitalization suppliers, trade creditors or customers or in settlement of delinquent obligations and disputes with, or judgments against, or other disputes with, customers, trade creditors or suppliers, (ii) in satisfaction of judgments against other Persons, (iii) as a result of the foreclosure by the Borrower or any of the Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment or (iv) in compromise or resolution of (A) obligations of trade creditors, suppliers or customers that were incurred in the ordinary course of business or consistent with past practice of the Borrower or any Restricted Subsidiary, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor, supplier or customer, or (B) litigation, arbitration or other disputes;

(g) Investments to the extent that the payment for such Investments is made solely with the Capital Stock (other than Disqualified Capital Stock) of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) or the Borrower;

(h) Investments constituting non-cash proceeds of sales, transfers and other Dispositions of assets to the extent permitted by Sections 10.2(bb) and 10.4 (other than clause (h));

(i) (i) Investments by or among the Borrower or any Restricted Subsidiary in the Borrower or any other Restricted Subsidiary (including guarantees of obligations of the Borrower or any Restricted Subsidiary and any prepayments, repurchases, redemptions, defeasances, acquisitions and other similar payments of any Indebtedness of any such Person not prohibited by Section 10.7) and (ii) Investments by the Borrower or any Restricted Subsidiary in any Unrestricted Subsidiary or Joint Venture as valued at the Fair Market Value of such Investment at the time each such Investment is made; provided that the aggregate amount of such Investment (as so valued) shall not exceed the greater of (x) $65,000,000 and (y) 40.625% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such Investment is made (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(j) Investments consisting of advances, loans, rebates and extensions of credit in the nature of accounts receivable, notes receivable security deposits and prepayments (including prepayments of expenses) arising and trade credit granted in the ordinary course of business or consistent with past practice, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors and other deposits, prepayments and other credits to suppliers in the ordinary course of business or consistent with past practice;

(k) the Borrower may make a loan to Holdings (or any Parent Entity thereof or any Equityholding Vehicle) that could otherwise be made as a Restricted Payment (other than a Restricted Investment) to Holdings (or any Parent Entity thereof or any Equityholding Vehicle) under Section 10.5(l), so long as the amount of such loan is deducted from the amount available to be made as a Restricted Payment under the applicable clause of Section 10.5(l);

(l) Investments in the ordinary course of business consisting of UCC Article 3 endorsements for collection or deposit and UCC Article 4 customary trade arrangements with customers;

(m) advances of payroll payments to employees, consultants or independent contractors or other advances of salaries or compensation to officers, managers, employees, consultants or independent contractors, in each case in the ordinary course of business;

(n) Guarantees by the Borrower or any Restricted Subsidiary of leases or subleases (other than Financing Lease Obligations), Contractual Obligations or of other obligations that do not constitute Indebtedness, in each case entered into in the ordinary course of business or consistent with past practice;

(o) Investments made to acquire, purchase, repurchase, redeem, acquire or retire Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) or the Borrower owned by any employee equity ownership plan or key employee equity ownership plan of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) or the Borrower;

(p) Investments constituting Permitted Acquisitions;

(q) any additional Investments (including Investments in Minority Investments, Investments in Unrestricted Subsidiaries and Investments in Joint Ventures or similar entities that do not constitute Restricted Subsidiaries), as valued at the Fair Market Value of such Investment at the time each such Investment is made; provided that the aggregate amount of such Investment (as so valued) shall not cause the aggregate amount of all such Investments made pursuant to this Section 10.5(q) measured at the time such Investment is made, to exceed, after giving pro forma effect to such Investment, the sum of (i) the greater of (x) $91,000,000 and (y) 56.875% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior the date such Investment is made (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date, (ii) the Available Equity Amount at such time and (iii) the Available Amount at such time; provided, however, that if any Investment pursuant to this Section 10.5(q) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary or 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 Borrower or a Restricted Subsidiary, in each case, after such date, such Investment shall thereafter be deemed to have been made pursuant to Section 10.5(i)(i) above and shall cease to have been made pursuant to this Section 10.5(q) for so long as such Person continues to be a Restricted Subsidiary;

(r) Investments arising as a result of Sale Leasebacks;

(s) Investments held by any Person acquired by the Borrower or a Restricted Subsidiary after the Closing Date or of any Person merged, consolidated or amalgamated with or into the Borrower or merged, consolidated or amalgamated with or into a Restricted Subsidiary in accordance with Section 10.2(bb) after the Closing Date to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger, consolidation or amalgamation and were in existence on the date of such acquisition, merger, consolidation or amalgamation;

(t) Investments consisting of Indebtedness, fundamental changes, Dispositions, Restricted Payments (other than Restricted Investments) and debt payments permitted under Sections 10.1, 10.2(bb) (but only any lettered paragraphs thereof), 10.4 (other than 10.4(e) or 10.4(h) (as such Section 10.4(h) relates to Section 10.4(d))), 10.5(l) (other than 10.6(c)(i)) and 10.6(a);

(u) the forgiveness, capitalization or conversion to Qualified Capital Stock of any Indebtedness owed by the Borrower or any Restricted Subsidiary and permitted by Section 10.1;

(v) Restricted Subsidiaries of the Borrower may be established or created if the Borrower and such Restricted Subsidiary comply with the requirements of Sections 9.10, 9.11 and 9.14, if applicable; provided that, in each case, to the extent such new Restricted Subsidiary is created solely for the purpose of consummating a transaction pursuant to an acquisition permitted by this Section 10.4(d), and such new Restricted Subsidiary at no time holds any assets or liabilities other than any merger consideration contributed to it contemporaneously with the closing of such transactions, such new Restricted Subsidiary shall not be required to take the actions set forth in Sections 9.10, 9.11 and 9.14 until the respective acquisition is consummated (at which time the surviving entity of the respective transaction shall be required to so comply in accordance with the provisions thereof);

(w) Investments consisting of earnest money deposits required in connection with purchase agreements or other Acquisitions or similar Investments;

(x) Investments consisting of loans and advances to Holdings (or any Parent Entity or any Equityholding Vehicle) and its Subsidiaries in connection with the reimbursement of expenses incurred on behalf of the Borrower and its Restricted Subsidiaries in the ordinary course of business;

(y) Investment Grade Securities maturing no more than 24 months from the date of acquisition;

(z) contributions in connection with compensation arrangements to a “rabbi” trust for the benefit of employees, directors, partners, members, consultants, independent contractors or other service providers or other grantor trust subject to claims of creditors in the case of a bankruptcy of the Borrower or any of its Restricted Subsidiaries;

(aa) non-cash or non-Cash Equivalent Investments in connection with tax planning and reorganization activities; provided that, after giving pro forma effect to any such activities, the Liens on the Collateral securing the Obligations would not be materially impaired;

(bb) to the extent that they constitute Investments, purchases and acquisitions of inventory, supplies, materials or equipment or purchases, acquisitions, licenses, contributions or leases of other assets, Intellectual Property, or other rights, in each case in the ordinary course of business;

(cc) (i) loans and advances to customers in the ordinary course of business in respect of payment of insurance premiums, (ii) loans and advances to independent operators of Grocery Stores to provide funding for the ordinary course obligations of such independent operators and (iii) guarantees in respect of obligations of independent operators of Grocery Stores in an aggregate amount under clauses (ii) and (iii) of this clause (cc) not to exceed the greater of $52,000,000 and 32.50% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior the date such Investment is made (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date;

(dd) any Investment made in connection with the Transactions and any transactions in connection with the Existing Debt Refinancing;

(ee) Investments consisting of purchases and acquisitions of assets or services in the ordinary course of business;

(ff) Investments in the ordinary course of business consisting or consistent with past practice of endorsements for collection or deposit and customary trade arrangements with customers, vendors, suppliers, licensors, sublicensors, licensees and sublicensees;

(gg) Capital Expenditures permitted or not restricted under this Agreement;

(hh) deposits in the ordinary course of business to secure the performance of Non-Financing Lease Obligations or utility contracts, or in connection with obligations in respect of tenders, statutory obligations, surety, stay and appeal bonds, bids, licenses, leases, government contracts, trade contracts, performance and return-of-money bonds, completion guarantees and other similar obligations (exclusive of obligations for the payment of borrowed money) incurred in the ordinary course of business or consistent with past practice;

(ii) Investments made in the ordinary course of business in connection with (i) obtaining, maintaining or renewing client and customer contracts and (ii) loans or advances made to, and guarantees with respect to obligations of, independent operators, distributors, suppliers, licensors, sublicensors, licensees and sublicensees.

(jj) additional Investments so long as, subject to Section 1.10, after giving pro forma effect to such Investment, the Borrower and the Restricted Subsidiaries would be in compliance, on a pro forma basis, with a Consolidated Total Debt to Consolidated EBITDA Ratio, as such ratio is calculated as of the last day of the Test Period most recently ended on or prior to the date of the making of such Investment, as if such Investment and any other transactions being consummated in connection therewith occurred on the first day of such Test Period, of no greater than 5.45:1.00;

(kk) Investments in a Similar Business having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this Section 10.5(jj) that are at that time outstanding, not to exceed the greater of (x) $26,000,000 and (y) 16.25% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date of such Investment (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date; provided, however, that if any Investment pursuant to this Section 10.5(jj) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary or 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 Borrower or a Restricted Subsidiary, in each case, after such date, such investment shall thereafter be deemed to have been made pursuant to Section 10.5(i) above and shall cease to have been made pursuant to this Section 10.5(jj) for so long as such Person continues to be a Restricted Subsidiary;

(ll) to the extent not required to be applied to prepay the Term Loans in accordance with Section 5.2(a)(i), Investments made in accordance with clause (v) of the definition of "Net Cash Proceeds" with the proceeds received in connection with a Recovery Prepayment Event;

(mm) Investments resulting from pledges and deposits permitted by Sections 10.2(a)(i), 10.2(b) (with respect to clause (d) of the definition of "Permitted Encumbrances") and 10.1(n);

(nn) any Investment in any Subsidiary or any Joint Venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business or consistent with past practice;

(oo) Investments in deposit accounts and securities accounts in the ordinary course of business;

(pp) Investments solely to the extent such Investments reflect an increase in the value of Investments otherwise permitted under this Section 10.5;

(qq) the acquisition of additional Capital Stock of Restricted Subsidiaries from minority equityholders (it being understood that to the extent that any Restricted Subsidiary that is not a Credit Party is acquiring Capital Stock from minority equityholders, then this clause (pp) shall not in and of itself create, or increase the capacity under, any basket for Investments by Credit Parties in any Restricted Subsidiary that is not a Credit Party);

(rr) Investments in Capital Stock in any Subsidiary resulting from any sale, transfer or other Disposition by the Borrower or any Subsidiary permitted by Section 10.4, including as a result of any contribution from any Parent Entity or distribution to any Subsidiary of such Capital Stock;

(ss) Term Loans repurchased by the Borrower or a Restricted Subsidiary pursuant to and subject to immediate cancellation in accordance with this Agreement;

(tt) Guarantee obligations of the Borrower or any Restricted Subsidiary in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Restricted Subsidiary of the Borrower 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;

(uu) Investments in any Receivables Subsidiary that, in the good faith determination of the Borrower are necessary or advisable to effect any Qualified Receivables Facility or any repurchase obligation in connection therewith;

(vv) Additional Investments in an aggregate amount not to exceed the portion, if any, of the Restricted Payment Amount, on the relevant date of determination that the Borrower elects to apply pursuant to this clause (uu);

(ww) Acquisitions by the Borrower of obligations of one or more directors, officers, employees, member or management or consultants of Holdings, the Borrower or its Subsidiaries in connection with such Person's acquisition of Capital Stock of any Parent Entity or Equityholding Vehicle, so long as no cash is actually advanced by the Borrower or any of its Subsidiaries to such Person in connection with the acquisition of any such obligations;

(xx) Investments in the Borrower or any Restricted Subsidiary in connection with any Tax Restructuring; provided that, after giving effect to any such activities, the value of the Collateral, taken as a whole, and the value of the Guarantees, taken as a whole, would not be adversely impaired in any material respect; and

(yy) the Borrower and the Restricted Subsidiaries may undertake or consummate any IPO Reorganization Transaction and any transactions related thereto or contemplated thereby.

For purposes of determining compliance with this Section 10.5, (A) Investments need not be incurred solely by reference to one category of Investments permitted by this Section 10.5 but are permitted to be made in part under any combination thereof and of any other available exemption, (B) in the event that any Investment (or any portion thereof) meets the criteria of one or more of the categories of Investments permitted by this Section 10.5, the Borrower shall, in its sole discretion, classify or reclassify such Investment (or any portion thereof) in any manner that complies with the definition thereof and (C) in the event that a portion of any Investment could be classified as having been made pursuant to Section 10.5(ii) above (giving pro forma effect to the making of such Investment), the Borrower, in its sole discretion, may classify such portion of such Investment as having been made pursuant to Section 10.5(ii) above and thereafter the remainder of such Investment or as having been made pursuant to one or more of the other clauses of this Section 10.5.

10.6 Limitation on Restricted Payments. The Borrower will not pay any dividends (other than dividends payable solely in the Qualified Capital Stock of the Borrower) or return any capital to its equity holders or make any other distribution, payment or delivery of property or cash to its equity holders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any shares of any class of its Capital Stock or the Capital Stock of any Parent Entity or any Equityholding Vehicle now or hereafter outstanding (or any options or warrants or equity appreciation or similar rights issued with respect to any of its Capital Stock), or set aside any funds for any of the foregoing purposes (but excluding, in each case, the payment of compensation in the ordinary course of business to equity holders of any such Capital Stock who are employees of the Borrower or any Restricted Subsidiary), or permit the Borrower or any of the Restricted Subsidiaries to purchase or otherwise acquire for consideration (other than in connection with an Investment permitted by Section 10.4(d)) any shares of any class of the Capital Stock of any Parent Entity of the Borrower or any Equityholding Vehicle or the Capital Stock of the Borrower, now or hereafter outstanding (or any options or warrants or equity appreciation or similar

rights issued with respect to any of the Capital Stock of any Parent Entity of the Borrower or any Equityholding Vehicle or the Capital Stock of the Borrower) or make any Restricted Investment (all of the foregoing, "Restricted Payments"); provided that:

(a) (i) the Borrower may (or may pay Restricted Payments to permit any Parent Entity thereof or any Equityholding Vehicle to) redeem, repurchase, discharge, defease, retire or otherwise acquire in whole or in part any Capital Stock ("Treasury Capital Stock") of the Borrower or any Restricted Subsidiary or any Capital Stock of any Parent Entity or Equityholding Vehicle, in exchange for another class of Capital Stock or rights to acquire its Capital Stock or with proceeds from equity contributions or sales or issuances (other than to the Borrower or a Restricted Subsidiary) of Capital Stock of the Borrower or any Parent Entity or Equityholding Vehicle to the extent contributed to the Borrower (in each case other than Disqualified Capital Stock, "Refunding Capital Stock") made within 120 days of such contribution or sale or issuance of Refunding Capital Stock, (ii) if immediately prior to the retirement of Treasury Capital Stock, the declaration and payment of dividends or distributions thereon was permitted under Section 10.6(aa), the declaration and payment of dividends and distributions 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 Parent Entity or Equityholding Vehicle) in an aggregate amount per year no greater than the aggregate amount of dividends and distributions per annum that were declarable and payable on such Treasury Capital Stock immediately prior to such retirement and (iii) the Borrower and any Restricted Subsidiary may pay Restricted Payments payable solely in the Capital Stock (other than Disqualified Capital Stock not otherwise permitted by Section 10.1) of such Person;

(b) so long as no Event of Default under Section 11.1 or 11.5 has occurred and is continuing or would result therefrom, the Borrower may redeem, discharge, defease, retire, repurchase or otherwise acquire (and the Borrower may declare and pay Restricted Payments to any Parent Entity thereof or any Equityholding Vehicle, the proceeds of which are used to so redeem, discharge, defease, retire, repurchase or otherwise acquire) shares of its Capital Stock (or any options or warrants or equity appreciation or similar rights issued with respect to any of such Capital Stock) (or to allow any of the Borrower's Parent Entities or any Equityholding Vehicle to so redeem, discharge, defease, retire, repurchase or otherwise acquire their Capital Stock (or any options or warrants or equity appreciation or similar rights issued with respect to any of its Capital Stock)) held by future, current or former officers, managers, consultants, directors, employees and independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) of any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower and the Subsidiaries of the Borrower, upon the death, disability, retirement or termination of employment of any such Person or otherwise in accordance with any equity option or equity appreciation or similar rights plan, any management, director and/or employee equity ownership or incentive plan, equity subscription plan or subscription agreement, employment termination agreement or any other employment agreements or equity holders' agreement (including, for the avoidance of doubt, any principal or interest payable on any Indebtedness Incurred by the Borrower or any Parent Entity or Equityholding Vehicle in connection with any such redemption, acquisition, retirement or repurchase); provided that, except with respect to non-discretionary repurchases, acquisitions, retirements or redemptions pursuant to the terms of any equity option or equity appreciation rights plan, any management, director and/or employee equity ownership or incentive plan, equity subscription plan or subscription agreement, employment termination agreement or any other employment agreement or equity holders' agreement, the aggregate amount of all cash paid in respect of all such shares of Capital Stock (or any options or warrants or equity appreciation or similar rights issued with respect to any of such Capital Stock) so redeemed, discharged, defeased, retired, repurchased or otherwise acquired, does not exceed the sum of (i) $39,000,000 in any calendar year (which shall increase to $97,500,000 in any calendar year following the consummation of an IPO); notwithstanding the foregoing, 100.0% of the unused amount of payments in respect of this Section 10.6(b)(i) (before giving pro forma effect to any carry forward), may be carried forward to succeeding calendar

years and utilized to make payments pursuant to this Section 10.6(b) plus (ii) all proceeds obtained by any Parent Entity or any Equityholding Vehicle (and contributed to the Borrower) or the Borrower after the Closing Date from the sale of such Capital Stock to other future, current or former officers, managers, consultants, employees, directors and independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) in connection with any plan or agreement referred to above in this clause (b) plus (iii) all Net Cash Proceeds obtained from any key-man life insurance policies received by the Borrower (or any Parent Entity or Equityholding Vehicle to the extent contributed to the Borrower) after the Closing Date less (iv) the amount of any previous Restricted Payments made pursuant to clauses (ii) and (iii) of this Section 10.6(b); and provided, further, that, the cancellation of Indebtedness owing to the Borrower or any Restricted Subsidiary from any future, current or former employees, officers, managers, directors, consultants or independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) of any Parent Entity of the Borrower, any Equityholding Vehicle, Holdings or any of the Restricted Subsidiaries in connection with a redemption, acquisition, retirement or repurchase of its Capital Stock will not be deemed to constitute a Restricted Payment for purposes of this Agreement; provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(b) shall reduce the amounts available pursuant to this Section 10.6(b);

(c) (i) to the extent constituting Restricted Payments (other than Restricted Investments), the Borrower and any Restricted Subsidiary may make Investments permitted by Section 10.4(d) and (ii) each Restricted Subsidiary may make Restricted Payments to the Borrower and to Restricted Subsidiaries (and, in the case of a Restricted Payment by a non-wholly owned Restricted Subsidiary, to the Borrower and any Restricted Subsidiary and to each other owner of Capital Stock of such Restricted Subsidiary based on their relative ownership interests);

(d) to the extent constituting Restricted Payments, the Borrower and any Restricted Subsidiary may enter into and consummate transactions expressly permitted by any provision of Section 10.2(bb) and 10.4 (other than 10.4(h)), and the Borrower may pay Restricted Payments to any Parent Entity thereof or any Equityholding Vehicle as and when necessary to enable such Parent Entity or Equityholding Vehicle to effect the transactions permitted by such section;

(e) the Borrower may redeem, discharge, defease, retire, repurchase or otherwise acquire Capital Stock of any Parent Entity or any Equityholding Vehicle of the Borrower or the Borrower, as applicable, upon exercise of equity options or warrants to the extent such Capital Stock represents all or a portion of the exercise price of such options or warrants, and the Borrower may pay Restricted Payments to a Parent Entity or Equityholding Vehicle thereof as and when necessary to enable such Parent Entity or Equityholding Vehicle to effect such repurchases;

(f) in addition to the foregoing Restricted Payments (i) the Borrower may make additional Restricted Payments, so long as (x) no Event of Default shall have occurred and be continuing or would result therefrom and (y) after giving pro forma effect to such Restricted Payment, the Borrower would be in compliance, on a pro forma basis, with a Consolidated Total Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the date of payment of such Restricted Payment, as if such Restricted Payment and any other transactions being consummated in connection therewith occurred on the first day of such Test Period, of no greater than 4.95:1.00, (ii) the Borrower may make additional Restricted Payments in an aggregate amount not to exceed an amount equal to

the Available Amount at the time such Restricted Payment is paid, so long as no Event of Default shall have occurred and be continuing or would result therefrom, (iii) the Borrower may make additional Restricted Payments in an aggregate amount not to exceed an amount equal to the Available Equity Amount at the time such Restricted Payment is paid and (iv) so long as no Event of Default shall have occurred and be continuing or would result therefrom, the Borrower may make additional Restricted Payments in an aggregate amount not to exceed the portion, if any, of the Restricted Payment Amount, on the relevant date of determination, that the Borrower elects to apply pursuant to this clause (iv); provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(f) shall reduce the amounts available pursuant to this Section 10.6(f);

(g) the Borrower may make and pay Restricted Payments:

(i) the proceeds of which shall be used to pay (or to make Restricted Payments to allow any Parent Entity of the Borrower to pay) any consolidated, combined or similar type of foreign, federal, state, provincial and local income tax liability (including any interest or penalties related thereto) in respect of taxable income of the Borrower and its Subsidiaries, but not in excess of the Tax liability that the Borrower would incur if it filed tax returns as the parent of a consolidated, combined or similar type of group for itself and its Subsidiaries (and net of any payment already made and to be made by the Borrower to a taxing authority to satisfy such Tax liability); provided that a Restricted Payment attributable to any taxes attributable to an Unrestricted Subsidiary shall be permitted only to the extent such Unrestricted Subsidiary distributed cash to the Borrower or its Restricted Subsidiaries;

(ii) the proceeds of which shall be used to pay (or to make Restricted Payments to allow any Parent Entity of the Borrower or any Equityholding Vehicle to pay) its operating expenses incurred in the ordinary course (including related to maintenance of organizational existence and auditing and other accounting matters), general administrative costs and other overhead costs and expenses (including administrative, legal, accounting, professional and similar fees and expenses provided by third parties, including the Borrower's proportionate share of such amount relating to such Parent Entity being a Public Company), plus any indemnification claims made by future, current and former employees, managers, consultants, independent contractors, directors or officers of any Parent Entity of the Borrower or any Equityholding Vehicle;

(iii) the proceeds of which shall be used to pay (or to make Restricted Payments to allow any Parent Entity of the Borrower or any Equityholding Vehicle to pay) franchise, excise and similar taxes and other fees, taxes and expenses, in each case, required to maintain its (or any of its Parent Entities' or Equityholding Vehicles') corporate or other legal or organizational existence;

(iv) the proceeds of which shall be used to make Investments contemplated by Section 10.5(c);

(v) the proceeds of which shall be used to pay (or to make Restricted Payments to allow any Parent Entity of the Borrower or any Equityholding Vehicle to pay) fees and expenses (other than to Affiliates of the Borrower) related to any successful or unsuccessful equity issuance or offering or Incurrence of Indebtedness, Refinancing, Permitted Change of Control, Disposition or acquisition or Investment transaction permitted by this Agreement;

(vi) to the extent not constituting a Restricted Investment, the proceeds of which shall be used to finance Investments that would otherwise be permitted to be made pursuant to Section 10.5 or as a Restricted Investment pursuant to Section 10.6 if made by the Borrower or a Restricted Subsidiary; provided that (i) such Restricted Payment shall be made substantially concurrently with the closing of such Investment, (ii) such Parent Entity shall, immediately following the closing thereof, cause (A) all property acquired (whether assets or Capital Stock) to be contributed to the capital of the Borrower or one of the Restricted Subsidiaries or (B) the merger, consolidation or amalgamation of the Person formed or acquired with or into the Borrower or one of the Restricted Subsidiaries (to the extent not prohibited by Section 10.3) in order to consummate such Investment and (iii) such Parent Entity and its Affiliates (other than the Borrower or a Restricted Subsidiary) receives no consideration or other payment in connection with such transaction except to the extent the Borrower or a Restricted Subsidiary could have otherwise given such consideration or made such payment in compliance with this Agreement;

(vii) the proceeds of which shall be used to pay customary salary, bonus, severance and other benefits payable to or provided on behalf of, future, current or former directors, officers, managers, employees, consultants or independent contractors of any Parent Entity of the Borrower or any Equityholding Vehicle to the extent such salaries, bonuses and other benefits are attributable to the ownership or operation of the Borrower and its Restricted Subsidiaries including the Borrower's proportionate share of such amount relating to such Parent Entity being a Public Company; and

(viii) 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 Borrower or any Parent Entity of the Borrower or Equityholding Vehicle.

(h) the Borrower may (or may make Restricted Payments to allow any Parent Entity or any Equityholding Vehicle to) (i) pay cash in lieu of fractional shares in connection with any Restricted Payment (including in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Borrower, or any Parent Entity of the Borrower or any Equityholding Vehicle), share split, reverse share split or combination thereof, or any Permitted Change of Control, Acquisition or other Investment and (ii) honor any conversion request by a holder of convertible Indebtedness and make cash payments in lieu of fractional shares in connection with any such conversion and may make payments on convertible Indebtedness in accordance with its terms;

(i) the Borrower may pay (or may make Restricted Payments to allow any Parent Entity or any Equityholding Vehicle to pay) Restricted Payments in an amount equal to withholding or similar taxes payable or expected to be payable by any future, current or former employee, director, manager, consultant or independent contractor (or any of their respective Immediate Family Members) of any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower or any Subsidiary of the Borrower in connection with the exercise or vesting of Capital Stock or other equity awards or any repurchases, redemptions, acquisitions, retirements or withholdings of Capital Stock in connection with any exercise of Capital Stock or other equity options or warrants or the vesting of Capital Stock or other equity awards if such Capital Stock represent all or a portion of the exercise price of, or withholding obligation with respect to, such options or, warrants or other Capital Stock or equity awards;

(j) the Borrower may make payments (or make Restricted Payments to allow any Parent Entity or any Equityholding Vehicle to make such payments) described in Sections 10.11(c), (e), (h), (i), (j), (l), (v) and (x) (subject to the conditions set out therein);

(k) the Borrower may make Restricted Payments and distributions within sixty (60) days after the date of declaration thereof, if at the date of declaration of such payment, such payment would have complied with the other provisions of this Section (l);

(l) so long as no Event of Default is continuing or would result therefrom, after an IPO, the Borrower may make Restricted Payments to any Parent Entity of the Borrower or any Equityholding Vehicle so that such Parent Entity or Equityholding Vehicle can make Restricted Payments to its equity holders in an aggregate per annum amount not exceeding 6.0% of the Net Cash Proceeds of such IPO; provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(l) shall reduce the amounts available pursuant to this Section 10.6(l);

(m) the Borrower and any Restricted Subsidiary may pay and make any Restricted Payment (i) in connection with the Transactions including (A) the 2018 Dividend, (B) the payment of Transaction Expenses and (C) to holders of equity, restricted equity units or similar equity awards, (ii) in connection with any Permitted Change of Control or any Acquisition or other Investment, (iii) to dissenting equityholders in connection with, or as a result of, their exercise of appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto (including any accrued interest), (iv) in connection with working capital adjustments or purchase price adjustments in connection with any Permitted Change of Control or any Acquisition or other Investment, (v) in connection with the satisfaction of indemnity and other similar obligations in connection with any Acquisition or other Investment, (vi) in addition to Restricted Payments described in clause (m)(i) above, to any employee, officer, manager, director, consultant, independent contractor and other holders of options that are subject to vesting, as such options vest or upon acceleration of such options in connection with Restricted Payments that were declared on or prior to the Closing Date (including with respect to the 2018 Dividend and to any dividends or other distributions declared in 2016), or (vii) necessary to consummate the funding of amounts owed to Affiliates (including those made by any Parent Entity) of the Borrower or any Equityholding Vehicle to permit payment by such Parent Entity or Equityholding Vehicle;

(n) the Borrower may make payments made to optionholders or holders of profits interests of the Borrower or any Parent Entity or any Equityholding Vehicle in connection with, or as a result of, any distribution being made to equityholders of the Borrower or any Parent Entity or any Equityholding Vehicle (to the extent such distribution is otherwise permitted hereunder), which payments are being made to compensate such optionholders or holders of profits interests as though they were equityholders at the time of, and entitled to share in, such distribution (it being understood that no such payment may be made to an optionholder or holder of profits interests pursuant to this clause to the extent such payment would not have been permitted to be made to such optionholder or holder of profits interests if it were a shareholder pursuant to any other paragraph of this Section (l), and any payment hereunder shall reduce payments available under such other paragraph);

(o) the Borrower may pay Restricted Payments to pay for the redemption, discharge, defeasance, retirement, repurchase or other acquisition, in each case for nominal value, of Capital Stock of Holdings (or any Parent Entity thereof or any Equityholding Vehicle) or the Borrower from a former investor of a business acquired in an Acquisition or other Investment or a current

or former employee, officer, director, manager or consultant of a business acquired in an Acquisition or other Investment (or their Controlled Investment Affiliates or Immediate Family Members), which Capital Stock was issued as part of an earn-out or similar arrangement in the acquisition of such business, and which redemption, acquisition, retirement or repurchase relates the failure of such earn-out to fully vest;

(p) the Borrower may make distributions, by Restricted Payment or otherwise, or other transfer or Disposition of shares of Capital Stock of Unrestricted Subsidiaries (other than Unrestricted Subsidiaries the primary assets of which are Cash Equivalents); and

(q) the Borrower may make payments or distributions to satisfy dissenters' rights pursuant to or in connection with an Acquisition, merger, consolidation, amalgamation or transfer of assets that complies with Section (bb);

(r) the Borrower may make Restricted Payments constituting "interest" or like payments on Disqualified Capital Stock, to the extent such Disqualified Capital Stock constitutes Indebtedness, was Incurred in compliance with Section 10.1 and such Restricted Payments are included in the calculation of Consolidated Interest Expense;

(s) the Borrower may make Restricted Payments in an aggregate amount that (i) does not exceed the aggregate amount of Excluded Contributions received since the Closing Date (not otherwise building Available Equity Amount or constituting a Cure Amount or used to incur Indebtedness) and (ii) without duplication of clause (i) above, in an amount equal to the Net Cash Proceeds from any Disposition in respect of property or assets acquired after the Closing Date, to the extent such property or assets was financed with Excluded Contributions; provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(s) shall reduce the amounts available pursuant to this Section 10.6(s);

(t) the Borrower may make distributions or payments of Receivables Fees and purchases of receivables in connection with any Qualified Receivables Facility or any repurchase obligation in connection therewith;

(u) the Restricted Subsidiaries may make Restricted Payments in connection with the acquisition of additional Capital Stock in any Restricted Subsidiary from minority equityholders;

(v) so long as no Event of Default is continuing or would result therefrom, after an IPO, the Borrower may make Restricted Payments to any Parent Entity of the Borrower or any Equityholding Vehicle so that such Parent Entity or Equityholding Vehicle can make Restricted Payments to its equity holders in an aggregate per annum amount not exceeding 7.0% of the Market Capitalization; provided that any Indebtedness Incurred in reliance upon the Available RP Capacity Amount utilizing the unused amounts available pursuant to this Section 10.6(v) shall reduce the amounts available pursuant to this Section 10.6(v);

(w) the Borrower may make any Restricted Payments to a Parent Entity for nominal value per right, of any rights granted to all holders of Capital Stock of the Borrower (or any Parent Entity of the Borrower) pursuant to any equityholders' rights plan adopted for the purpose of protecting equityholders from unfair takeover practices;

(x) the Borrower may make and pay (or make Restricted Payments to allow any Parent Entity or Equityholding Vehicle to make and pay) Restricted Payments in connection with or required in order to consummate a Permitted Change of Control and/or to pay any fees and expenses incurred in connection therewith, including any Permitted Change of Control Costs;

(y) the Borrower may make redemptions, acquisitions, retirements or repurchases of Capital Stock of any Parent Entity of the Borrower or of any Equityholding Vehicle of the Borrower, as applicable, deemed to occur upon the exercise of stock options or warrants; and

(z) the Borrower may declare and make Restricted Payments (i) to holders of any class or series of Preferred Stock (other than Disqualified Capital Stock) issued by the Borrower or any of the Restricted Subsidiaries after the Closing Date, (ii) Restricted Payments to a Parent Entity of the Borrower, the proceeds of which will be used to fund the payment of dividends or distributions to holders of any class or series of Preferred Stock (other than Disqualified Capital Stock) of such Parent Entity issued after the Closing Date; provided that the amount of dividends and distributions paid pursuant to this clause (ii) shall not exceed the aggregate amount of cash actually contributed to the Borrower from the sale of such Preferred Stock or (iii) on Refunding Capital Stock that is Preferred Stock in excess of the dividends and distributions declarable and payable thereon pursuant to Section 10.6(a).

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the assets or securities proposed to be transferred or issued by the Borrower or any Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. For the avoidance of doubt, this Section 10.6 shall not restrict the making of any AHYDO Catch Up Payment with respect to, and required by the terms of, any Indebtedness of the Borrower or any of the Restricted Subsidiaries permitted to be incurred under the terms of this Agreement. Indebtedness Incurred under Section 10.1(q) shall reduce availability under this Section 10.6 in an amount equal to the aggregate principal amount incurred from time to time under Section 10.1(q), whether or not outstanding, except in respect of amounts forgiven or cancelled without payment being made.

For purposes of determining compliance with this Section 10.6, (A) Restricted Payments need not be incurred solely by reference to one category of Restricted Payments permitted by this Section 10.6 but are permitted to be made in part under any combination thereof and of any other available exemption, (B) in the event that any Restricted Payment (or any portion thereof) meets the criteria of one or more of the categories of Restricted Payments permitted by this Section 10.6, the Borrower shall, in its sole discretion, classify or reclassify such Restricted Payment (or any portion thereof) in any manner that complies with the definition thereof and (C) in the event that a portion of any Restricted Payment could be classified as having been made pursuant to Section 10.6(f)(i) above (giving pro forma effect to the making of such Restricted Payment), the Borrower, in its sole discretion, may classify such portion of such Restricted Payments as having been made pursuant to Section 10.6(f)(i) above and thereafter the remainder of such Restricted Payment or as having been made pursuant to one or more of the other clauses of this Section 10.6.

10.7 Limitations on Debt Payments and Amendments.

(a) The Borrower will not, and will not permit any of the Restricted Subsidiaries to, prepay, repurchase, redeem or otherwise defease or make similar payments in respect of any Material Junior Debt (any such payments, "Junior Debt Payments") on or prior to the date that occurs earlier than six months prior to the stated maturity date thereof (it being understood that payments of regularly scheduled interest, fees, expenses, indemnification obligations and, so long as no Event of Default under Section 11.1 or Section 11.5 is continuing or would result therefrom, AHYDO Catch Up Payments shall be permitted); provided, however, the Borrower or any Restricted Subsidiary may prepay, repurchase, redeem, defease, acquire or otherwise make payments on any such Indebtedness (i) with the proceeds of any Permitted

Refinancing Indebtedness in respect of such Indebtedness, (ii) by converting or exchanging any such Indebtedness to Capital Stock of Holdings or any of its Parent Entities and (iii) (A) so long as (x) no Event of Default has occurred and is continuing or would result therefrom and (y) after giving pro forma effect to such prepayment, repurchase, redemption, defeasance, acquisition or other payment, the Borrower would be in compliance, on a pro forma basis, with a Consolidated Total Debt to Consolidated EBITDA Ratio, calculated as of the last day of the Test Period most recently ended on or prior to the date of any such payment, as if such prepayment, repurchase, redemption, defeasance, acquisition or other payment and any other transactions being consummated in connection therewith occurred on the first day of such Test Period, of no greater than 5.20:1.00 after giving pro forma effect thereto, (B) in an aggregate amount not to exceed the Available Amount at the time of such prepayment, repurchase, redemption, defeasance, acquisition or other payment, so long as (x) no Event of Default has occurred and is continuing or would result therefrom, (C) in an aggregate amount not to exceed the Available Equity Amount at the time of such prepayment, redemption, repurchase, defeasance, acquisition or other payment, (D) in an aggregate amount not to exceed the portion, if any, of the Restricted Payment Amount, on the relevant date of determination that the Borrower elects to apply pursuant to this clause (D), (E) any purchase, repurchase, redemption, defeasance or other acquisition or similar payment of Junior Debt Incurred pursuant to Section 10.1(j) (other than Indebtedness Incurred (I) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Borrower or a Restricted Subsidiary or (II) otherwise in connection with or contemplation of such acquisition), so long as such purchase, repurchase, redemption, defeasance or other acquisition or similar payment is made or deposited with a trustee or other similar representative of the holders of such Junior Debt contemporaneously with, or substantially simultaneously with, the closing of the Acquisition under which such Junior Debt is Incurred, (F) any mandatory redemption, repurchase, retirement, termination or cancellation of Disqualified Capital Stock (to the extent such Disqualified Capital Stock constitutes Indebtedness and was Incurred in compliance with Section 10.1, and (G) the payment, redemption, repurchase, retirement, termination or cancellation of Indebtedness within 60 days of the date of the Redemption Notice if, at the date of any payment, redemption, repurchase, retirement, termination or cancellation notice in respect thereof (the "Redemption Notice"), such payment, redemption, repurchase, retirement termination or cancellation would have complied with another provision of this Section 10.7(a); provided that such payment, redemption, repurchase, retirement termination or cancellation shall reduce capacity under such other provision.

Notwithstanding the foregoing and for the avoidance of doubt, nothing in this Section (a) shall prohibit substantially concurrent transfers of credit positions in connection with intercompany debt restructurings so long as such Indebtedness is permitted by Section 10.1 after giving pro forma effect to such transfer.

(b) The Borrower will not, and will not permit any of the Restricted Subsidiaries to, waive, amend or modify any term or condition in any Junior Debt Documentation to the extent that any such waiver, amendment or modification, taken as a whole, would be materially adverse to the interests of the Lenders.

For purposes of determining compliance with this Section 10.7, (A) Junior Debt Payments need not be made solely by reference to one category of Junior Debt Payments permitted by this Section 10.7 but are permitted to be made in part under any combination thereof and of any other available exemption, (B) in the event that any Junior Debt Payment (or any portion thereof) meets the criteria of one or more of the categories of Junior Debt Payments permitted by this Section 10.7, the Borrower shall, in its sole discretion, classify or reclassify such Junior Debt Payment (or any portion thereof) in any manner that complies the definition thereof and (C) in the event that a portion of any Junior Debt Payment could be classified as having been made pursuant to Section 10.7(a)(iii) above (giving pro forma effect to the

making of such Junior Debt Payment), the Borrower, in its sole discretion, may classify such portion of such Junior Debt Payments as having been made pursuant to Section 10.7(a)(iii) above and thereafter the remainder of such Junior Debt Payment or as having been made pursuant to one or more of the other clauses of this Section 10.7.

10.8 Negative Pledge Clauses. The Borrower will not, and will not permit any of the Restricted Subsidiaries to, enter into or permit to exist any Contractual Obligation (other than this Agreement, any other Credit Document, any Permitted Additional Debt Documents related to any secured Permitted Additional Debt, any document governing any secured Credit Agreement Refinancing Indebtedness and/or the First Lien Credit Documents and any documentation governing any Permitted Refinancing Indebtedness Incurred to Refinance any such Indebtedness) that limits the ability of the Borrower or any Guarantor to create, incur, assume or suffer to exist Liens on property of such Person for the benefit of the Secured Parties with respect to the Obligations or under the Credit Documents; provided that the foregoing shall not apply to Contractual Obligations that in any material respect:

(i) (x) exist on the Closing Date and (to the extent not otherwise permitted by this Section (a)) are listed on Schedule 10.8 hereto and (y) to the extent Contractual Obligations permitted by clause (x) are set forth in an agreement evidencing Indebtedness or other obligations, are set forth in any agreement evidencing any Permitted Refinancing Indebtedness Incurred to Refinance such Indebtedness or obligation so long as such Permitted Refinancing Indebtedness does not materially expand the scope of such Contractual Obligation (as determined in good faith by the Borrower),

(ii) are binding on a Restricted Subsidiary at the time such Restricted Subsidiary first becomes a Restricted Subsidiary of the Borrower, so long as such Contractual Obligations were not entered into solely in contemplation of such Person becoming a Restricted Subsidiary of the Borrower,

(iii) represent Indebtedness of a Restricted Subsidiary of the Borrower that is not a Credit Party to the extent such Indebtedness is permitted by Section 10.1,

(iv) arise pursuant to agreements entered into with respect to any sale, transfer, lease, license or other Disposition permitted by Section 10.4, including customary restrictions with respect to a Subsidiary of the Borrower pursuant to an agreement that has been entered into for the sale, transfer, lease, license, or other Disposition of the Capital Stock of such Subsidiary, and applicable solely to assets under such sale, transfer, lease, license or other Disposition,

(v) are customary provisions in Joint Venture agreements, partnership agreements, limited liability company organizational governance document, and other similar agreements applicable to partnerships, limited liability companies, Joint Ventures and similar Persons permitted by Section (d) or Section 10.6 and applicable solely to such Persons or the transfer of ownership therein,

(vi) are negative pledges and restrictions on Liens in favor of any holder of Indebtedness permitted under Section 10.1, but solely to the extent any negative pledge relates to the property financed by or the subject of such Indebtedness,

(vii) are customary restrictions on leases, subleases, service agreements, product sales, licenses and sublicenses (including with respect to Intellectual Property) or asset sale agreements otherwise permitted hereby so long as such restrictions relate to the assets subject thereto,

(viii) comprise restrictions imposed by any agreement relating to secured Indebtedness permitted pursuant to Section 10.1 to the extent that such restrictions apply only to the specific property or assets securing such Indebtedness,

(ix) are customary provisions restricting subletting or assignment or transfers of any lease governing a leasehold interest of the Borrower or any Restricted Subsidiary,

(x) are customary provisions restricting assignment of any agreement (or the assets subject thereto) entered into in the ordinary course of business,

(xi) are restrictions on cash or other deposits or net worth imposed (including by customers) under agreements entered into in the ordinary course of business,

(xii) are imposed by Applicable Law,

(xiii) are customary net worth provisions contained in real property leases entered into by Subsidiaries of the Borrower, so long as the Borrower has determined in good faith that such net worth provisions could not reasonably be expected to impair the ability of the Borrower and its Subsidiaries to meet their ongoing obligation;

(xiv) comprise restrictions imposed by any agreement governing Indebtedness entered into after the Closing Date and permitted under Section 10.1 that are, taken as a whole, in the good-faith judgment of the Borrower, no more restrictive with respect to the Borrower or any Restricted Subsidiary than customary market terms for Indebtedness of such type (and, in any event, are no more restrictive than the restrictions contained in this Agreement), so long as the Borrower shall have determined in good faith that such restrictions will not materially impair its obligation or ability to make any payments required hereunder,

(xv) arise in connection with purchase money obligations for property acquired in the ordinary course of business or Financing Lease Obligations;

(xvi) arise in connection with any agreement or other instrument of a Person or relating to Indebtedness or Capital Stock of a Person, which Person is acquired by or merged, consolidated or amalgamated with or into the Borrower or any of its Restricted Subsidiaries, or any other transaction is entered into with any such Acquisition, merger, consolidation or amalgamation, in existence at the time of such Acquisition or at the time it merges, consolidates or amalgamates with or into the Borrower or any of its Restricted Subsidiaries or assumed in connection with the acquisition of assets from such Person (but, in any such case, 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 so acquired and its Subsidiaries, or the property or assets of the Person so acquired and its Subsidiaries or the property or assets so acquired or redesignated;

(xvii) are restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase, sale or other agreement to which the Borrower or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business; provided that such agreement prohibits the encumbrance of solely the property or assets of the Borrower or such Restricted Subsidiary that are the subject to such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Borrower or such Restricted Subsidiary or the assets or property of another Restricted Subsidiary;

(xviii) are provisions restricting the granting of a security interest in Intellectual Property contained in licenses or sublicenses by the Borrower and its Restricted Subsidiaries of such Intellectual Property, which licenses and sublicenses were entered into in the ordinary course of business (in which case such restriction shall relate only to such Intellectual Property);

(xix) arise in connection with cash or other deposits imposed by agreement permitted under Section 10.2, Section 10.5 or Section 10.6 entered into in the ordinary course of business or consistent with past practice;

(xx) restrictions with respect to a Restricted Subsidiary that was previously an Unrestricted Subsidiary pursuant to or by reason of an agreement that such Restricted Subsidiary is a party to or entered into before the date on which such Subsidiary became a Restricted Subsidiary; provided that such agreement was not entered into in anticipation of an Unrestricted Subsidiary becoming a Restricted Subsidiary and any such or restriction does not extend to any assets or property of the Borrower or any other Restricted Subsidiary other than the assets and property of such Subsidiary;

(xxi) restrictions created in connection with any Qualified Receivables Facility that, in the good faith determination of the Borrower, are necessary or advisable to effect such Qualified Receivables Facility; and

(xxii) are any encumbrances or restrictions 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 (xxi) of this Section 10.7(a); provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good-faith judgment of the Borrower, 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.

10.9 Passive Holding Company; Etc.

(a) Holdings will not conduct, transact or otherwise engage in any material business or material operations other than (i) the ownership and/or acquisition of the Capital Stock (other than Disqualified Capital Stock) of the Borrower, (ii) the maintenance of its legal existence, including the ability to incur fees, costs and expenses relating to such maintenance, (iii) to the extent applicable, participating in tax, accounting and other administrative matters as a member of the consolidated group of Holdings and the Borrower, (iv) the performance of its obligations under and in connection with the Credit Documents, the First Lien Credit Documents and any documents relating to other Indebtedness permitted under Section 10.1, (v) any public offering of its Capital Stock or any other issuance or registration of its Capital Stock for sale or resale not prohibited by Section 10, including the costs, fees and expenses related thereto, (vi) any transaction that Holdings is permitted to enter into or consummate under this Section 10 and any transaction between Holdings and the Borrower or any Restricted Subsidiary permitted under this Section 10, including (a) making any dividend or distribution or other transaction similar to a Restricted Payment (other than a Restricted Investment) not prohibited by Section (l) (or the making of a loan to its Parent Entities or any Equityholding Vehicle in lieu of any such Restricted Payment (other than Restricted Investments) or distribution or other transaction similar to a Restricted Payment (other than Restricted Investments)) or holding any cash received in connection with Restricted Payments (other than Restricted Investments) made by the Borrower in accordance with Section (l) pending application thereof by Holdings in the manner contemplated by Section (l) (including the redemption in whole or in part of any of its Capital Stock (other than Disqualified Capital Stock) in

exchange for another class of Capital Stock (other than Disqualified Capital Stock) or rights to acquire its Capital Stock (other than Disqualified Capital Stock) or with proceeds from substantially concurrent equity contributions or issuances of new shares of its Capital Stock (other than Disqualified Capital Stock)), (b) making any Investment to the extent (1) payment therefor is made solely with the Capital Stock of Holdings (other than Disqualified Capital Stock), the proceeds of Restricted Payments (other than a Restricted Investment) received from the Borrower and/or proceeds of the issuance of, or contribution in respect of the, Capital Stock (other than Disqualified Capital Stock) of Holdings and (2) any property (including Capital Stock) acquired in connection therewith is contributed to the Borrower or a Subsidiary Guarantor (or, if otherwise permitted by Section (d) or Section 10.6, a Restricted Subsidiary) or the Person formed or acquired in connection therewith is merged with the Borrower or a Restricted Subsidiary and (c) the (w) provision of guarantees in the ordinary course of business in respect of obligations of the Borrower or any of its Subsidiaries to suppliers, customers, franchisees, lessors, licensees, sublicensees or distribution partners; provided, for the avoidance of doubt, that such guarantees shall not be in respect of debt for borrowed money, (x) Incurrence of Indebtedness of Holdings contemplated by Sections 10.1(p) and 10.1(q), (y) Incurrence of guarantees and the performance of its other obligations in respect of Indebtedness Incurred pursuant to Sections 10.1(a), 10.1(b), 10.1(j) and 10.1(s) and Permitted Additional Debt Incurred pursuant to Section 10.1(u) and (z) granting of Liens to the extent the Indebtedness contemplated by subclause (y) is permitted to be secured under Sections 10.2(a), 10.2(u), 10.2(bb) and 10.2(oo), (vii) incurring fees, costs and expenses relating to overhead and general operating including professional fees for legal, tax and accounting issues and paying taxes, (viii) providing indemnification to officers and directors and as otherwise permitted in Section 10, (ix) activities related or incidental to such consummation of the Transactions or any Permitted Change of Control, (x) organizational activities incidental to any Permitted Change of Control, Acquisitions or other Investments consummated by the Borrower, including the formation of acquisition vehicle entities and intercompany loans and/or investments incidental to any such Permitted Change of Control, Acquisitions or other Investments in each case consummated substantially contemporaneously with the consummation of the applicable Acquisitions or other Investments; provided that in no event shall any such activities include the incurrence of a Lien on any of the assets of Holdings, (xi) the making of any loan to any officers or directors contemplated by Section (d) or Section 10.6, the making of any Investment in the Borrower or any Subsidiary Guarantor or, to the extent otherwise allowed under Section (d) or Section 10.6, a Restricted Subsidiary, (xii) the ownership and/or acquisition of the Capital Stock of any IPO Shell Company, including payment of Restricted Payments and other amounts in respect of its Capital Stock (xiii) the performance of its obligations and the guarantee of any obligations in connection with the Transactions; (xiv) a Permitted Change of Control and (xv) activities incidental to the businesses or activities described in clauses (i) to (xiv) of this Section (i)(a).

(b) Except in connection with the Transactions and any Permitted Change of Control, Holdings will not consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its assets and other properties, except that Holdings may merge, amalgamate or consolidate with or into any other Person (other than the Borrower) or, in connection with an IPO, liquidate into the issuing entity, or otherwise Dispose of all or substantially all of its assets and property; provided that (i) Holdings shall be the continuing or surviving Person or, in the case of a merger, amalgamation or consolidation where Holdings is not the continuing or surviving Person or where Holdings has been liquidated, or in connection with a Disposition of all or substantially all of its assets, the Person formed by or surviving any such merger, amalgamation or consolidation or the Person into which Holdings has been liquidated or to which Holdings has transferred such assets shall, in each case, be a Person organized or existing under the laws of the United States, any state thereof, the District of Columbia or any territory thereof (Holdings or such Person, as the case may be, being herein referred to as the "Successor Holdings"), (ii) the Successor Holdings (if other than Holdings) shall expressly assume all the obligations of Holdings under this Agreement and the other applicable Credit Documents pursuant to a supplement hereto or thereto in

form reasonably satisfactory to the Administrative Agent, (iii) each Subsidiary Guarantor, unless it is the other party to such merger, amalgamation, consolidation, liquidation or Disposition or unless the Successor Holdings is Holdings, shall have by a supplement to the Guarantee confirmed that its Guarantee shall apply to the Successor Holdings' obligations under this Agreement, (iv) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation, consolidation, liquidation or Disposition or unless the Successor Holdings is Holdings, shall have by a supplement to the applicable Credit Documents confirmed that its obligations thereunder shall apply to the Successor Holdings' obligations under this Agreement, (v) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation, consolidation, liquidation or Disposition or unless the Successor Holdings is Holdings, shall have by an amendment to or restatement of the applicable Mortgage confirmed that its obligations thereunder shall apply to the Successor Holdings' obligations under this Agreement, (vi) Holdings shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation, consolidation, liquidation or Disposition and any supplements to the Credit Documents preserve the enforceability of the Guarantee and the perfection of the Liens on the Collateral under the Security Documents, (vii) the Successor Holdings shall, immediately following such merger, amalgamation, consolidation, liquidation or Disposition, directly or indirectly, own all Subsidiaries owned by Holdings immediately prior to such merger, amalgamation, consolidation, liquidation or Disposition and (viii) if reasonably requested by the Administrative Agent, an opinion of counsel shall be required to be provided to the effect that such merger, amalgamation, consolidation, liquidation, or Disposition does not breach or result in a default under this Agreement or any other Credit Document; provided, further, that if the foregoing are satisfied, the Successor Holdings (if other than Holdings) will succeed to, and be substituted for, Holdings under this Agreement.

10.10 [Reserved].

10.11 Transactions with Affiliates. The Borrower shall not, and shall not permit any of the Restricted Subsidiaries to, enter into any transaction with any Affiliate of the Borrower involving aggregate payments or consideration in excess of the greater of (x) $13,000,000 and (y) 8.125% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such transaction occurs (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date except:

(a) such transactions that are made on terms, when taken as a whole, not materially less favorable to the Borrower or such Restricted Subsidiary as would be obtainable by the Borrower or such Restricted Subsidiary at the time in a comparable arm's-length transaction with a Person that is not an Affiliate,

(b) (i) if such transaction is among Holdings, the Borrower and one or more Subsidiary Guarantors or any Restricted Subsidiary or any entity that becomes a Restricted Subsidiary as a result of such transaction or (ii) any merger, consolidation or amalgamation of the Borrower or any Parent Entity of the Borrower, provided that such Parent Entity shall have no material liabilities and no material assets other than cash, Cash Equivalents and the Capital Stock of the Borrower and such merger, consolidation or amalgamation is otherwise in compliance with the terms of this Agreement and effected for a bona fide business purpose,

(c) the payment of Transaction Expenses (including the payment of all fees, expenses, bonuses and awards) and the consummation of the Transactions and the payment of Permitted Change of Control Costs (including the payment of all fees, expenses, bonuses and awards) and the consummation of any Permitted Change of Control,

(d) the issuance of Capital Stock of any Parent Entity, any Equityholding Vehicle or the Borrower to the management of such Parent Entity, the Borrower or any of its Subsidiaries pursuant to arrangements described in clause (m) below,

(e) the payment of indemnities and other similar amounts and reasonable expenses incurred by the Permitted Holders and their respective Affiliates in connection with (i) the management or monitoring of, or the provision of other services rendered to, any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower or any of its Subsidiaries, (ii) monitoring, consulting, management, transaction, advisory or similar fees payable to the Permitted Holders or any other direct or indirect holder of the Equity Interests of the Parent Entity of the Borrower in an aggregate amount in any fiscal year not to exceed the sum of (1) the greater of (A) $6,500,000 and (B) 4.0625% of Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the Test Period most recently ended on or prior to the date such transaction occurs (measured as of such date) based upon the Internal Financial Statements most recently available on or prior to such date plus (2) reasonable out-of-pocket costs and expenses in connection therewith and unpaid amounts accrued for prior periods plus (3) any deferred fees (to the extent such fees were within such amount in clause (1) above originally) and (iii) the present value of all amounts payable pursuant to any agreement described in clause (ii) in connection with the termination of any agreements to pay such fees,

(f) equity issuances, repurchases, retirements, redemptions or other acquisitions or retirements of Capital Stock by any Parent Entity of the Borrower, any Equityholding Vehicle or the Borrower permitted under Section (l) and any actions by the Borrower and its Restricted Subsidiaries to permit the same,

(g) loans, guarantees and other transactions by any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower and the Restricted Subsidiaries to the extent permitted under Section 10 (other than by reliance on this Section 10.11),

(h) the entry into, performance under, and making of any payments in respect of any employment, compensation and severance arrangements and health, disability and similar insurance or benefit plans or supplemental executive retirement benefit plans or arrangements between any Parent Entity of the Borrower, the Borrower and the Restricted Subsidiaries and their respective future, current or former directors, officers, managers, employees, consultants or independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) (including management and/or employee benefit plans or agreements, equity/option plans, management equity plans, subscription agreements or similar agreements pertaining to the repurchase of Capital Stock pursuant to put/call rights or similar rights with current or former employees, officers, managers, directors, consultants or independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) and equity option or incentive plans and other compensation arrangements) in the ordinary course of business or as otherwise approved by the Board of Directors of any Parent Entity of the Borrower or the Borrower,

(i) the payment of customary fees, compensation and reasonable out-of-pocket costs and expenses to, and benefits, indemnities and reimbursements and employment and severance arrangements provided on behalf of, or for the benefit of, future, current or former, directors, managers, consultants, officers, employees and independent contractors (or their respective Controlled Investment Affiliates or Immediate Family Members) of any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower and the Restricted Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Borrower and the Restricted Subsidiaries,

(j) transactions pursuant to permitted agreements in existence on the Closing Date and set forth on Schedule 10.11 or any amendment thereto to the extent such an amendment is not adverse, taken as a whole, to the interests of the Lenders in any material respect as compared to the applicable agreement in effect on the Closing Date (as determined in the good-faith judgment of the Borrower),

(k) Restricted Payments permitted under Section (l), and Investments permitted under Section 10.4(d),

(l) payments (including reimbursement of out-of-pocket fees and expenses) by the Borrower and any Restricted Subsidiaries to the Permitted Holders and any of their respective Affiliates made for any financial advisory, financing, underwriting or placement services or in respect of other investment banking activities (including in connection with acquisitions or Dispositions, whether or not consummated), which payments are approved by the majority of the members of the Board of Directors or a majority of the disinterested members of the Board of Directors of any Parent Entity of the Borrower or Holdings in good faith,

(m) any issuance or transfer of Capital Stock, or other payments, awards or grants in cash, securities, Capital Stock or otherwise pursuant to, or the funding of, employment arrangements, equity options and equity ownership plans approved by the Board of Directors of any Parent Entity of the Borrower, any Equityholding Vehicle or the Borrower, as the case may be and the granting and performing of customary registration rights,

(n) the issuance and sale or transfer of any Qualified Capital Stock and any purchase by any Parent Entity of the Borrower of the Qualified Capital Stock of the Borrower; provided that, to the extent required by Section 9.11, any Capital Stock of the Borrower so purchased shall be pledged to the Collateral Agent for the benefit of the Secured Parties pursuant to the Pledge Agreement,

(o) transactions with wholly owned Subsidiaries for the purchase or sale of goods, products, parts and services entered into in the ordinary course of business in a manner consistent with prudent business practice followed by companies in the industry of the Borrower and its Subsidiaries,

(p) transactions with customers, clients, suppliers, Joint Venture partners or purchasers or sellers of goods or services, in each case in the ordinary course of business or that are consistent with past practice,

(q) any contribution by any Parent Entity or Equityholding Vehicle to the capital of the Borrower,

(r) transactions with Joint Ventures for the purchase or sale of goods, equipment and services entered into in the ordinary course of business and in a manner consistent with prudent business practice followed by companies in the industry of the Borrower and its Subsidiaries,

(s) any transaction between or among Holdings, the Borrower or any Restricted Subsidiary and any Affiliate of Holdings, the Borrower or a Joint Venture or similar Person that would constitute an Affiliate transaction solely because Holdings, the Borrower or a Restricted

Subsidiary owns Capital Stock in or otherwise controls such Affiliate, Joint Venture or similar Person or due to the fact that a director of such Joint Venture or similar Person is also a director of the Borrower or any Restricted Subsidiary (or any Parent Entity);

(t) Affiliate repurchases of the Loans or Commitments or First Lien Term Loans or commitments under any documentation governing any First Lien Obligations to the extent permitted under this Agreement and the holding of such Loans or commitments or First Lien Term Loans and the payments and other transactions contemplated under this Agreement in respect thereof;

(u) customary transactions effected as part of any Qualified Receivables Facility that are otherwise permitted under this Agreement;

(v) the entering into, and payments by, any Parent Entity of the Borrower, any Equityholding Vehicle, the Borrower and the Restricted Subsidiaries pursuant to tax sharing agreements among any such Parent Entity, any Equityholding Vehicle, the Borrower and the Restricted Subsidiaries on customary terms; provided that payments by Borrower and the Restricted Subsidiaries under any such tax sharing agreements shall not exceed the excess (if any) of the amount they would pay on a standalone basis over the amount they actually pay to Governmental Authorities;

(w) transactions in which the Borrower or any Restricted Subsidiary, as the case may be, delivers to the Administrative Agent a letter from an independent financial advisor stating that such transaction is fair to the Borrower or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (a) of this Section 10.11;

(x) payments, loans, advances or guarantees (or cancellation of loans, advances or guarantees) to future, current or former employees, directors or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members) of the Borrower, any of the Restricted Subsidiaries or any Parent Entity or Equityholding Vehicle and employment agreements, equity option plans and other compensatory arrangements with any such employees, directors or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members) which, in each case, are approved by the Borrower in good faith;

(y) (i) Investments by any of the Permitted Holders in securities of any Parent Entity, the Borrower or any Restricted Subsidiary (and payment of out-of-pocket expenses incurred by such Permitted Holders in connection therewith) so long as the Investment is being offered generally to other investors on the same or more favorable terms and (ii) payments to Permitted Holders in respect of securities or loans of the Borrower or any of the Restricted Subsidiaries contemplated in the foregoing subclause (i) or that were acquired from Persons other than any Parent Entity, the Borrower or any Restricted Subsidiary, in each case, in accordance with the terms of such securities or loans;

(z) pledges of Capital Stock of Unrestricted Subsidiaries;

(aa) 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 not entered into in contemplation of such designation) and transactions entered into by an Unrestricted Subsidiary with an Affiliate prior to the redesignation of any such Unrestricted Subsidiary as a Restricted Subsidiary (and not entered into in contemplation of such designation);

(bb) the existence of, and performance under, customary obligations under the terms of any equityholders agreement, principal investors agreement (including any registration rights or purchase agreement related thereto) to which any Parent Entity, Equityholding Vehicle, the Borrower or any Restricted Subsidiary is a party as of the Closing Date (as such agreement may be amended or otherwise modified from time to time) and any similar agreements relating to the Capital Stock of any of the foregoing which the relevant parties may enter into after the Closing Date (except to the extent the performance of such obligations is otherwise prohibited under the terms of this Agreement);

(cc) any lease entered into between the Borrower or any Restricted Subsidiary, as lessee, and any Affiliate of the Borrower, as lessor, which is approved by the Borrower in good faith;

(dd) intellectual property licenses entered into in the ordinary course of business;

(ee) payments to and from, and transactions with, any Joint Ventures or Unrestricted Subsidiaries entered into in the ordinary course of business or consistent with past practice (including, without limitation, any cash management activities related thereto);

(ff) transactions undertaken in good faith (as certified by a responsible financial or accounting officer of the Borrower in an Officer's Certificate) for the purpose of improving the consolidated tax efficiency of the Borrower and its Subsidiaries and not for the purpose of circumventing any covenant set forth in this Agreement;

(gg) equity repurchases, retirements, redemptions or other acquisitions or retirements of Capital Stock by any Parent Entity of the Borrower, any Equityholding Vehicle or the Borrower permitted under Section 10.6 and any actions by the Borrower and its Restricted Subsidiaries to permit the same; and

(hh) the payment of Permitted Change of Control Costs (including the payment of all fees, expenses, bonuses and awards) and the consummation of any Permitted Change of Control.

SECTION 11. Events of Default. Upon the occurrence of any of the following specified events (each an "Event of Default"):

11.1 Payments. The Borrower shall (a) default in the payment when due of any principal of the Loans or (b) default, and such default shall continue (i) for five or more Business Days, in the payment when due of any interest on the Loans or (ii) for ten or more Business Days, in the payment when due of any fees or any other amounts owing hereunder or under any other Credit Document (other than any amount referred to in clause 11.1(a) or clause 11.1(b)(i)); or

11.2 Representations, Etc. Any representation, warranty or statement made or deemed made by any Credit Party herein or in any other Credit Document or any certificate, statement, report or other document 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 such representation, warranty or statement, if capable of being cured, remains incorrect in such respect for 30 days after receipt by the Borrower of written notice thereof by the Administrative Agent; 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 (with respect to the existence of the Borrower only) or Section 10 or (b) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1, Section 11.2 and clause (a) of this Section 11.3) contained in this Agreement or any other Credit Document and such default shall continue unremedied for a period of at least 30 days after receipt of written notice by the Borrower from the Administrative Agent or the Required Lenders; or

11.4 Default Under Other Agreements. (a) The Borrower or any of the Restricted Subsidiaries shall (i) fail to make any required payment with respect to any Indebtedness (other than any Indebtedness described in Section 11.1) in excess of $45,500,000 beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created or (ii) fail to observe or perform 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 (other than, (i) with respect to Indebtedness consisting of any Hedging Agreements, termination events or equivalent events pursuant to the terms of such Hedging Agreements and (ii) secured Indebtedness that becomes due solely as a result of the sale, transfer or other Disposition (including as a result of Recovery Event) of the property or assets securing such Indebtedness), 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 prior to its stated maturity; provided that such failure remains unremedied or has not been waived (including in the form of an amendment) by the holders of such Indebtedness 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 prior to the stated maturity thereof other than by (x) a regularly scheduled required prepayment or (y) as a mandatory prepayment or redemption; provided that this clause (b) shall not apply to (A) Indebtedness outstanding under any Hedging Agreements that becomes due pursuant to a termination event or equivalent event under the terms of such Hedging Agreements, (B) secured Indebtedness that becomes due as a result of a Disposition or a Recovery Event with respect to the property or assets securing such Indebtedness or (C) Indebtedness that is convertible into Capital Stock and converts to Capital Stock in accordance with its terms; provided that, with respect to the occurrence of any such default or event or other condition under the First Lien Credit Documents, such default or event or other condition shall only constitute a Default and an Event of Default under this Agreement if (x) such default described in clause (a) is the result of default in payment of principal on the final maturity date or (y) such default or event or other condition has resulted in the principal amount of the First Lien Facility Obligations having been declared due and payable prior to the stated maturity thereof in accordance with the terms of the First Lien Credit Agreement; or

11.5 Bankruptcy, Etc. Holdings, the Borrower or any Specified Subsidiary shall commence a voluntary case, proceeding or action concerning itself under the Bankruptcy Code; or an involuntary case, proceeding or action is commenced against Holdings, the Borrower or any Specified Subsidiary under the Bankruptcy Code and the petition is not dismissed within 60 days after commencement of the case, proceeding or action; or Holdings, the Borrower or any Specified Subsidiary commences any other proceeding or action under any other Debtor Relief Law of any jurisdiction whether now or hereafter in effect relating to Holdings, the Borrower or any Specified Subsidiary; or a custodian (as defined in the Bankruptcy Code), receiver, receiver manager, trustee or similar person is appointed for, or takes charge of, all or substantially all of the property of Holdings, the Borrower or any Specified Subsidiary; or there is commenced against Holdings, the Borrower or any Specified Subsidiary under any other Debtor Relief Law any such proceeding or action that remains undismissed for a period of 60 days; or any order of relief or other order approving any such case or proceeding or action is entered; or Holdings, the Borrower or any Specified Subsidiary suffers any appointment of any custodian, receiver, receiver manager, trustee 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 Borrower or any Specified Subsidiary makes a general assignment for the benefit of creditors; or

11.6 ERISA. (a) With respect to any Pension Plan, the failure by Holdings, the Borrower, any of the Restricted Subsidiaries or any ERISA Affiliate to satisfy the minimum funding standard required for any plan year or part thereof, whether or not waived, under Section 412 of the Code; with respect to any Multiemployer Plan, the failure to make any required contribution or payment; 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 or any Multiemployer Plan is in "endangered or critical status" within the meaning of Section 432 of the Code or Section 305 of ERISA; any Pension Plan is or shall have been terminated or is the subject of termination proceedings by the PBGC under Title IV of ERISA (including the giving of written notice thereof); a determination that a Multiemployer Plan is "insolvent" within the meaning of Section 4245 of ERISA; with respect to any Multiemployer Plan, notification by the administrator of such Multiemployer Plan that the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate has incurred or will be assessed Withdrawal Liability to such Multiemployer Plan; the PBGC provides written notice of its intent to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan in a manner that results in a liability under Title IV of ERISA to the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate; an event shall have occurred or a condition shall exist entitling the PBGC to provide written notice of its intent to terminate any Pension Plan; the Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate has incurred or is reasonably likely to incur a liability to or on account of a Pension Plan or Multiemployer Plan under Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069 or 4212(c) of ERISA or Section 4971 or 4975 of the Code (including the receipt by Borrower, any Restricted Subsidiary thereof or any ERISA Affiliate of written notice thereof); any termination of a Foreign Plan has occurred that gives rise to liability for Holdings, the Borrower or any Restricted Subsidiary; or any non-compliance with the funding requirements under Applicable Law for any Foreign Plan has occurred; (b) there could result from any event or events set forth in clause (a) of this Section 11.6 the imposition of a Lien, the granting of a security interest, or a liability, or the reasonable likelihood of incurring a Lien, security interest or liability; and (c) such Lien, security interest or liability will or would be reasonably likely to have a Material Adverse Effect; or

11.7 Guarantee. The Guarantee or any material provision thereof shall cease to be in full force or effect or any Guarantor thereunder or any Credit Party shall deny or disaffirm in writing any Guarantor's obligations under the Guarantee; or

11.8 Security Document. Any Security Document or any material provision thereof 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 Administrative Agent, the Collateral Agent or any Lender), or any grantor, pledgor or mortgagor thereunder or any Credit Party shall deny or disaffirm in writing any grantor's, pledgor's or mortgagor's obligations under such Security Document; or

11.9 Judgments. One or more judgments or decrees shall be entered against Holdings, the Borrower or any of the Restricted Subsidiaries for the payment of money in an aggregate amount in excess of $45,500,000 for all such judgments and decrees for Holdings, the Borrower and the Restricted Subsidiaries (to the extent not paid or fully covered by insurance provided by a carrier not disputing coverage) and any such judgments or decrees shall not have been satisfied, vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or

11.10 Change of Control. A Change of Control shall occur; provided that a Permitted Change of Control shall not constitute an Event of Default with respect to any Loans or Commitments hereunder;

then, and in any such event, and at any time thereafter, if any Event of Default shall then be continuing, the Administrative Agent shall, upon the written request of the Required Lenders, by written notice to the Borrower, declare the principal of and any accrued interest and fees in respect of all Loans and all Obligations owing hereunder and thereunder 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 the Borrower without prejudice to the rights of any Agent or any Lender to enforce its claims against the Borrower, except as otherwise specifically provided for in this Agreement (provided that, if an Event of Default specified in Section 11.5 with respect to the Borrower shall occur, no written notice by the Administrative Agent shall be required and all amounts in respect of all Loans and all Obligations shall automatically become forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower).

11.11 [Reserved].

SECTION 12. The Administrative Agent and the Collateral Agent.

12.1 Appointment.

(a) Each Lender hereby irrevocably designates and appoints Morgan Stanley Senior Funding, Inc. (together with any successor Administrative Agent pursuant to Section 12.11) as Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents, and each such Lender 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. 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.

(b) Each Lender hereby appoints Morgan Stanley Senior Funding, Inc. (together with any successor Collateral Agent pursuant to Section 12.11) as the Collateral Agent hereunder and authorizes the Collateral Agent to (i) take such action on its behalf and to exercise all rights, powers and remedies and perform the duties as are expressly delegated to the Collateral Agent under such Credit Documents and (ii) exercise such powers as are reasonably incidental thereto. For purposes of the exculpatory, liability-limiting, indemnification and other similar provisions of this Section 12, references to the "Administrative Agent" shall be deemed to include the Collateral Agent in its capacity as such. Each Lender hereby appoints the Collateral Agent to enter into, and sign for and on behalf of the Lenders as Secured Parties, the Security Documents for the benefit of the Lenders and the Secured Parties.

(c) Each Lead Arranger and each Joint Bookrunner, 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 Limited Duties. Under the Credit Documents, the Administrative Agent (i) is acting solely on behalf of the Lenders (except to the limited extent provided in Section 2.5(e)), with duties that are entirely administrative in nature, notwithstanding the use of the defined term "Administrative Agent", the terms "agent", "administrative agent" and "collateral agent" and similar terms in any Credit Document to refer to the Administrative Agent, which terms are used for title purposes only, (ii) is not assuming any obligation under any Credit Document other than as expressly set forth therein or any role

as agent, fiduciary or trustee of or for any Lender or any other Secured Party and (iii) shall have no implied functions, responsibilities, duties, obligations or other liabilities under any Credit Document, and each Lender hereby waives and agrees not to assert any claim against the Administrative Agent based on the roles, duties and legal relationships expressly disclaimed in clauses (i) through (iii) above.

12.3 Binding Effect. Each Lender agrees that (i) any action taken by the Administrative Agent or the Required Lenders (or, if expressly required hereby, a greater proportion of the Lenders) in accordance with the provisions of the Credit Documents, (ii) any action taken by the Administrative Agent in reliance upon the instructions of Required Lenders (or, where so required, such greater proportion) and (iii) the exercise by the Administrative Agent or the Required Lenders (or, where so required, such greater proportion) of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Secured Parties.

12.4 Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement and the other Credit Documents by or through agents or attorneys-in-fact, or through their respective Related Parties, and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The exculpatory provisions of this Section 12 shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

12.5 Exculpatory Provisions. Neither the Administrative Agent nor any of its respective officers, directors, employees, agents, attorneys-in-fact or Affiliates shall (a) be liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Credit Document, including, for the avoidance of doubt, any action taken by it in good faith in connection with the entry into, or any amendment of, or any action taken in connection with, any Customary Intercreditor Agreement contemplated by the terms hereof (except for its or such Person's own gross negligence or willful misconduct as determined in a final and non-appealable decision of a court of competent jurisdiction), (b) be responsible for or have any duty to ascertain or inquire into (i) any recitals, statements, representations or warranties contained in this Agreement or any other Credit Document or in any certificate, report, statement, agreement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Credit Document, (ii) the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document, (iii) the creation, perfection priority of any Lien purported to be created by the Credit Documents, (iv) any failure of the Borrower, any Guarantor or any other Credit Party to perform its obligations hereunder or thereunder or the occurrence of any Default or (v) the value or the sufficiency of any Collateral, (c) be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (d) have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Credit Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Credit Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Credit Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law and (e) except as expressly set forth herein and in the other Credit Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not 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 the Borrower. The Administrative Agent shall have no responsibility or liability for monitoring or enforcing the list of Disqualified Lenders or for any assignment or participation to a Disqualified Lender.

12.6 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex, electronic mail message or teletype message, statement, order or other document or conversation believed by it to be genuine 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 the Borrower), independent accountants and other experts selected by the Administrative 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 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 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.

12.7 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received written notice from a Lender or the Borrower 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 written notice, the Administrative Agent 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).

12.8 Non-Reliance on Administrative Agent and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor any of its 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 hereinafter taken, including any review of the affairs of the Borrower, any Guarantor or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties, 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 the Borrower, any Guarantor and any 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 or any other Lender or any of their Related Parties, 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 the Borrower, any 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, the Administrative Agent shall not 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 the Borrower, any Guarantor or any other Credit Party that may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

12.9 Indemnification. The Lenders agree to indemnify the Administrative Agent in its capacity as such (to the extent required to be reimbursed by the Borrower and not so reimbursed by the Borrower, and without limiting the obligation of the Borrower 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 the Administrative 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 under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct as determined in a final and non-appealable decision of a court of competent jurisdiction. The agreements in this Section 12.9 shall survive the payment of the Loans and all other amounts payable hereunder.

12.10 Agent in Its Individual Capacity. Each of Morgan Stanley Senior Funding, Inc. and its Affiliates may make loans to, and accept deposits from, and generally engage in any kind of business with the Borrower, any Guarantor and any other Credit Party as though Morgan Stanley Senior Funding, Inc. was not the Administrative Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, Morgan Stanley Senior Funding, Inc. 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 the Administrative Agent, and the terms "Lender" and "Lenders" shall include Morgan Stanley Senior Funding, Inc. in its individual capacity.

12.11 Successor Agent. The Administrative Agent and/or the Collateral Agent may resign as the Administrative Agent and/or Collateral Agent, as the case may be, upon 30 days' prior written notice to the Lenders, the other Agents and the Borrower. If the Administrative Agent and/or Collateral Agent is in material breach of its obligations under the Credit Documents as an Administrative Agent and/or Collateral Agent, as the case may be, then such Administrative Agent or Collateral Agent, as the case may be, may be removed as the Administrative Agent or Collateral Agent, as the case may be, at the reasonable request of the Borrower and the Required Lenders. If the Administrative Agent and/or Collateral Agent shall resign or be removed as the Administrative Agent and/or the Collateral Agent under this Agreement and the other Credit Documents, then (a) the Required Lenders shall appoint from among the Lenders a successor for the Lenders within 30 days, or (b) in the case of a resignation, the Administrative Agent and/or the Collateral Agent may, on behalf of the Lenders, appoint a successor Administrative Agent and/or the Collateral Agent, as applicable, selected from among the Lenders. In either case, the successor shall be approved by the Borrower (which approval shall not be unreasonably

withheld and shall not be required if an Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing), whereupon such successor shall succeed to the rights, powers and duties of the Administrative Agent and/or the Collateral Agent, and the term "Administrative Agent", and/or "Collateral Agent", as applicable, shall mean such successor effective upon such appointment and approval, and the former Administrative Agent's and/or Collateral Agent's rights, powers and duties as the Administrative Agent and/or the Collateral Agent shall be terminated without any other or further act or deed on the part of such former Administrative Agent and/or Collateral Agent or any of the parties to this Agreement or any Lenders or other holders of the Loans. If no successor has accepted appointment as Administrative Agent and/or the Collateral Agent by the date which is thirty (30) days following the retiring Administrative Agent's and/or Collateral Agent's notice of resignation, as the case may be, (x) the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Lenders shall perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor as provided for above and (y) the retiring Collateral Agent's resignation shall nevertheless thereupon become effective at such time as a successor Collateral Agent shall have been appointed, and such successor Collateral Agent shall have accepted such appointment, in accordance with the terms of this Section 12.11 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 reasonably request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents. After any retiring or removed Administrative Agent's and/or the Collateral Agent's resignation or removal as the Administrative Agent and/or Collateral Agent, the provisions of this Section 12 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent and/or Collateral Agent under this Agreement and the other Credit Documents.

12.12 Withholding Tax. To the extent the Administrative Agent reasonably believes that it is required by any Applicable Law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding tax. Without limiting or expanding the obligations of the Credit Parties under Section 5.4, if the United States 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 (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 which rendered the exemption from, or reduction of, withholding tax ineffective, or for any other reason), such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as tax or otherwise, including penalties and interest, together with all expenses incurred, including legal expenses, allocated staff costs and any out-of-pocket expenses. The agreements in this Section 12.12 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder. The Administrative Agent shall be entitled to set off any amounts owing to it under Section 12.12 against any amounts otherwise payable to the applicable Lender.

12.13 Duties as Collateral Agent and as Paying Agent. Without limiting the generality of Section 12.1 above, the Collateral Agent shall have the sole and exclusive right and authority (to the exclusion of the Lenders each Hedge Bank and each Cash Management Bank), and is hereby authorized, to (i) act as the disbursing and collecting agent for the Secured Parties with respect to all payments and collections arising in connection with the Credit Documents (including in any proceeding described in Section 11.5 or any other proceedings under any other Debtor Relief Laws, and each Person making any payment in connection with any Credit Document to any Secured Party is hereby authorized to make such payment to the Collateral Agent, (ii) file and prove claims and file other documents necessary or desirable to allow the claims of the Secured Parties with respect to any Obligation in any proceeding described in Section 11.5 or any other proceedings under any other Debtor Relief Laws (but not to vote, consent or otherwise act on behalf of such Secured Party), (iii) act as collateral agent for each Secured Party for

purposes of the perfection of all Liens created by such agreements and all other purposes stated therein, (iv) manage, supervise and otherwise deal with the Collateral, (v) take such other action as is necessary or desirable to maintain the perfection and priority of the Liens created or purported to be created by the Credit Documents, (vi) except as may be otherwise specified in any Credit Document, exercise all remedies given to the Collateral Agent and the other Secured Parties with respect to the Collateral, whether under the Credit Documents, applicable requirements of law or otherwise, (vii) negotiate the form of any Mortgage and (viii) execute any amendment, consent or waiver under the Security Documents on behalf of the Secured Parties, to the extent consented to in accordance with Section 13.1 and the terms thereof; provided, however, that the Collateral Agent hereby appoints, authorizes and directs each Lender to act as collateral sub-agent for the Collateral Agent and the other Secured Parties for purposes of the perfection of all Liens with respect to the Collateral, including any deposit account maintained by a Credit Party with, and cash and Cash Equivalents held by such Secured Party and may further authorize and direct the Secured Parties to take further actions as collateral sub-agents for purposes of enforcing such Liens or otherwise to transfer the Collateral subject thereto to the Collateral Agent, and each Secured Party hereby agrees to take such further actions to the extent, and only to the extent, so authorized and directed.

12.14 Authorization to Release Liens and Guarantees. The Administrative Agent and the Collateral Agent are hereby irrevocably authorized by each of the Lenders to effect any release or subordination of Liens or the Guarantees contemplated by Section 13.17 without further action or consent by the Lenders.

12.15 Intercreditor Agreements. The Collateral Agent is hereby authorized to enter into any Customary Intercreditor Agreement to the extent contemplated by the terms hereof, and the parties hereto acknowledge that such Customary Intercreditor Agreement is binding upon them. Each Lender (a) hereby agrees that it will be bound by and will take no actions contrary to the provisions of the Customary Intercreditor Agreement and (b) hereby authorizes and instructs the Collateral Agent to enter into the Customary Intercreditor Agreement and to subject the Liens on the Collateral securing the Obligations to the provisions thereof. In addition, each Lender hereby authorizes the Collateral Agent to enter into (i) any amendments to any Customary Intercreditor Agreement, and (ii) any other intercreditor arrangements, in the case of clauses (i), and (ii) to the extent required to give effect to the establishment of intercreditor rights and privileges as contemplated and required by Section 10.2 of this Agreement.

Each Lender acknowledges and agrees that (i) Morgan Stanley Senior Funding, Inc. (or one or more of its affiliates) is acting as "Senior Priority Representative" under the First Lien/Second Lien Intercreditor Agreement and (ii) any of the Agents (including Morgan Stanley Senior Funding, Inc.) (or one or more of their respective Affiliates) may (but are not obligated to) act as the "Representative" or like term for the holders of Credit Agreement Refinancing Indebtedness under the security agreements with respect thereto and/or under the First Lien/Second Lien Intercreditor Agreement or other Customary Intercreditor Agreement. Each Lender waives any conflict of interest, now contemplated or arising hereafter, in connection therewith and agrees not to assert against any Agent or any of its affiliates any claims, causes of action, damages or liabilities of whatever kind or nature relating thereto.

12.16 Secured Cash Management Agreements and Secured Hedge Agreements. Except as otherwise expressly set forth herein or in any Guarantee or any Security Document, no Cash Management Bank or Hedge Bank that obtains the benefits of any Guarantee or any Collateral by virtue of the provisions hereof or of any Guarantee or any Security 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 Section 12 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 Cash Management Agreements and Secured Hedging 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.

12.17 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 4.1 and 13.5) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Agents and their respective agents and counsel, and any other amounts due the Administrative Agent under Sections 4.1 and 13.5.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Obligations (including accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code of the United States, including under Sections 363, 1123 or 1129 of the Bankruptcy Code of the United States, under any other Debtor Relief Laws or under any similar laws in any other jurisdictions to which a Credit Party is subject, (b) at any other sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any Applicable Law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in

allocating the contingent interests) in the asset or assets so purchased (or in the Capital Stock or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles to make a bid, (ii) to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or Capital Stock thereof shall be governed, directly or indirectly, by the vote of the Required Lenders, irrespective of the termination of this Agreement and without giving pro forma effect to the limitations on actions by the Required Lenders contained in clauses (i) through (vii) of Section 13.1 of this Agreement, (iii) the Administrative Agent shall be authorized to assign the relevant Obligations to any such acquisition vehicle pro rata by the Lenders, as a result of which each of the Lenders shall be deemed to have received a pro rata portion of any Capital Stock and/or debt instruments issued by such an acquisition vehicle on account of the assignment of the Obligations to be credit bid, all without the need for any Secured Party or acquisition vehicle to take any further action, and (iv) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of debt credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Lenders pro rata and the Capital Stock and/or debt instruments issued by any acquisition vehicle on account of the Obligations that had been assigned to the acquisition vehicle shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action.

12.18 ERISA Lender Acknowledgement.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans and this Agreement satisfies the requirements of subsections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless subclause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in subclause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, that none of the Administrative Agent, the Lead Arrangers or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Credit Document or any documents related hereto or thereto).

(c) The Administrative Agent and each of the Lead Arrangers hereby informs the applicable Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans and this Agreement, (ii) may recognize a gain if it extended the Loans for an amount less than the amount being paid for an interest in the Loans by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Credit Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, bankers' acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

SECTION 13. Miscellaneous.

13.1 Amendments and Waivers. Except as expressly set forth in this Agreement, neither this Agreement nor any other Credit Document (other than the Fee Letter), nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 13.1. Except with respect to any amendment, modification or waiver contemplated in clause (i) below, which shall only require the consent of the Lenders expressly set forth therein and not the Required Lenders or any other majority or required percentage of Lenders of any Class of Loans or Commitments and, except as otherwise set forth in this Agreement, the Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent and/or the Collateral Agent shall, 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 the Credit Parties hereunder or thereunder or (b) waive, on such terms and conditions as the Required Lenders, 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 no such waiver, amendment, supplement or modification shall directly:

(i) without the written consent of each Lender directly and adversely affected thereby:

(A) reduce or forgive the principal of any Loan (it being understood that a waiver of any condition precedent set forth in Section 6 and 7 or waiver or amendment of any Default, Event of Default or mandatory prepayment shall not constitute a reduction or forgiveness of principal);

(B) extend the date of any scheduled amortization payment (including any date scheduled for the repayment of any installment of Incremental Term Loans) or the final scheduled maturity date of any Loan (other than as a result of waiving the conditions precedent set forth in Sections 6 and 7 or other than as a result of a waiver or amendment of any Default, Event of Default or mandatory prepayment (which shall not constitute an extension, forgiveness or postponement of any maturity date)); provided that the foregoing shall not apply to extensions effected in accordance with Section 2.15;

(C) reduce the amount of any fee payable hereunder or reduce the stated interest rate applicable to the Loans; provided that only the consent of the Required Lenders shall be necessary (i) to waive any obligation of the Borrower to pay interest at the "default rate", (ii) to amend Section 2.8(c) or (iii) to waive any requirement of Section 2.14(c);

(D) 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 and other than as a result of a waiver or amendment of any Default, Event of Default or mandatory prepayment (which shall not constitute an extension, forgiveness or postponement of any date for payment of principal, interest or fees));

(E) [reserved];

(F) [reserved];

(G) [reserved];

(H) [reserved]; or

(I) amend the "default waterfall" under Section 5.4 of the Security Agreement or Section 12(b) of the Pledge Agreement in a manner that would alter the pro rata sharing of payments thereunder; or

(ii) [reserved],

(iii) amend, modify or waive any provision of this Section 13.1 or reduce the percentages specified in the definition of the term "Required Lenders" or consent to the assignment or transfer by the Borrower of its rights and obligations under any Credit Document to which it is a party (except as permitted pursuant to Section 10.2(bb)), in each case without the written consent of each Lender,

(iv) amend, modify or waive any provision of Section 12 without the written consent of then-current Administrative Agent and/or the Collateral Agent, as applicable,

(v) [reserved],

(vi) [reserved], or

(vii) subject to the First Lien/Second Lien Intercreditor Agreement or any other applicable Customary Intercreditor Agreement, release all or substantially all of the value of the Guarantors under the Guarantee (except as expressly permitted by the Guarantee), or release all or substantially all of the Collateral under the Security Documents (except as expressly permitted by the Security Documents), in each case without the prior written consent of each Lender.

provided, further, that (A) any waiver, amendment or modification of this Agreement that by its terms affects the rights or duties under this Agreement of Lenders holding Loans of a particular Class (but not the Lenders holding Loans of any other Class) may be effected by an agreement or agreements in writing entered into by Holdings, the Borrower, and the requisite percentage in interest of the affected Class of Lenders that would be required to consent thereto under this Section if such Class of Lenders were the only Class of Lenders hereunder at the time and (B) any provision of this Agreement or any other Credit Document may be amended by an agreement in writing entered into by Holdings, the Borrower and the Administrative Agent to cure any ambiguity, omission, defect or inconsistency (including, without limitation, amendments, supplements or waivers to any of the Security Documents, guarantees, intercreditor agreements or related documents executed by any Credit Party or any other Subsidiary in connection with this Agreement if such amendment, supplement or waiver is delivered in order to cause such Security Documents, guarantees, intercreditor agreements or related documents to be consistent with this Agreement and the other Credit Documents), so long as, in each case, the Lenders shall have received at least five Business Days' prior written notice thereof 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; provided that the consent of the Lenders or the Required Lenders, as the case may be, shall not be required to make any such changes necessary to be made in connection with (x) any borrowing of Incremental Term Loans to effect the provisions of Section 2.14, (y) in connection with an amendment that addresses solely a re-pricing transaction in which any Class of Term Loans is refinanced with a replacement Class of term loans bearing (or is modified in such a manner such that the resulting term loans bear) a lower Effective Yield for which only the consent of the Lenders holding Term Loans subject to such permitted repricing transaction that will continue as a Lender in respect of the repriced tranche of Term Loans or modified Term Loans or (z) changes otherwise to effect the provisions of Section 2.14, 2.15, 2.17 or 10.2(a) and (C) Holdings, the Borrower and the Administrative Agent may, without the input or consent of the other Lenders, (i) negotiate the form of any Mortgage as may be necessary or appropriate in the opinion of the Collateral Agent, (ii) effect changes to this Agreement that are necessary and appropriate to provide for the mechanics contemplated by the offering process set forth in Section 13.6(g)(B) herein and (iii) effect technical changes to this Agreement that are required in connection with a Permitted Change of Control.

Notwithstanding the foregoing, the Administrative Agent and the Collateral Agent may, without the consent of any Lender, enter into any amendment to the Security Documents or a Customary Intercreditor Agreement contemplated by Section 10.2(a) or 10.2(u) or by Section 8.09(b) of the First Lien/Second Lien Intercreditor Agreement.

To the extent notice has been provided to the Administrative Agent pursuant to the definition of Credit Agreement Refinancing Indebtedness, Permitted Additional Debt or Permitted Refinancing Indebtedness or pursuant to Sections 2.14(c), 10.1(k)(i)(E) or 10.1(s) with respect to the inclusion of any Previously Absent Covenant, this Agreement shall be automatically and without further action on the part of any Person hereunder and notwithstanding anything to the contrary in this Section 13.1 deemed modified to include such Previously Absent Covenant on the date of the Incurrence of the applicable Indebtedness to the extent required by the terms of such definition or section.

13.2 Notices; Electronic Communications. Notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax, as follows:

(a) if to the Borrower, Holdings or any other Credit Party, to it at:

Grocery Outlet Inc.
5650 Hollis St.
Emeryville, CA 94608
Attention: Charles Bracher
Tel: [ ]
Fax: [ ]
Electronic Mail: [ ]

(b) if to the Administrative Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

(c) if to the Collateral Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1300 Thames Street, 4th Floor
Thames Street Wharf
Baltimore, MD 21231
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: DOCS4LOANS@morganstanley.com

(d) if to a Lender, to it at its address (or fax number) set forth on Schedule 13.2 or in the Assignment and Acceptance, Incremental Agreement or documents relating to any Refinancing pursuant to which such Lender shall have become a party hereto.

All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by fax or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 13.2 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 13.2. Notices and other communications may also be delivered by e-mail to the email address of a representative of the applicable Person provided from time to time by such Person.

The Borrower hereby agrees, unless directed otherwise by the Administrative Agent or unless the electronic mail address referred to below has not been provided by the Administrative Agent to the Borrower, that it will, or will cause its Subsidiaries to, provide to the Administrative Agent all information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to the Credit Documents or to the Lenders under Section 9, including all notices, requests,

financial statements, financial and other reports, certificates and other information materials, but excluding any such communication that (i) is or relates to a Notice of Borrowing or a notice pursuant to Section 2.6, (ii) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (iii) provides notice of any Default or Event of Default under this Agreement or any other Credit Document or (iv) 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 hereunder (all such non-excluded communications being referred to herein collectively as "Communications"), by transmitting the Communications in an electronic/soft medium that is properly identified in a format reasonably acceptable to the Administrative Agent to an electronic mail address as directed by the Administrative Agent. In addition, the Borrower agrees, and agrees to cause its Subsidiaries, to continue to provide the Communications to the Administrative Agent or the Lenders, as the case may be, in the manner specified in the Credit Documents but only to the extent requested by the Administrative Agent.

The Borrower hereby acknowledges that (a) the Administrative Agent will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, the "Borrower Materials") by posting the Borrower Materials on Intralinks or another similar electronic system (the "Platform") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to Holdings (or any Parent Entity thereof) or the Borrower or any of their respective securities) (each, a "Public Lender"). The Borrower hereby agrees that (x) by marking Borrower Materials "PUBLIC", the Borrower shall be deemed to have authorized the Agents and the Lenders to treat the Borrower Materials as not containing any material non-public information with respect to Holdings (or any Parent Entity thereof) or the Borrower or any of their respective securities for purposes of United States federal securities laws (provided, however, that to the extent such Borrower Materials constitute Confidential Information, they shall be treated as set forth in Section 13.16); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Investor"; and (z) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not marked as "Public Investor." Notwithstanding the foregoing, the following Borrower Materials shall be deemed to be marked "PUBLIC" unless the Borrower notifies the Administrative Agent promptly that any such document contains material non-public information: (1) the Credit Documents, (2) notification of changes in the terms of the Credit Facilities and (3) all information delivered pursuant to Section 9.1(a) and (b).

Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and Applicable Law, including United States federal securities laws, to make reference to Communications that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to Holdings (or any Parent Entity thereof) or the Borrower or any of their respective securities for purposes of United States federal securities laws.

THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." NEITHER THE ADMINISTRATIVE AGENT NOR ANY OF ITS RELATED PARTIES WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS OR THE ADEQUACY OF THE PLATFORM AND EACH EXPRESSLY DISCLAIMS LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. 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 THE ADMINISTRATIVE AGENT OR ANY OF ITS RELATED PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE

PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT OR ANY OF ITS RELATED PARTIES HAVE ANY LIABILITY TO ANY CREDIT PARTY, ANY LENDER, ANY OTHER AGENT OR ANY OTHER PERSON FOR DAMAGES OF ANY KIND, WHETHER OR NOT BASED ON STRICT LIABILITY AND INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF ANY CREDIT PARTY'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR NOTICES THROUGH THE PLATFORM, ANY OTHER ELECTRONIC PLATFORM OR ELECTRONIC MESSAGING SERVICE, EXCEPT TO THE EXTENT THE LIABILITY OF ANY SUCH PERSON IS FOUND IN A FINAL DECISION BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED FROM SUCH PERSON'S GROSS NEGLIGENCE, BAD FAITH OR WILLFUL MISCONDUCT.

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 receipt of 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 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 that the foregoing notice may be sent to such e-mail address. Nothing herein shall prejudice the right of the Administrative 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 and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices and Notices of Borrowing) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. All telephonic notices to the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

The words "execution", "execute", "signed", "signature", and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Acceptances, amendments or other modifications, Notices of Borrowing, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formation on electronic platforms approved by the Administrative Agent 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.

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.

(a) The Borrower agrees (i) to pay or reimburse each of the Agents, the Lead Arrangers and the Joint Bookrunners for all their reasonable and documented or invoiced out-of-pocket costs and expenses (without duplication) associated with the syndication of the Initial Term Loan Facility and incurred in connection with the development, preparation, execution and delivery of, and any amendment, supplement, modification to, waiver and/or enforcement of 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, including the reasonable fees, disbursements and other charges of Shearman & Sterling LLP and, to the extent necessary, a single firm of local counsel in each appropriate local jurisdiction (which may include a single special counsel acting in multiple jurisdictions) or otherwise retained with the Borrower's consent (such consent not to be unreasonably withheld or delayed), and (ii) to pay or reimburse each of the Agents for all their reasonable and documented and invoiced 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 the reasonable fees, disbursements and other charges of one firm or counsel to the Agents, and, to the extent necessary, a single firm of local counsel in each appropriate local jurisdiction (which may include a single special counsel acting in multiple jurisdictions) or otherwise retained with the Borrower's consent (such consent not to be unreasonably withheld or delayed), and (iii) to pay, indemnify and hold harmless each Lender, each Agent, each Lead Arranger and each Joint Bookrunner and their respective Related Parties (without duplication) (the "Indemnified Parties") from and against any and all losses, claims, damages, liabilities or penalties (collectively, "Losses") of any kind or nature whatsoever and the reasonable and documented and invoiced out-of-pocket expenses, joint or several, to which any such Indemnified Party may become subject, in each case to the extent of any such Losses and related expenses, to the extent arising out of, resulting from, or in connection with any action, claim, litigation, investigation or other proceeding (including any inquiry or investigation of the foregoing) (any of the foregoing, a "Proceeding") (regardless of whether such Indemnified Party is a party thereto or whether or not such Proceeding was brought by the Borrower, its equity holders, affiliates or creditors or any other third person), and, subject to Section 13.5(e), to reimburse each such Indemnified Party promptly for any reasonable and documented and invoiced out-of-pocket fees and expenses incurred in connection with investigating, responding to or defending any of the foregoing (which in the case of legal fees shall be limited to the reasonable and documented or invoiced out-of-pocket fees, expenses, disbursements and other charges of a single firm of counsel for all Indemnified Parties, taken as a whole and, to the extent necessary, a single firm of local counsel in each appropriate local jurisdiction (which may include a single special counsel acting in multiple jurisdictions) (and, in the case of an actual or perceived conflict of interest where the Indemnified Party affected by such conflict notifies the Borrower of any existence of such conflict and in connection with the investigating, responding to or defending any of the foregoing has retained its own counsel, of one other firm of counsel for such affected Indemnified Party)), relating to the Transactions or the execution, delivery, enforcement, performance and administration of this Agreement, the other Credit Documents and any such other documents or the use of the proceeds of the Loans, (all the foregoing in this clause (iii), collectively, the "indemnified liabilities"); provided that this clause (iii) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, liabilities or penalties arising from any non-Tax claim; and provided, further, that the Borrower shall have no obligation hereunder to any Indemnified Party with respect to indemnified liabilities to the extent arising from (a) the gross negligence, bad faith or willful misconduct of such Indemnified Party or any of its Related

Parties as determined in a final and non-appealable decision of a court of competent jurisdiction, (b) a material breach of the obligations of such Indemnified Party or any of its Related Parties under the terms of this Agreement or any other Credit Document by such Indemnified Party or any of its Related Parties as determined in a final and non-appealable decision of a court of competent jurisdiction, (c) in addition to clause (b) above, in the case of any Proceeding initiated by Holdings, the Borrower or any Restricted Subsidiary against the relevant Indemnified Party, solely from a breach of the obligations of such Indemnified Party or its Related Parties under the terms of this Agreement or any other Credit Document as determined in a final and non-appealable decision by a court of competent jurisdiction, or (d) any Proceeding brought by any Indemnified Party against any other Indemnified Party that does not involve an act or omission by Holdings, the Borrower or its Restricted Subsidiaries; provided that each of the Agents, the Lead Arrangers and the Joint Bookrunners, in each case to the extent fulfilling their respective roles in their capacities as such, shall remain indemnified in respect of such a Proceeding, to the extent that none of the exceptions set forth in clause (a), (b) or (c) of the immediately preceding proviso applies to such Person at such time. All amounts payable under this Section 13.5(a) shall be paid within 30 days after receipt by the Borrower of written demand and an invoice relating thereto setting forth such expense in reasonable detail. The agreements in this Section 13.5 shall survive repayment of the Loans and all other amounts payable hereunder and the termination of the Obligations.

(b) No Credit Party nor any Indemnified Party shall have any liability for any special, punitive, indirect or consequential damages (including any loss of profits, business or anticipated savings) in connection with 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); provided that the foregoing shall not limit the Borrower's indemnification and reimbursement obligations to the Indemnified Parties pursuant to Section 13.5(a)(iii), to the extent that such special, punitive, indirect or consequential damages are included in any claim by a third party unaffiliated with any of the Indemnified Parties with respect to which the applicable Indemnified Party is entitled to indemnification under Section 13.5(a)(iii). No Indemnified Party shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby, except to the extent that such damages have resulted from the willful misconduct, bad faith or gross negligence of any Indemnified Party or any of its Related Parties as determined by a final and non-appealable decision of a court of competent jurisdiction.

(c) No Credit Party shall be liable for any settlement of any Proceeding effected without written consent of the Borrower (which consent shall not be unreasonably withheld or delayed, it being understood that the withholding of consent due to non-satisfaction of any of the conditions described in clauses (i) and (ii) of paragraph (d) below (with "the Borrower" being substituted for "Indemnified Party" in each such clause) shall be deemed reasonable), but if settled with the Borrower'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, each Credit Party agrees to indemnify and hold harmless each Indemnified Party from and against any and all Losses and reasonable and documented or invoiced 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 of this Section 13.5. If any Person has reimbursed any Indemnified Party for any legal or other expenses in accordance with such request and there is a final and non-appealable determination by a court of competent jurisdiction that the Indemnified Party was not entitled to indemnification or contribution rights with respect to such payment pursuant to this Section 13.5, then the Indemnified Party shall promptly refund such amount.

(d) No Credit Party shall without the prior written consent of any Indemnified Party (which consent shall not be unreasonably withheld or delayed, it being understood that the withholding of consent due to non-satisfaction of any of the conditions described in clauses (i) and (ii) of this sentence

shall be deemed reasonable), effect any settlement of any pending or threatened Proceeding in respect of which indemnity could have been sought hereunder by such Indemnified Party unless such settlement (i) includes an unconditional release of such Indemnified Party in form and substance reasonably satisfactory to such Indemnified Party from all liability or claims that are the subject matter of such Proceeding 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 Party.

(e) In case any proceeding is instituted involving any Indemnified Party for which indemnification is to be sought hereunder by such Indemnified Party, then such Indemnified Party will promptly notify the Borrower of the commencement of any proceeding; provided, however, that the failure to do so will not relieve the Borrower from any liability that it may have to such Indemnified Party hereunder, except to the extent that the Borrower is materially prejudiced by such failure. Notwithstanding the above, following such notification, the Borrower may elect in writing to assume the defense of such proceeding, and, upon such election, the Borrower will not be liable for any legal costs subsequently incurred by such Indemnified Party (other than reasonable costs of investigation and providing evidence) in connection therewith, unless (i) the Borrower has failed to provide counsel reasonably satisfactory to such Indemnified Party in a timely manner, (ii) counsel provided by the Borrower reasonably determines its representation of such Indemnified Party would present it with a conflict of interest or (iii) the Indemnified Party reasonably determines that there are actual conflicts of interest between the Borrower and the Indemnified Party, including situations in which there may be legal defenses available to the Indemnified Party which are different from or in addition to those available to the Borrower.

13.6 Successors and Assigns; Participations and Assignments; Etc..

(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 set forth in Section 10.2(bb), the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the 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. 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 Section 13.6(d)) and, to the extent expressly contemplated hereby, the Indemnified Parties) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph 13.6(b)(ii), any Lender may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrower; provided that no consent of the Borrower shall be required (x) for an assignment of any Term Loan to a Lender, an Affiliate of a Lender or an Approved Fund (unless increased costs would result therefrom) or (y) if an Event of Default under Section 11.1 or an Event of Default with respect to the Borrower under Section 11.5 has occurred and is continuing; provided, further, that the Borrower shall be deemed to have consented to any such assignment of a Term Loan unless it shall object thereto by written notice to the Administrative Agent within fifteen Business Days after having received written notice thereof; provided, further, that it shall be understood that, without limitation, the Borrower shall have the right to withhold its consent to any assignment if, in order for such assignment to comply with Applicable Law, the Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority, and

(B) in the case of Term Loans or Commitments in respect of Term Loans, the Administrative Agent; provided that no consent of the Administrative Agent shall be required for an assignment of any Term Loan to a Lender, an Affiliate of a Lender or an Approved Fund or to any Purchasing Borrower Party or any Affiliated Lender.

Notwithstanding the foregoing or anything to the contrary set forth herein, any assignment of any Loans to a Purchasing Borrower Party or any Affiliated Lender shall also be subject to the requirements of Section 13.6(g).

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of (i) an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or (ii) an assignment of the entire remaining amount of the assigning Lender's Loans of the applicable Class, the amount of the 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 $1,000,000 (or an integral multiple of $1,000,000 in excess thereof), unless each of the Borrower and the Administrative Agent otherwise consents; provided that no such consent of the Borrower shall be required if an Event of Default under Section 11.1 or Section 11.5 with respect to the Borrower has occurred and is continuing; provided, further, that contemporaneous assignments to a single assignee made by Affiliated Lenders or related Approved Funds or by a single assignor to related Approved Funds shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above;

(B) subject to the terms of Section 13.7(c), the parties to each assignment shall (x) execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system acceptable to the Administrative Agent or (y) if previously agreed with the Administrative Agent, manually execute and deliver to the Administrative Agent an Assignment and Acceptance, in each case, together with a processing fee of $3,500 (it being understood that such recordation fee shall not apply to any assignment by any of the Lead Arrangers, Joint Bookrunners or any of their respective Affiliates hereunder in connection with the primary syndication of the Initial Term Loan Facility); provided that the Administrative Agent may, in its sole discretion, elect to waive or reduce such processing and recordation fee in the case of any assignment, including assignments effected pursuant to the provisions of Section 13.7;

(C) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent any tax form required by Section 5.4 and an administrative questionnaire in a form approved by the Administrative Agent in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Credit Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and Applicable Laws, including Federal and state securities laws; and

(D) 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 with respect to the Loan assigned, except that this clause (D) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate tranches of Loans (if any) on a non-pro rata basis.

Notwithstanding the foregoing or anything to the contrary set forth herein (i) any assignment of any Loans to a Purchasing Borrower Party or an Affiliated Lender shall also be subject to the requirements set forth in Section 13.6(g) and (ii) no natural person may be an Eligible Assignee with respect to any Loans.

For the purpose of this Section 13.6(b), the term "Approved Fund" has the following meaning:

"Approved Fund" means any Person (other than a natural person) that is primarily engaged or advises funds or other investment vehicles that are engaged in making, purchasing, holding or investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course of business and that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to Section 13.6(b)(vi), 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 and subject to the requirements of Sections 2.10, 2.11, 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 Section 13.6(d).

(iv) By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the assignee thereunder shall be deemed to confirm to and agree with each other and the other parties hereto as follows: (A) such assigning Lender warrants that it is the legal and beneficial owner of the interest being assigned thereby free and clear of any adverse claim and that the outstanding balances of its Loans, in each case without giving pro forma effect to assignments thereof which have not become effective, are as set forth in such Assignment and Acceptance, (B) except as set forth in (A) above, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement, or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Credit Document or any other instrument or document furnished pursuant hereto, or the financial condition of Holdings, the Borrower or any Subsidiary or the performance or observance by Holdings, the Borrower or any Subsidiary of any of its obligations under this Agreement, any other Credit Document or any other instrument or document furnished pursuant hereto; (C) such assignee represents and warrants that (x) it is legally authorized to enter into such Assignment and Acceptance and (y) to the extent that such assignee has received, upon its request, a notification of whether or not it is on the list of Disqualified Lenders, it is not a Disqualified Lender or an Affiliate of a Disqualified Lender; (D) such assignee confirms that it has received a copy of this Agreement, together with copies of the most recent financial statements referred to in Section 8.9 or delivered pursuant to Section 9.1 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (E) such assignee will independently and without reliance upon the Administrative Agent, the Collateral Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (F) such assignee appoints and authorizes the Administrative Agent and the Collateral Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the other Credit Documents as are delegated to the

Administrative Agent and the Collateral Agent, respectively, by the terms hereof, together with such powers as are reasonably incidental thereto; and (G) such assignee agrees that it will perform in accordance with their terms all the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(v) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, 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 principal amount of the Loans (and interest thereon) 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 Borrower, the Administrative Agent, the Collateral Agent 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, as in effect at the close of business on the preceding Business Day, shall be available for inspection by (x) the Borrower and the Collateral Agent and (y) any Lender (solely with respect to its own outstanding Loans), in each case, at any reasonable time and from time to time upon reasonable prior notice.

(vi) Upon its receipt of and, if required, consent to, a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed administrative questionnaire and any tax form required by Section 5.4 (unless the assignee shall already be a Lender hereunder) and any written consent to such assignment required by Section 13.6(b)(i), the Administrative Agent shall promptly accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless and until it has been recorded in the Register as provided in this paragraph.

(c) Notwithstanding any provision to the contrary, any Lender may assign to one or more wholly owned special purpose funding vehicles (each, an "SPV") all or any portion of its funded Loans, without the consent of any Person or the payment of a fee, by execution of a written assignment agreement in a form agreed to by such assigning Lender and such SPV, and may grant any such SPV the option, in such SPV's sole discretion, to provide the Borrower all or any part of any Loans that such assigning Lender would otherwise be obligated to make pursuant to this Agreement. Such SPVs shall have all the rights which a Lender making or holding such Loans would have under this Agreement, but no obligations. Any such assigning Lender shall remain liable for all its original obligations under this Agreement, including its Commitment (although the unused portion thereof shall be reduced by the principal amount of any Loans held by an SPV). Notwithstanding such assignment, the Administrative Agent and the Borrower may deliver notices to such assigning Lender (as agent for the SPV) and not separately to the SPV unless the Administrative Agent and the Borrower are requested in writing by the SPV to deliver such notices separately to it. Notwithstanding anything herein to the contrary, (i) neither the grant to the SPV nor the exercise by any SPV of such option will increase the costs or expenses or otherwise change the obligations of the Borrower under this Agreement and the other Credit Documents, except, in the case of Sections 2.10, 2.11 or 5.4, where (A) the increase or change results from a change in any Applicable Law after the SPV becomes an SPV and the assigning Lender notifies the Borrower in writing of such increase or change no later than ninety (90) days after such change in Applicable Law becomes effective or (B) the grant was made with the Borrower's prior written consent, (ii) the assigning Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Credit Document and the receipt of any notices provided by the Administrative Agent and the Borrower (as agent for the SPV) remain the Lender of record hereunder and (iii) no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the assigning Lender). The Borrower shall, at the request of any such assigning

Lender, execute and deliver to such Person as such assigning Lender may designate, a Note, substantially in the form of Exhibit F, in the amount of such assigning Lender's original Note to evidence the Loans of such assigning Lender and related SPV.

(d)

(i) Any Lender may, without the consent of the Borrower unless an Event of Default under Section 11.1 or an Event of Default with respect to the Borrower under Section 11.5 has occurred and is continuing), the Administrative Agent or the Collateral Agent sell participations to one or more Eligible Assignees (but in any event, not to any Disqualified Lender (to the extent that the list of Disqualified Lenders has been made available to the Lenders)), (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, the Administrative Agent, the Collateral Agent 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. 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 the first proviso to Section 13.1 that affects such Participant. Subject to paragraph (d)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits (and subject to the requirements) of Sections 2.10, 2.11, 5.4 and 13.5 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 13.6(b); provided that the documentation required under Section 5.4(d), (e) and (g) shall be delivered to the participating Lender. To the extent permitted by Applicable Law, each Participant also shall be entitled to the benefits of Section 13.8(b) as though it were a Lender; provided such Participant agrees to 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 Sections 2.10, 2.11 or 5.4 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless (A) the entitlement to a greater payment resulted from a change in any Applicable Law after the Participant became a Participant and the participating Lender notifies the Borrower in writing of such entitlement to a greater payment no later than ninety (90) days after such change in Applicable Law becomes effective or (B) the sale of the participation to such Participant is made with the Borrower's prior written consent. Each Lender having sold a participation in any of its Obligations, acting as a non-fiduciary agent of the Borrower solely for this purpose, shall establish and maintain at its address a record of ownership, in which such Lender shall register by book entry (A) the name and address of each such Participant (and each change thereto, whether by assignment or otherwise) and (B) the rights, interest or obligation of each such Participant in any Obligation, in any commitment and in any right to receive any interest or principal payment hereunder (such register, a "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of its Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Obligation) to any Person except to the extent that such disclosure is necessary to establish that such Obligation or Commitment is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive, absent manifest error, and the parties shall treat the Person listed in the Participant Register as the Participant for all purposes of this Agreement, notwithstanding notice to the contrary.

(e) Any Lender may, without the consent of the Borrower, the Collateral Agent 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 or any other central bank, and this Section 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. In order to facilitate such pledge or assignment, the Borrower hereby agrees that, upon request of any Lender at any time and from time to time after the Borrower has made its initial borrowing hereunder, the Borrower shall provide to such Lender, at the Borrower's own expense, a Note evidencing the Loans owing to such Lender.

(f) Subject to Section 13.16, the Borrower 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 Borrower and its Affiliates that has been delivered to such Lender by or on behalf of the Borrower and its Affiliates pursuant to this Agreement or which has been delivered to such Lender by or on behalf of the Borrower and its Affiliates in connection with such Lender's credit evaluation of the Borrower and its Affiliates prior to becoming a party to this Agreement.

(g) (a) Notwithstanding anything else to the contrary contained in this Agreement, any Lender may assign all or a portion of its Term Loans to any Purchasing Borrower Party or any Affiliated Lender in accordance with Section 13.6(b) (which assignment, if to a Purchasing Borrower Party, will not, except for purposes of making the calculations set forth in Section 5.2(a)(ii), constitute a prepayment of Loans for any purposes of this Agreement and the other Credit Documents); provided that:

(A) with respect to any assignment to a Purchasing Borrower Party, no Event of Default has occurred or is continuing or would result therefrom;

(B) with respect to any such assignment to a Purchasing Borrower Party, either (x) such Purchasing Borrower Party shall offer to all Lenders within any Class of Term Loans (but not, for the avoidance of doubt, to every Class) to buy the Term Loans within such Class on a pro rata basis based on the then outstanding principal amount of all Term Loans of such Class, pursuant to procedures to be reasonably agreed between the Administrative Agent and the Borrower or (y) such assignment shall be effected pursuant to an open market purchase;

(C) the assigning Lender and Purchasing Borrower Party or Non-Debt Fund Affiliate purchasing such Lender's Term Loans, as applicable, shall execute and deliver to the Administrative Agent an assignment agreement substantially in the form of Exhibit I or such other form as shall be reasonably acceptable to the Borrower and the Administrative Agent (an "Affiliated Lender Assignment and Acceptance") in lieu of an Assignment and Acceptance;

(D) [reserved];

(E) any Term Loans assigned to any Purchasing Borrower Party shall be automatically and permanently cancelled upon the effectiveness of such assignment and will thereafter no longer be outstanding for any purpose hereunder;

(F) no Purchasing Borrower Party may use the proceeds from loans made under the Revolving Credit Facility (or any other revolving credit facility that is effective in reliance on Section 10.1(b) or Section 10.1(u)) to purchase any Term Loans;

(G) no Term Loan may be assigned to a Non-Debt Fund Affiliate pursuant to this Section 13.6(g) if, after giving pro forma effect to such assignment, Non-Debt Fund Affiliates in the aggregate would own in excess of 30.0% of the Term Loans of all Class then outstanding (determined as of the time of such purchase); and

(H) any purchases or assignments of Loans by a Purchasing Borrower Party or a Non-Debt Fund Affiliate made through "dutch auctions" shall (i) be conducted pursuant to procedures to be established by the applicable "auction agent" that are consistent with this Section 13.6(g) and are otherwise reasonably acceptable to the Borrower and (ii) require that such Person clearly identify itself as a Purchasing Borrower Party or an Affiliated Lender, as the case may be, in any assignment and acceptance agreement executed in connection with such purchases or assignments.

(ii) Notwithstanding anything to the contrary in this Agreement, no Non-Debt Fund Affiliate shall have any right to (A) attend (including by telephone) any meeting or discussions (or portion thereof) among the Administrative Agent, the Collateral Agent or any Lender to which representatives of the Credit Parties are not invited, (B) receive any information or material prepared by the Administrative Agent, the Collateral Agent or any Lender or any communication by or among the Administrative Agent, the Collateral Agent and/or one or more Lenders, except to the extent such information or materials have been made available to any Credit Party or its representatives (and in any case, other than the right to receive notices of prepayments and other administrative notices in respect of its Loans required to be delivered to Lenders pursuant to Sections 2, 3, 4 and 5 of this Agreement) or (C) make or bring (or participate in, other than as a passive participant in or recipient of its pro rata benefits of) any claim, in its capacity as a Lender, against the Administrative Agent or the Collateral Agent with respect to any duties or obligations or alleged duties or obligations of such Agent under the Credit Documents or to challenge such Agent's attorney-client privilege.

(iii) By its acquisition of Term Loans, a Non-Debt Fund Affiliate shall be deemed to have acknowledged and agreed that if a case under the Bankruptcy Code is commenced against any Credit Party, such Credit Party shall seek (and each Non-Debt Fund Affiliate shall consent) to provide that the vote of any Non-Debt Fund Affiliate (in its capacity as a Lender) with respect to any plan of reorganization or liquidation of such Credit Party shall not be counted except that such Non-Debt Fund Affiliate's vote (in its capacity as a Lender) may be counted to the extent any such plan of reorganization or liquidation proposes to treat the Obligations held by such Non-Debt Fund Affiliate in a manner that is less favorable to such Non-Debt Fund Affiliate than the proposed treatment of similar Obligations held by Lenders that are not Affiliates of the Borrower; each Non-Debt Fund Affiliate hereby irrevocably appoints the Administrative Agent (such appointment being coupled with an interest) as such Non-Debt Fund Affiliate's attorney-in-fact, with full authority in the place and stead of such Non-Debt Fund Affiliate and in the name of such Non-Debt Fund Affiliate (solely in respect of Loans and participations therein and not in respect of any other claim or status such Non-Debt Fund Affiliate may otherwise have) from time to time in the Administrative Agent's discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this clause (iii);

(iv) Any Lender may assign all or a portion of the Term Loans of any Class held by it to a Debt Fund Affiliate in accordance with Section 13.6(b).

(h) Notwithstanding anything in Section 13.1 or the definition of "Required Lenders" to the contrary, for purposes of determining whether the Required Lenders or any other requisite Class vote required by this Agreement have (i) consented (or not consented) to any amendment, modification, waiver, consent or other action with respect to any of the terms of any Credit Document or any departure by any Credit Party therefrom, (ii) otherwise acted on any matter related to any Credit Document, or (iii) directed or required the Administrative Agent, the Collateral Agent or any Lender to undertake any

action (or refrain from taking any action) with respect to or under any Credit Document, (A) all Term Loans held by any Non-Debt Fund Affiliate shall be deemed to be not outstanding for all purposes of calculating whether the Required Lenders (or requisite vote of any Class of Lenders) have taken any actions and (B) the aggregate amount of Term Loans held by Debt Fund Affiliates will be excluded to the extent in excess of 49.9% of the amount required to constitute "Required Lenders" (any such excess amount shall be deemed to be not outstanding on a pro rata basis among all Debt Fund Affiliates).

(i) Upon any contribution of Term Loans to the Borrower or any Restricted Subsidiary and upon any purchase of Term Loans by a Purchasing Borrower Party, (A) the aggregate principal amount (calculated on the face amount thereof) of such Term Loans shall automatically be cancelled and retired or extinguished by the Borrower on the date of such contribution or purchase (and, if requested by the Administrative Agent, with respect to a contribution of Term Loans, any applicable contributing Lender shall execute and deliver to the Administrative Agent an Assignment and Acceptance, or such other form as may be reasonably requested by the Administrative Agent, in respect thereof pursuant to which the respective Lender assigns its interest in such Loans to the Borrower for immediate cancellation) and (B) the Administrative Agent shall record such cancellation or retirement or extinguishment in the Register.

(j) The Administrative Agent shall not (a) be required to serve as the auction agent for, or have any other obligations to participate in (other than mechanical administrative duties), or facilitate any, "dutch auction" unless it is reasonably satisfied with the terms and restrictions of such auction or (b) have any obligation to participate in, arrange, sell or otherwise facilitate, and will have no liability in connection with, any open market purchases by any Purchasing Borrower Party.

13.7 Replacements of Lenders Under Certain Circumstances.

(a) The Borrower, at its sole expense, shall be permitted to replace any Lender (or any Participant) that (i) requests reimbursement for amounts owing pursuant to Section 2.10, 2.11 or 5.4 or (ii) 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, with a replacement bank, financial institution or other institutional lender or investor that is an Eligible Assignee; provided that (A) such replacement does not conflict with any Applicable Law, (B) no Event of Default shall have occurred and be continuing at the time of such replacement, (C) the Borrower shall repay (or such replacement bank, financial institution or other institutional lender or investor shall purchase, at par) all Loans and pay all other amounts (other than any disputed amounts) owing to such replaced Lender hereunder (including, for the avoidance of doubt, pursuant to Section 2.10, 2.11, 3.5 or 5.4, as the case may be) and under the other Credit Documents prior to the date of replacement of such Lender, (D) such replacement bank, financial institution or other institutional lender or investor (if not already a Lender) and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent, (E) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 13.6 and (F) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender or that the replaced Lender shall have against the Borrower and the other parties for indemnity, contribution, payment of disputed and other unpaid amounts and otherwise.

(b) If any Lender (such Lender a "Non-Consenting Lender") has failed to consent to a proposed amendment, modification, supplement, waiver, discharge or termination, which pursuant to the terms of Section 13.1 requires the consent of all of the Lenders affected or each Lender and with respect to which the Required Lenders shall have granted their consent, then, provided no Event of Default has occurred and is continuing, the Borrower shall have the right (unless such Non-Consenting Lender grants such consent), at its own cost and expense, to replace such Non-Consenting Lender by requiring such

Non-Consenting Lender to assign its Loans to one or more Eligible Assignees reasonably acceptable to the Administrative Agent; provided that (i) all Obligations of the Borrower under this Agreement owing to such Non-Consenting Lender being replaced shall be paid in full (including any applicable premium under Section 5.1(b)) to such Non-Consenting Lender concurrently with such assignment, (ii) 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 and other accrued and unpaid amounts thereon, (iii) the replacement Lender shall consent to the proposed amendment, modification, supplement, waiver, discharge or termination, (iv) all Lenders required to have consented to such proposed amendment, modification, supplement, waiver, discharge or termination (other than Non-Consenting Lenders which are simultaneously replaced) shall have consented thereto, and (v) the assignment of such Non-Consenting Lenders Loans to one or more Eligible Assignees does not otherwise conflict with Applicable Law. In connection with any such assignment, the Borrower, the Administrative Agent, such Non-Consenting Lender and the replacement Lender shall otherwise comply with Section 13.6(a).

(c) Notwithstanding anything herein to the contrary, each party hereto agrees that any assignment pursuant to the terms of this Section 13.7 may be effected pursuant to an Assignment and Acceptance executed by the Borrower, the Administrative Agent and the assignee and that the Lender making such assignment need not be a party thereto.

13.8 Adjustments; Set-off.

(a) Except as otherwise set forth herein, if any Lender (a "Benefited Lender") shall at any time receive any payment of all or part of the Loans of any Class, 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 of such Class, such Benefited Lender shall (i) notify the Administrative Agent of such fact, and (ii) purchase for cash at face value from the other Lenders a participating interest in such portion of each such other Lender's Loans of such Class, 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 in accordance with the aggregate principal of their respective Loans of the applicable Class; provided that, (A) 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 and (B) the provisions of this paragraph shall not be construed to apply to (x) any payment made by Holdings, the Borrower or any other Credit Party pursuant to and in accordance with the express terms of this Agreement and the other Credit Documents, (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant or (z) any disproportionate payment obtained by a Lender of any Class as a result of the extension by Lenders of the maturity date or expiration date of some but not all Loans = of that Class or any increase in the Applicable Margin (or other pricing term, including any fee, discount or premium) in respect of Loans of Lenders that have consented to any such extension to the extent such transaction is permitted hereunder. Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation.

(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 Applicable Law and each Lender shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by Applicable Law, upon any amount becoming due and payable by the Borrower

hereunder (whether at the stated maturity, by acceleration or otherwise) to setoff and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), 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 Borrower, as the case may be. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such set-off and application made by such Person; provided that the failure to give such notice shall not affect the validity of such set-off and application. Notwithstanding anything in this Section 13.8(b) to the contrary, no Lender will exercise, or attempt to exercise, any right of set off, banker's lien or the like against any deposit account or property of the Borrower or any other credit party held or maintained by such Lender to the extent the deposits or other proceeds of such exercise, or attempt to exercise, any right of set off, banker's lien or the like are, or are intended to be or are otherwise are held out to be applied to the Obligations hereunder or otherwise secured by the Collateral, without the prior written consent of the Collateral Agent.

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 (i.e., a "pdf" or "tif")), 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 Holdings, the Borrower and each 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 Borrower, the Administrative Agent, the Collateral Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Collateral Agent, the Administrative Agent or 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.

13.13 Submission to Jurisdiction; Waivers. Each party hereto hereby 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, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the County of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding shall be brought in such courts and waives 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;

(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 the applicable party at its respective address set forth in Section 13.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue 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 of Holdings and the 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) none of the Administrative Agent, the Collateral Agent, any Lead Arranger, any Joint Bookrunner or any Lender has any fiduciary relationship with or duty to Holdings or the Borrower arising out of or in connection with this Agreement or any of the other Credit Documents, and the relationship between the Administrative Agent, the Collateral Agent and the Lenders, on one hand, and Holdings or the Borrower on the other hand, in connection herewith or therewith is solely that of debtor and creditor; 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 Holdings, the Borrower and the Lenders.

13.15 WAIVERS OF JURY TRIAL. HOLDINGS, THE BORROWER, THE ADMINISTRATIVE AGENT, THE COLLATERAL AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE 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. Each Agent and each Lender shall hold all non-public information furnished by or on behalf of Holdings and the Borrower and their Subsidiaries in connection with such Lender's evaluation of whether to become a Lender hereunder or obtained by such Lender or such Agent pursuant to the requirements of this Agreement ("Confidential Information") confidential in accordance with its customary procedure for handling confidential information of this nature and, in the case of a Lender that is a bank, in accordance with safe and sound banking practices and in any event may make disclosure (a) as required or requested by any Governmental Authority or representative thereof or regulatory authority having jurisdiction over it (including any self-regulatory authority or representative thereof) or pursuant to legal process or otherwise as required by Applicable Law based on the reasonable advice of counsel, (b) to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder; provided that, in the case of each of clauses (i) and (ii), the relevant Person is advised of and agrees to be bound by the provisions of this Section 13.16 or other provisions at least as restrictive as this Section 13.16, (c) to such Lender's or such Agent's trustees, attorneys, professional advisors or independent auditors or Related

Parties, in each case who need to know such information in connection with the administration of the Credit Documents and are informed of the confidential nature of such information or are subject to customary confidentiality obligations of professional practice or who agree in writing to be bound by the terms of this paragraph (or language substantially similar to this paragraph) (and to the extent a person's compliance is within the control of an Agent or Lender, such Agent or Lender will be responsible for such compliance), (d) with the written consent of the Borrower, (e) to the extent such Confidential Information (i) becomes publicly available other than as a result of a breach of this Section 13.16, (ii) becomes available to any Agent, any Lender or any of their respective Affiliates on a non-confidential basis from a source that is not subject to these confidentiality provisions or (iii) to the extent such information is independently developed by such Agent, Lender, or Affiliate without the use of confidential information in breach of this Section 13.16 or (f) for purposes of establishing a "due diligence" defense; provided that unless specifically prohibited by Applicable Law or court order, each Lender or each Agent shall notify the Borrower of any request by any Governmental Authority or representative thereof (other than any such request in connection with an examination of the financial condition of such Lender or such Agent by such Governmental Authority) for disclosure of any such non-public information prior to disclosure of such information; and provided, further, that, in no event shall any Lender or any Agent be obligated or required to return any materials furnished by Holdings, the Borrower or any Subsidiary of the Borrower. Each Lender and each Agent agrees that it will not provide to prospective Transferees, pledgees referred to in Section 13.16 or to prospective direct or indirect contractual counterparties under Hedging Agreements to be entered into in connection with Loans made hereunder any of the Confidential Information unless such Person is advised of and agrees to be bound by the provisions of this Section 13.16. The confidentiality provisions contained herein shall not prohibit disclosures to any trustee, administrator, collateral manager, servicer, backup servicer, lender, rating agency or secured party of any SPV in connection with the evaluation, administration, servicing of, or the reporting on, the assets or securitization activities of such SPV; provided that any such Person is advised of and agrees to be bound by the provisions of this Section 13.16.

13.17 Release of Collateral and Guarantee Obligations; Subordination of Liens.

(a) 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, as set forth in clause (b) below, (ii) upon the sale, transfer or other Disposition (including any disposition by means of a distribution or Restricted Payment) of such Collateral (including as part of or in connection with any other sale, transfer or other Disposition permitted hereunder) to any Person other than another Credit Party, to the extent such sale, transfer 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 by a Person that is not 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 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 Guarantee (in accordance with the second and third succeeding sentences and Section 25 of the Guarantee), (vi) as required by the Collateral Agent (or the First Lien Collateral Agent) to effect any sale, transfer or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents and (vii) to the extent such Collateral otherwise becomes Excluded Capital Stock or Excluded Property (other than pursuant to clause (c) of the definition thereof). 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 disposition, 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 the Guarantors shall be released from the Guarantee upon consummation of any transaction permitted hereunder resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary, or otherwise becoming an Excluded Subsidiary (including in connection with any designation of an Unrestricted Subsidiary), or, in the case of a Previous Holdings, in accordance with the conditions set forth in the definition of Holdings. Subject to, and solely to the extent contemplated by, Section 1.11(h), upon the occurrence of a Holdings Termination Event, Holdings shall be released from its Guarantee and all of its property released as Collateral automatically, and Holdings shall be released from all obligations under this Agreement and the other Credit Documents, including with respect to all representations and warranties, covenants, and defaults. 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. Any representation, warranty or covenant contained in any Credit Document relating to any such Collateral or Guarantor shall no longer be deemed to be repeated.

(b) Notwithstanding anything to the contrary contained herein or any other Credit Document, when all Obligations (other than (i) Hedging Obligations in respect of any Secured Hedging Agreements, (ii) Cash Management Obligations in respect of any Secured Cash Management Agreements and (iii) any contingent obligations or contingent indemnification obligations not then due and payable) have been paid in full, upon request of the Borrower, the Administrative Agent and/or the Collateral Agent, as applicable, shall (without notice to, or vote or consent of, any Secured Party) take such actions as shall be required to release its security interest in all Collateral, and to release all obligations under any Credit Document, whether or not on the date of such release there may be any (i) Hedging Obligations in respect of any Secured Hedging Agreements, (ii) Cash Management Obligations in respect of any Secured Cash Management Agreements and (iii) any contingent obligations or contingent indemnification obligations not then due and payable. Any such release of Obligations shall be deemed subject to the provision that such Obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

(c) Notwithstanding anything to the contrary contained herein or in any other Credit Document, upon reasonable request of the Borrower in connection with any Liens permitted by the Credit Documents, the Collateral Agent shall (without notice to, or vote or consent of, any Secured Party) take such actions as shall be required to give effect to (by means of an acknowledgment reasonably satisfactory to the Administrative Agent), or to subordinate the Lien on any Collateral to, any Lien permitted under Sections 10.2(c), (e) (solely as it relates to clauses (c) and (f) of Section 10.2), (f), (k)(i), (l), (m), (n), (o), (q), (r), (s), (v), (w), (x), (y), (aa), (ff) and clauses (d), (e), (f), (g), (i) and (n) of the definition of "Permitted Encumbrances." In addition, notwithstanding anything to the contrary contained herein or in any other Credit Document, upon reasonable request of the Borrower, the Administrative Agent and the Collateral Agent shall (without notice to, or vote or consent of, any Secured Party) enter into subordination or intercreditor agreements with respect to Indebtedness to the extent the Administrative Agent or Collateral Agent is otherwise contemplated herein as a party to such subordination or intercreditor agreements, in each case to the extent consistent with the provisions of Section 12.15.

(d) Notwithstanding the foregoing or anything in the Credit Documents to the contrary, at the direction of the Required Lenders, the Administrative Agent may, in exercising remedies, take any and all necessary and appropriate action to effectuate a credit bid of all Loans (or any lesser amount thereof) for

the Credit Parties' assets in a bankruptcy, foreclosure or other similar proceeding, forbear from exercising remedies upon an Event of Default, or in a proceeding under any Debtor Relief Law, enter into a settlement agreement on behalf of all Lenders.

13.18 USA PATRIOT ACT. Each Lender hereby notifies the Borrower and each Credit Party that pursuant to the requirements of the PATRIOT ACT, it is required to obtain, verify and record information that identifies the Borrower and each Credit Party, which information includes the name and address of the Borrower and each Credit Party and other information that will allow such Lender to identify the Borrower and Credit Parties in accordance with the PATRIOT ACT.

13.19 Legend. THE TERM LOANS WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THESE TERM LOANS MAY BE OBTAINED BY WRITING TO THE BORROWER AT THE ADDRESS SET FORTH IN SECTION 13.2.

13.20 Payments Set Aside. To the extent that any payment by or on behalf of Holdings or the Borrower 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 Acknowledgement and Consent to Bail-In of EEA 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 EEA 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 an EEA 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 an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA 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 EEA 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 any EEA Resolution Authority.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

GOBP HOLDINGS, INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GLOBE INTERMEDIATE CORP.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC.

as Administrative Agent, Collateral Agent, and a Lender,

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

SCHEDULE 1.1(a)
TO THE CREDIT AGREEMENT

Commitments of Lenders

Lender	Initial Term Loan Commitment
MORGAN STANLEY BANK, N.A.	$ 150,000,000.00
Total	$ 150,000,000.00

SCHEDULE 1.1 (c)
TO THE CREDIT AGREEMENT

Mortgaged Property

None.

SCHEDULE 8.12
TO THE CREDIT AGREEMENT

Subsidiaries

Entity Name	Jurisdiction	Guarantor	Specified Subsidiary	Immaterial Subsidiary	Restricted/ Unrestricted Subsidiary	Stock/Unit Holder	Ownership Percent
Domestic Entities							
GOBP Holdings Inc.	Delaware	Yes	N/A	N/A	N/A	Globe Intermediate Corp.	100%
GOBP Midco, Inc.	Delaware	Yes	Yes	Yes	Restricted	GOBP Holdings Inc.	100%
Grocery Outlet Inc.	California	Yes	Yes	No	Restricted	GOBP Midco, Inc.	100%
Amelia's, LLC	Delaware	Yes	No	Yes	Restricted	Grocery Outlet Inc.	100%

Owned Real Property

None.

SCHEDULE 9.17
TO THE CREDIT AGREEMENT

Post-Closing Obligations

Within 60 days of the Closing Date (or such longer period as agreed by the Administrative Agent), the Credit Parties shall deliver to the Administrative Agent insurance certificates as to coverage under the insurance policies required by Section 9.3 of the Credit Agreement, together with, if applicable, endorsements for each insurance certificate, thereby naming the Collateral Agent, for the benefit of the Secured Parties, as additional insured and/or loss payee, in each case, in form and substance reasonably satisfactory to the Collateral Agent.

SCHEDULE 10.1
TO THE CREDIT AGREEMENT

Indebtedness

1. Intercompany Loan Agreement (On Loan Agreement), dated as of October 7, 2014, by and among GOBP Holdings, Inc. and Grocery Outlet Inc.

SCHEDULE 10.2
TO THE CREDIT AGREEMENT

Liens

None.

Dispositions

None.

SCHEDULE 10.5
TO THE CREDIT AGREEMENT

Investments

None.

SCHEDULE 10.8
TO THE CREDIT AGREEMENT

Negative Pledge Clauses

None.

SCHEDULE 10.11
TO THE CREDIT AGREEMENT

Transactions with Affiliates

None.

SCHEDULE 13.2
TO THE CREDIT AGREEMENT

Address for Notices

Borrower, Holdings or any other Credit Party:

Grocery Outlet Inc.
5650 Hollis St.
Emeryville, CA 94608
Attention: Charles Bracher
Tel: [ ]
Fax: [ ]
Electronic Mail: [ ]

Administrative Agent's Office (for financial/loan activity – advances, pay down, interest/fee billing and payments, rollovers, rate-settings):

1. Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

Other Notices as Collateral Agent:

Morgan Stanley Senior Funding, Inc.
1300 Thames Street, 4th Floor
Tharnes Street Whart
Baltimore, MD 21231
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: DOCS4LOANS@morganstanley.com

Letter of Credit Issuer
Morgan Stanley Senior Funding, Inc.
C/O Morgan Stanley Bank, N.A.
1300 Thames Street, 4th Floor
Thames Street Wharf
Baltimore, MD 21231
Tel: (443) 627-4555
Fax: (212) 507-5010
Electronic Mail: MSB.LOC@morganstanley.com

Swingline Lender
Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

EXHIBIT D

TO THE SECOND LIEN CREDIT AGREEMENT

FORM OF NOTICE OF BORROWING

MORGAN STANLEY SENIOR FUNDING, INC.
as Administrative Agent
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

[_____], 20[ ]

Ladies and Gentlemen:

The undersigned, **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), refers to the Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent and the Collateral Agent.

Capitalized terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

The Borrower hereby gives you notice pursuant to Section 2.3 of the Credit Agreement that it hereby requests a Borrowing under the Credit Agreement and, in connection therewith, sets forth below the terms on which such Borrowing is requested to be made:

(A) Date of Borrowing _____, ____[1]

(B) Aggregate Principal amount of $____[2]
Borrowing

(C) Class of Borrowing _____[3]

(D) Type of Borrowing _____[4]

---

1 In the case of the Initial Term Loans, the Closing Date; in the case of the Incremental Term Loans, the applicable Incremental Facility Closing Date in respect of such Class. In the case of all other Borrowings, a Business Day.

2 The aggregate principal amount of each Borrowing of Term Loans shall be in a multiple of $500,000.

3 Specify Initial Term Loans, Incremental Term Loans (of the same Class) or Extended Term Loans (of the same Extension Series).

4 Specify ABR Loans or Eurodollar Loans.

(E) [Interest Period _____][5]

[The undersigned hereby certifies that (a) all representations and warranties made by any Credit Party contained in the Credit Agreement 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 the Borrowing requested hereby (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date, and except where such representations and warranties are qualified by materiality, "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct in all respects), and (b) no Default or Event of Default shall have occurred and be continuing as of the date of the Borrowing requested hereby nor, after giving effect to the Borrowing requested hereby, would a Default or Event of Default occur.][6]

If any Borrowing of Eurodollar Loans is not made as a result of a withdrawn Notice of Borrowing or failure to satisfy the conditions of Section 6 and Section 7 of the Credit Agreement, the Borrower shall, after receipt of a written request by any Lender (which request shall set forth in reasonable detail the basis for requesting such amount and, absent clearly demonstrable error, the amount requested shall be final and conclusive and binding upon all parties hereto), pay to the Administrative Agent for the account of such Lender within ten Business Days of such request 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 borrow, failure to convert, failure to continue, failure to prepay, reduction or failure to reduce, 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 such Lender to fund or maintain such Eurodollar Loan.

[Signature page follows]

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5 Applicable only to Eurodollar Borrowings and subject to the definition of "Interest Period" and Section 2.9 of the Credit Agreement.

6 Not to be included in Notice of Borrowing for borrowings made pursuant to Sections 2.14, 2.15 and/or 2.17 of the Credit Agreement (to the extent set forth therein).

The undersigned Borrower has caused this Notice of Borrowing to be executed and delivered by its duly authorized officer as of the date first written above.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

EXHIBIT D

FORM OF CLOSING CERTIFICATE

[ ], 20[ ]

Reference is made to that certain Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among GOBP HOLDINGS, INC., a Delaware corporation (the "Borrower") GLOBE INTERMEDIATE CORP., a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and MORGAN STANLEY SENIOR FUNDING, INC. (the "Administrative Agent") as the Administrative Agent and the Collateral Agent. Capitalized terms used but not defined herein have the meanings given to such terms in the Credit Agreement, as applicable.

1. The undersigned, [ ], [Authorized Officer] of each entity listed on Schedule I hereto (each, a "Certifying Credit Party" and, collectively, the "Certifying Credit Parties"), hereby certifies that [ ] is a duly elected and qualified [Authorized Officer] of each Certifying Credit Party and the signature set forth on the signature line for such signatory below is such signatory's true and genuine signature, and such signatory is duly authorized to execute and deliver on behalf of each Certifying Credit Party each Credit Document to which it is a party and any certificate or other document to be delivered by each Certifying Credit Party pursuant to such Credit Documents.

2. Each of the undersigned Authorized Officers of the Certifying Credit Parties hereby certifies with respect to each such Certifying Credit Party for which he or she is an Authorized Officer as follows:

(a) All representations and warranties made by each Certifying Credit Party contained in the Credit Agreement or in the other Credit Documents are true and correct in all material respects as of the date hereof (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date, and except where such representations and warranties are qualified by materiality, "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct in all respects); and

(b) No Default or Event of Default has occurred and is continuing as of the date hereof and no Default or Event of Default will have occurred and be continuing after giving effect to the Borrowing on the date hereof.

3. The undersigned, [ ], [Authorized Officer] of each Certifying Credit Party hereby certifies with respect to each Certifying Credit Party for which he or she is an Authorized Officer as follows:

(a) Each Certifying Credit Party is a corporation or limited liability company, as applicable, duly organized, validly existing and in good standing under the laws of its state of organization;

(b) Attached hereto as Exhibit A is a complete and correct copy of the resolutions duly adopted by the board of directors (or a duly authorized committee thereof), board of managers or a designated person or applicable member or members, as applicable, of each Certifying Credit Party on the date indicated therein, authorizing the execution, delivery and performance of the Credit Documents (and any agreements relating thereto) to which it is a party; such resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such resolutions are the only corporate or company proceedings of each Certifying Credit Party now in force relating to or affecting the matters referred to therein;

(c) The persons set forth on Exhibit B are now duly elected and qualified Authorized Officers of each Certifying Credit Party holding the offices indicated next to their respective names, and such officers hold such offices with such Certifying Credit Party on the date hereof, and the signatures appearing opposite their respective names are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of each Certifying Credit Party each Credit Document to which it is a party and any certificate or other document to be delivered by such Certifying Credit Party pursuant to such Credit Documents.

(d) Attached hereto as Exhibit C is a true and complete copy of the bylaws or limited liability company agreement, as applicable, of each Certifying Credit Party as in effect on the date hereof;

(e) Attached hereto as Exhibit D is a true and complete copy of the certificate of incorporation or the certificate of formation, as applicable, of each Certifying Credit Party as in effect on the date hereof, certified by the Secretary of State of its state of organization; and

(f) Attached hereto as Exhibit E is a true and complete copy of the certificate of good standing or equivalent document of each Certifying Credit Party issued by the Secretary of State of its state of organization.

[*Remainder of page intentionally left blank.*]

EXHIBIT E

IN WITNESS WHEREOF, the undersigned have signed this certificate as of the date first written above.

EACH OF THE ENTITIES LISTED ON SCHEDULE I HERETO

Name:
Title:

EACH OF THE ENTITIES LISTED ON SCHEDULE I HERETO

Name:
Title:

EXHIBIT E

SCHEDULE I

[ ]

EXHIBIT A
to the Closing Certificate

Resolutions

[See attached]

EXHIBIT B
to the Closing Certificate

Incumbency

[See attached]

EXHIBIT C
to the Closing Certificate

Bylaws / Limited Liability Company Agreements

[See attached]

EXHIBIT D
to the Closing Certificate

Certificates of Incorporation / Certificate of Formation

[See attached]

EXHIBIT E
to the Closing Certificate

Good Standing Certificates or Equivalent Documents

[See attached]

FORM OF PROMISSORY NOTE
(INITIAL TERM LOANS)

New York
$ [ ], 20[ ]

FOR VALUE RECEIVED, the undersigned, **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), hereby unconditionally promises to pay to the order of **[LENDER]** or its registered successors or assigns (the "Lender"), at the Administrative Agent's Office or such other place **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent") shall have specified, in U.S. Dollars and in immediately available funds, in accordance with Section 2.5 of the Credit Agreement (as defined below; capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement) on the Initial Term Loan Maturity Date, the principal amount of $[ ] or, if less, the aggregate unpaid principal amount of all Initial Term Loans, if any, made by the Lender to the Borrower pursuant to the Credit Agreement. The Borrower further unconditionally promises to pay interest in like money at such office on the unpaid principal amount hereof from time to time outstanding at the rates per annum and on the dates specified in Section 2.8 of the Credit Agreement.

This promissory note (the "Promissory Note") is one of the promissory notes referred to in Section 13.6 of the Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.**, as the Administrative Agent and the Collateral Agent. This Promissory Note is subject to, and the Lender is entitled to the benefits of, the provisions of the Credit Agreement, and the Initial Term Loans evidenced hereby are guaranteed and secured as provided therein and in the other Credit Documents. The Initial Term Loans evidenced hereby are subject to prepayment prior to the Initial Term Loan Maturity Date, in whole or in part, as provided in the Credit Agreement.

All parties now and hereafter liable with respect to this Promissory Note, whether maker, principal, surety, guarantor, endorser or otherwise, hereby waive diligence, presentment, demand, protest and notice of any kind whatsoever in connection with this Promissory Note. No failure to exercise and no delay in exercising, on the part of the Administrative Agent or the Lender, any right, remedy, power or privilege hereunder or under the Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. A waiver by the Administrative Agent or the Lender of any right, remedy, power or privilege hereunder or under any Credit Document on any one occasion shall not be construed as a bar to any right or remedy that the Administrative Agent or the Lender would otherwise have on any future occasion. The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights, remedies, powers and privileges provided by law.

All payments in respect of the principal of and interest on this Promissory Note shall be made to the Person recorded in the Register as the holder of this Promissory Note, as described more fully in Section 2.5(e) of the Credit Agreement, and such Person shall be treated as the Lender hereunder for all purposes of the Credit Agreement.

[Remainder of Page Left Intentionally Blank]

THIS PROMISSORY NOTE 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.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

EXHIBIT F

FORM OF EQUAL PRIORITY INTERCREDITOR AGREEMENT

among

GLOBE INTERMEDIATE CORP.,
as Holdings,

GOBP HOLDINGS, INC.,
as the Borrower,

and the other Grantors party hereto,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Credit Agreement Collateral Agent,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Authorized Representative for the Credit Agreement Secured Parties,

and

each additional Authorized Representative from time to time party hereto

dated as of [ ]

EXHIBIT G-1

EQUAL PRIORITY INTERCREDITOR AGREEMENT, dated as of [ ] (this "Agreement"), among GOBP HOLDINGS, INC., a Delaware corporation (the "Borrower"), GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof; "Holdings"), the other Grantors (as defined below) party hereto, MORGAN STANLEY SENIOR FUNDING, INC. ("MSSF"), as collateral agent for the Credit Agreement Secured Parties, the Initial Additional Credit Agreement Secured Parties and Additional Credit Agreement Secured Parties (each, as defined below) (in such capacity and together with its successors in such capacity, the "Credit Agreement Collateral Agent"), MSSF, as Authorized Representative for the Credit Agreement Secured Parties (as each such term is defined below) each additional Authorized Representative from time to time party hereto for the other Additional Secured Parties of the Series (as defined below) with respect to which it is acting in such capacity and each additional Collateral Agent from time to time party hereto.

In consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Credit Agreement Collateral Agent, the Administrative Agent (as defined below) (for itself and on behalf of the Credit Agreement Secured Parties) and each additional Authorized Representative (for itself and on behalf of the Additional Secured Parties of the applicable Series) and each additional Collateral Agent agree as follows:

ARTICLE I

Definitions

SECTION 1.01 Certain Defined Terms. Capitalized terms used but not otherwise defined herein have the meanings set forth in the Credit Agreement or, if defined in the New York UCC, the meanings specified therein. As used in this Agreement, the following terms have the meanings specified below:

"Additional Class Debt" has the meaning assigned to such term in Section 5.13.

"Additional Class Debt Parties" has the meaning assigned to such term in Section 5.13.

"Additional Class Debt Representative" has the meaning assigned to such term in Section 5.13.

"Additional Collateral Agent" means the collateral agent for the Additional Secured Parties, other than the Initial Additional Secured Parties and the Additional Credit Agreement Secured Parties, together with its successors in such capacity.

"Additional Credit Agreement Obligations" means "Additional Second Lien Obligations" as such term is defined in the Credit Agreement Security Agreement (which for the avoidance of doubt shall not include any Initial Additional Credit Agreement Obligations).

"Additional Credit Agreement Secured Party" means the holders of any Additional Credit Agreement Obligations and any Authorized Representative with respect thereto.

"Additional Documents" means, with respect to the Initial Additional Obligations or any Series of Additional Class Debt, the notes, credit agreements, loan agreements, note purchase agreements, indentures, security documents and other operative agreements evidencing or governing such indebtedness and liens securing such indebtedness, including the Initial Additional Security Documents and the Additional Security Documents and each other agreement entered into for the purpose of securing the Initial Additional Obligations or any Series of Additional Class Debt; provided that, in each case, the Indebtedness thereunder (other than the Initial Additional Obligations) has been designated as Additional Obligations pursuant to Section 5.13 hereto.

"Additional Obligations" shall mean the Additional Credit Agreement Obligations and all advances to, and debts, liabilities, obligations, covenants and duties of, any Grantor arising under any Additional Documents relating to any Series of Additional Class Debt relating to Indebtedness Incurred by, or provided to, the Borrower and/or any other Credit Party, 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 Grantor of any proceeding under any Bankruptcy Law naming such Person as the debtor in such proceeding (or that would accrue but for the operation of applicable Bankruptcy Law), regardless of whether such interest and fees are allowed claims in such proceeding, in each case, that have been designated as Additional Obligations pursuant to and in accordance with Section 5.13(ii).

"Additional Secured Party" means the holders of any Additional Obligations and any Authorized Representative and Collateral Agent with respect thereto, and shall include the Initial Additional Secured Parties.

"Additional Security Documents" means any security agreement or any other document now existing or entered into after the date hereof that create Liens on any assets or properties of any Grantor to secure the Additional Obligations.

"Administrative Agent" has the meaning assigned to such term in the definition of "Credit Agreement".

"Agreement" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Applicable Authorized Representative" means, with respect to any Shared Collateral, (a) until the earlier of (i) the Discharge of Credit Agreement Obligations and (ii) the Non-Controlling Authorized Representative Enforcement Date, the Administrative Agent and (b) from and after the earlier of (i) the Discharge of Credit Agreement Obligations and (ii) the Non-Controlling Authorized Representative Enforcement Date, the Major Non-Controlling Authorized Representative; provided that (in each case of (a)(i) and (b)(i) above) the Discharge of Credit Agreement Obligations shall not be deemed to have occurred in connection with a Refinancing of such Credit Agreement Obligations with additional Obligations secured by Shared Collateral under an Additional Document that has been designated in writing by the Administrative Agent (under the Credit Agreement so Refinanced) to the Initial Additional Collateral Agent or Additional Collateral Agent and each other Authorized Representative as the "Credit Agreement" for purposes of this Agreement.

"Applicable Collateral Agent" means at any time, the Collateral Agent with respect to the Series of Obligations represented by the Authorized Representative that is the Applicable Authorized Representative at such time.

"Authorized Representative" means, at any time, (a) in the case of any Credit Agreement Obligations or the Credit Agreement Secured Parties, the Administrative Agent, (b) in the case of the Initial Additional Obligations or the Initial Additional Secured Parties, the Initial Additional Authorized Representative, and (c) in the case of any other Series of Additional Obligations or Additional Secured Parties that become subject to this Agreement after the date hereof, the Authorized Representative named for such Series in the applicable Joinder Agreement.

"Bankruptcy Case" has the meaning assigned to such term in Section 2.05(b).

"Bankruptcy Code" means Title 11 of the United States Code, 11 USC §§ 101 et seq., as amended, or any similar federal or state law for the relief of debtors.

"Bankruptcy Law" means the Bankruptcy Code and any other federal, state or foreign law, including common law, from time to time in effect in respect of voluntary or involuntary insolvency, liquidation, dissolution, wind-up, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, reorganization, or debtor relief.

"Borrower" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Collateral" means all assets and properties subject to Liens created pursuant to any Security Document to secure one or more Series of Obligations.

"Collateral Agent" means (a) in the case of any Credit Agreement Obligations, any Initial Additional Credit Agreement Obligations and any Additional Credit Agreement Obligations, the Credit Agreement Collateral Agent, (b) in the case of the Initial Additional Obligations, other than Initial Additional Credit Agreement Obligations, the Initial Additional Collateral Agent, and (c) in the case of the Additional Obligations, other than Additional Credit Agreement Obligations, the Additional Collateral Agent.

"Controlling Secured Parties" means, with respect to any Shared Collateral, (a) at any time when the Credit Agreement Collateral Agent is the Applicable Collateral Agent, the Credit Agreement Secured Parties and (b) at any other time, the Series of Secured Parties whose Authorized Representative is the Applicable Authorized Representative for such Shared Collateral.

"Credit Agreement" means that certain Second Lien Credit Agreement, dated as of [●], 2018, as amended, restated, supplemented or otherwise modified from time to time, among the Borrower, Holdings, the several Lenders from time to time party thereto and MSSF, as the Administrative Agent (in such capacity, the "Administrative Agent") and the Collateral Agent.

"Credit Agreement Collateral Agent" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Credit Agreement Collateral Documents" means the Credit Agreement Security Agreement, the Pledge Agreement (as defined in the Credit Agreement), the other Security Documents (as defined in the Credit Agreement) and each other agreement entered into in favor of the Credit Agreement Collateral Agent for the purpose of securing any Credit Agreement Obligations.

"Credit Agreement Obligations" means "Obligations" as defined in the Credit Agreement.

"Credit Agreement Secured Parties" means the "Secured Parties" as defined in the Credit Agreement.

"Credit Agreement Security Agreement" means the Second Lien Security Agreement, dated as of [●], 2018 among the Credit Agreement Collateral Agent and the Grantors party thereto.

"DIP Financing" has the meaning assigned to such term in Section 2.05(b).

"DIP Financing Liens" has the meaning assigned to such term in Section 2.05(b).

"DIP Lenders" has the meaning assigned to such term in Section 2.05(b).

"Discharge" means, with respect to any Shared Collateral and any Series of Obligations, the date on which such Series of Obligations is no longer secured by such Shared Collateral. The term "Discharged" shall have a corresponding meaning.

"Event of Default" means an "Event of Default" (or similarly defined term) as defined in any Secured Credit Document.

"Grantors" means the Borrower, Holdings, and each of the other Guarantors (as defined in the Credit Agreement) and each other Subsidiary of the Borrower that has granted a security interest pursuant to any Security Document to secure any Series of Obligations. The Grantors existing on the date hereof are set forth in Annex I hereto.

"Holdings" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Impairment" has the meaning assigned to such term in Section 1.03.

"Initial Additional Authorized Representative" means, in the case of any Initial Additional Obligations or Initial Additional Secured Parties that are subject to this Agreement on the date hereof, [ ].

"Initial Additional Collateral Agent" means the collateral agent for the Initial Additional Secured Parties, together with its successors in such capacity.

"Initial Additional Credit Agreement Obligations" means "Additional Second Lien Obligations" (as such term is defined in the Credit Agreement Security Agreement) existing as at the date hereof, if any.

"Initial Additional Credit Agreement Secured Party" means the holders of any Initial Additional Credit Agreement Obligations and any Authorized Representative and Collateral Agent with respect thereto.

"Initial Additional Obligations" shall mean the Initial Additional Credit Agreement Obligations and all advances to, and debts, liabilities, obligations, covenants and duties of, any Grantor arising under any Additional Documents relating to Indebtedness Incurred by, or provided to, the Borrower and/or any other Credit Party, 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 Grantor of any proceeding under any Bankruptcy Law naming such Person as the debtor in such proceeding (or that would accrue but for the operation of applicable Bankruptcy Law), regardless of whether such interest and fees are allowed claims in such proceeding, in each case, to the extent, but only to the extent permitted by the provisions of the Credit Agreement and the Additional Documents to be Incurred and secured by Liens on the Shared Collateral on a priority basis that is equal to the Liens on the Shared Collateral securing the Credit Agreement Obligations.

"Initial Additional Secured Party" means the holders of any Initial Additional Obligations and any Authorized Representative and Collateral Agent with respect thereto.

"Initial Additional Security Documents" means any security agreement or any other document now existing or entered into after the date hereof that create Liens on any assets or properties of any Grantor to secure the Initial Additional Obligations.

"Insolvency or Liquidation Proceeding" means:

(1) any case or other proceeding commenced by or against the Borrower or any other Grantor under any Bankruptcy Law, any other proceeding for the reorganization, recapitalization or adjustment or marshalling of the assets or liabilities of the Borrower or any other Grantor, any receivership or assignment for the benefit of creditors relating to the Borrower or any other Grantor or any similar case or proceeding relative to the Borrower or any other Grantor or its creditors, as such, in each case whether or not voluntary;

(2) any liquidation, dissolution, marshalling of assets or liabilities or other winding up of or relating to the Borrower or any other Grantor, in each case whether or not voluntary and whether or not involving bankruptcy or insolvency; or

(3) any other proceeding of any type or nature in which substantially all claims of creditors of the Borrower or any other Grantor are determined and any payment or distribution is or may be made on account of such claims.

"Intervening Creditor" has the meaning assigned to such term in Section 2.01(a).

"Joinder Agreement" means a joinder to this Agreement in the form of Annex II hereof required to be delivered by an Authorized Representative to each Collateral Agent and each Authorized Representative pursuant to Section 5.13 hereof in order to establish an additional Series of Additional Obligations and add Additional Secured Parties (other than Initial Additional Secured Parties) hereunder.

"Lien" means any mortgage, pledge, deed of trust, security interest, hypothecation, lien (statutory or other) or similar encumbrance and any easement, right-of-way, restriction (including zoning restrictions), defect, exception or irregularity in title or similar charge or encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof); provided that in no event shall a "Non-Financing Lease Obligation" (as such term is defined in the Credit Agreement) be deemed to be a Lien.

"Major Non-Controlling Authorized Representative" means, with respect to any Shared Collateral, the Authorized Representative of the Series of Additional Obligations or Initial Additional Obligations that constitutes the largest outstanding principal amount of any then outstanding Series of Obligations with respect to such Shared Collateral; provided, however, that if there are two outstanding Series of Additional Obligations or Initial Additional Obligations (as the case may be) which have an equal outstanding principal amount, the Series of Additional Obligations or Initial Additional Obligations (as the case may be) with the earlier maturity date shall be considered to have the larger outstanding principal amount for purposes of this definition.

"MSSF" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"New York UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Non-Controlling Authorized Representative" means, at any time with respect to any Shared Collateral, any Authorized Representative that is not the Applicable Authorized Representative at such time with respect to such Shared Collateral.

"Non-Controlling Authorized Representative Enforcement Date" means, with respect to any Non-Controlling Authorized Representative, the date which is 90 days (throughout which 90 day period such Non-Controlling Authorized Representative was the Major Non-Controlling Authorized Representative) after the occurrence of both (A) an Event of Default (under and as defined in the Additional Document under which such Non-Controlling Authorized Representative is the Authorized Representative) and (b) each Collateral Agent's and each other Authorized Representative's receipt of written notice from such Non-Controlling Authorized Representative certifying that (i) such Non-Controlling Authorized Representative is the Major Non-Controlling Authorized Representative and that an Event of Default (under and as defined in the Additional Document under which such Non-Controlling Authorized Representative is the Authorized Representative) has occurred and is continuing and (ii) the Additional Obligations or Initial Additional Obligations of the Series with respect to which such Non-Controlling Authorized Representative is the Authorized Representative are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the terms of the applicable Additional Document; provided that the Non-Controlling Authorized Representative Enforcement Date shall be stayed and shall not occur and shall be deemed not to have occurred with respect to any Shared Collateral (A) at any time the Administrative Agent or the Credit Agreement Collateral Agent has commenced and is diligently pursuing any enforcement action with respect to such Shared Collateral or (B) at any time the Grantor which has granted a security interest in such Shared Collateral is then a debtor under or with respect to (or otherwise subject to) any Insolvency or Liquidation Proceeding.

"Non-Controlling Secured Parties" means, with respect to any Shared Collateral, the Secured Parties which are not Controlling Secured Parties with respect to such Shared Collateral.

"Obligations" means, collectively, (a) the Credit Agreement Obligations, (b) the Initial Additional Obligations, and (c) each Series of Additional Obligations.

"Possessory Collateral" means any Shared Collateral in the possession of a Collateral Agent (or its agents or bailees), to the extent that possession thereof perfects a Lien thereon under the Uniform Commercial Code of any jurisdiction. Possessory Collateral includes, without limitation, any Certificated Securities, Promissory Notes, Instruments, and Chattel Paper, in each case, delivered to or in the possession of the Collateral Agent under the terms of the Security Documents.

"Proceeds" has the meaning assigned to such term in Section 2.01(a).

"Refinance" means, in respect of any indebtedness, to refinance, extend, renew, defease, amend, increase, modify, supplement, restructure, refund, replace or repay, or to Incur other indebtedness or enter alternative financing arrangements, in exchange or replacement for, such indebtedness (in whole or in part), including by adding or replacing lenders, creditors, agents, borrowers and/or guarantors, and including in each case, but not limited to, after the original instrument giving rise to such indebtedness has been terminated and including, in each case, through any credit agreement, loan agreement, note purchase agreement, indenture or other agreement. "Refinanced" and "Refinancing" have correlative meanings.

"Secured Credit Document" means (a) the Credit Agreement and each Credit Document (as defined in the Credit Agreement), (b) each Additional Document with respect to the Initial Additional Obligations, and (c) each Additional Document with respect to any Series of Additional Class Debt.

"Secured Parties" means (a) the Credit Agreement Secured Parties, (b) the Initial Additional Secured Parties with respect to the Initial Additional Obligations, and (c) the Additional Secured Parties with respect to each Series of Additional Obligations.

"Security Documents" means, collectively, (a) the Credit Agreement Collateral Documents, (b) the Initial Additional Security Documents, and (c) the Additional Security Documents.

"Series" means (a) with respect to the Secured Parties, each of (i) the Credit Agreement Secured Parties (in their capacities as such), (ii) the Initial Additional Secured Parties (in their capacities as such), and (iii) the Additional Secured Parties that become subject to this Agreement after the date hereof that are represented by a common Authorized Representative (in its capacity as such for such Additional Secured Parties) and (b) with respect to any Obligations, each of (i) the Credit Agreement Obligations, (ii) the Initial Additional Obligations, and (iii) the Additional Obligations Incurred pursuant to any Additional Document, which pursuant to any Joinder Agreement, are to be represented hereunder by a common Authorized Representative (in its capacity as such for such Additional Obligations).

"Shared Collateral" means, at any time, Collateral in which the holders of two or more Series of Obligations hold a valid and perfected security interest at such time. If more than two Series of Obligations are outstanding at any time and the holders of less than all Series of Obligations hold a valid and perfected security interest in any Collateral at such time, then such Collateral shall constitute Shared Collateral for those Series of Obligations that hold a valid security interest in such Collateral at such time and shall not constitute Shared Collateral for any Series which does not have a valid and perfected security interest in such Collateral at such time.

SECTION 1.02 Terms Generally. The rules of construction and other interpretive provisions set forth in Sections 1.2, 1.3, 1.5, 1.6, 1.7, 1.8, 1.10 and 1.11 of the Credit Agreement shall apply to this Agreement, including terms defined in the preamble and recitals to this Agreement.

SECTION 1.03 Impairments. It is the intention of the Secured Parties of each Series that the holders of Obligations of such Series (and not the Secured Parties of any other Series) bear the risk of (a) any determination by a court of competent jurisdiction that (i) any of the Obligations of such Series are unenforceable under Applicable Law or are subordinated to any other obligations (other than another Series of Obligations), (ii) any of the Obligations of such Series do not have an enforceable security interest in any of the Collateral securing any other Series of Obligations and/or (iii) any intervening security interest exists securing any other obligations (other than another Series of Obligations) on a basis ranking prior to the security interest of such Series of Obligations but junior to the security interest of any other Series of Obligations or (b) the existence of any Collateral for any other Series of Obligations that is not Shared Collateral (any such condition referred to in the foregoing clauses (a) or (b) with respect to any Series of Obligations, an "Impairment" of such Series); provided, that the existence of a maximum claim with respect to any real property subject to a mortgage which applies to all Obligations shall not be deemed to be an Impairment of any Series of Obligations. In the event of any Impairment with respect to any Series of Obligations, the results of such Impairment shall be borne solely by the holders of such Series of Obligations, and the rights of the holders of such Series of Obligations (including, without limitation, the right to receive distributions in respect of such Series of Obligations pursuant to Section 2.01) set forth herein shall be modified to the extent necessary so that the effects of such Impairment are borne solely by the holders of the Series of such Obligations subject to such Impairment. Additionally, in the event the Obligations of any Series are modified pursuant to Applicable Law (including, without limitation, pursuant to Section 1129 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law), any reference to such Obligations or the Security Documents governing such Obligations shall refer to such obligations or such documents as so modified.

ARTICLE II

Priorities and Agreements with Respect to Shared Collateral

SECTION 2.01 Priority of Claims.

(a) Anything contained herein or in any of the Secured Credit Documents to the contrary notwithstanding (but subject to Section 1.03), if an Event of Default has occurred and is continuing, and the Applicable Collateral Agent or any Secured Party is taking action to enforce rights in respect of any Shared Collateral, or any distribution is made in respect of any Shared Collateral in any Bankruptcy Case of Holdings, the Borrower or any other Grantor or any Secured Party receives any payment pursuant to any intercreditor agreement (other than this Agreement) with respect to any Shared Collateral, the proceeds of any sale, collection or other liquidation of any such Collateral by any Secured Party or received by the Applicable Collateral Agent or any Secured Party pursuant to any such intercreditor agreement with respect to such Shared Collateral and proceeds of any such distribution (subject, in the case of any such distribution, to the sentence immediately following) to which the Obligations are entitled under any intercreditor agreement (other than this Agreement) (all proceeds of any sale, collection or other liquidation of any Shared Collateral and all proceeds of any such distribution being collectively referred to as "Proceeds"), shall be applied (i) FIRST, to the payment in full in cash of all amounts owing to each Collateral Agent (in its capacity as such) pursuant to the terms of any Secured Credit Document, (ii) SECOND, subject to Section 1.03, to the payment in full in cash of the Obligations of each Series on a ratable basis, with such Proceeds to be applied to the Obligations of a given Series in accordance with the terms of the applicable Secured Credit Documents and (iii) THIRD, after payment in full in cash of all Obligations, to the Borrower and the other Grantors or their successors or assigns, as their interests may appear, or to whosoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct. If, despite the provisions of this Section 2.01(a), any Secured Party shall receive any payment or other recovery in excess of its portion of payments on account of the Obligations to which it is then entitled in accordance with this Section 2.01(a), such Secured Party shall hold such payment or recovery in trust for the benefit of all Secured Parties for distribution in accordance with this Section 2.01(a). Notwithstanding the foregoing, with respect to any Shared Collateral for which a third party (other than a Secured Party) has a lien or security interest that is junior in priority to the security interest of any Series of Obligations but senior (as determined by appropriate legal proceedings in the case of any dispute) to the security interest of any other Series of Obligations (such third party, an "Intervening Creditor"), the value of any Shared Collateral or Proceeds which are allocated to such Intervening Creditor shall be deducted on a ratable basis solely from the Shared Collateral or Proceeds to be distributed in respect of the Series of Obligations with respect to which such Impairment exists.

(b) It is acknowledged that the Obligations of any Series may, subject to the limitations set forth in the then extant Secured Credit Documents and subject to Section 2.08, be increased, extended, renewed, replaced, restated, supplemented, restructured, repaid, refunded, Refinanced or otherwise amended or modified from time to time, all without affecting the priorities set forth in Section 2.01(a) or the provisions of this Agreement defining the relative rights of the Secured Parties of any Series.

(c) Notwithstanding the date, time, method, manner or order of filing or recordation of any document or instrument or grant, attachment or perfection of any Liens securing any Series of Obligations granted on the Shared Collateral and notwithstanding any provision of the Uniform Commercial Code of any jurisdiction, or any other Applicable Law or the Secured Credit Documents or any defect or deficiencies in the Liens securing the Obligations of any Series or any other circumstance whatsoever (but, in each case, subject to Section 1.03), each Secured Party hereby agrees that the Liens securing each Series of Obligations on any Shared Collateral shall be of equal priority.

SECTION 2.02 Actions with Respect to Shared Collateral; Prohibition on Contesting Liens.

(a) Only the Applicable Collateral Agent shall act or refrain from acting with respect to any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral). At any time when the Credit Agreement Collateral Agent is the Applicable Collateral Agent, no Additional Secured Party shall or shall instruct any Collateral Agent to, commence any judicial or nonjudicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral), whether under any Additional Security Document, Applicable Law or otherwise, it being agreed that only the Credit Agreement Collateral Agent or any person authorized by it, acting in accordance with the Credit Agreement Collateral Documents, shall be entitled to take any such actions or exercise any such remedies with respect to Shared Collateral at such time.

(b) With respect to any Shared Collateral at any time when the Additional Collateral Agent or the Initial Additional Collateral Agent is the Applicable Collateral Agent, (i) the Applicable Collateral Agent shall act only on the instructions of the Applicable Authorized Representative, (ii) the Applicable Collateral Agent shall not follow any instructions with respect to such Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral) from any Non-Controlling Authorized Representative (or any other Secured Party other than the Applicable Authorized Representative) and (iii) no Non-Controlling Authorized Representative or other Secured Party (other than the Applicable Authorized Representative) shall or shall instruct the Applicable Collateral Agent to, commence any judicial or nonjudicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral), whether under any Security Document, Applicable Law or otherwise, it being agreed that only the Applicable Collateral Agent, acting on the instructions of the Applicable Authorized Representative and in accordance with the Additional Security Documents or Initial Additional Security Documents (as applicable), shall be entitled to take any such actions or exercise any such remedies with respect to Shared Collateral.

(c) Notwithstanding the equal priority of the Liens securing each Series of Obligations, the Applicable Collateral Agent (in the case of the Additional Collateral Agent or the Initial Additional Collateral Agent, acting on the instructions of the Applicable Authorized Representative) may deal with the Shared Collateral as if such Applicable Collateral Agent had a senior Lien on such Collateral. No Non-Controlling Authorized Representative or Non-Controlling Secured Party will contest, protest or object to any foreclosure proceeding or action brought by the Applicable Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party or any other exercise by the Applicable Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party of any rights and remedies relating to the Shared Collateral, or to cause the Applicable Collateral Agent to do so. The foregoing shall not be construed to limit the rights and priorities of any Secured Party, the Applicable Collateral Agent or any Authorized Representative with respect to any Collateral not constituting Shared Collateral.

(d) Each of the Secured Parties agrees that it will not (and hereby waives any right to) question or contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the perfection, priority, validity, attachment or enforceability of a Lien held by or on behalf of any of the Secured Parties in all or any part of the Collateral, or the provisions of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any Collateral Agent or any Authorized Representative to enforce this Agreement.

SECTION 2.03 No Interference; Payment Over.

(a) Each Secured Party agrees that (i) it will not challenge or question in any proceeding the validity or enforceability of any Obligations of any Series or any Security Document or the validity, attachment, perfection or priority of any Lien under any Security Document or the validity or enforceability of the priorities, rights or duties established by or other provisions of this Agreement; (ii) it will not take or cause to be taken any action the purpose or intent of which is, or could be, to interfere, hinder or delay, in any manner, whether by judicial proceedings or otherwise, any Disposition of the Shared Collateral by the Applicable Collateral Agent, (iii) except as provided in Section 2.02, it shall have no right to (A) direct the Applicable Collateral Agent or any other Secured Party to exercise any right, remedy or power with respect to any Shared Collateral (including pursuant to any intercreditor agreement) or (B) consent to the exercise by the Applicable Collateral Agent or any other Secured Party of any right, remedy or power with respect to any Shared Collateral, (iv) it will not institute any suit, Insolvency or Liquidation Proceeding or any other proceeding any claim against the Applicable Collateral Agent or any other Secured Party seeking damages from or other relief by way of specific performance, instructions or otherwise with respect to any Shared Collateral, and none of the Applicable Collateral Agent, any Applicable Authorized Representative or any other Secured Party shall be liable for any action taken or omitted to be taken by the Applicable Collateral Agent, such Applicable Authorized Representative or other Secured Party with respect to any Shared Collateral in accordance with the provisions of this Agreement, (v) it will not seek, and hereby waives any right, to have any Shared Collateral or any part thereof marshaled upon any foreclosure or other disposition of such Collateral and (vi) it will not attempt, directly or indirectly, whether by judicial proceedings or otherwise, to challenge the enforceability of any provision of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any of the Applicable Collateral Agent or any other Secured Party to enforce this Agreement.

(b) Each Secured Party hereby agrees that if it shall obtain possession of any Shared Collateral or shall realize any proceeds or payment in respect of any such Shared Collateral, pursuant to any Security Document or by the exercise of any rights available to it under Applicable Law or in any Insolvency or Liquidation Proceeding or through any other exercise of remedies (including pursuant to any intercreditor agreement), at any time prior to the Discharge of each of the Obligations, then it shall hold such Shared Collateral, proceeds or payment in trust for the other Secured Parties and promptly transfer such Shared Collateral, proceeds or payment, as the case may be, to the Applicable Collateral Agent, to be distributed in accordance with the provisions of Section 2.01 hereof.

SECTION 2.04 Automatic Release of Liens.

(a) If, at any time the Applicable Collateral Agent forecloses upon or otherwise exercises remedies against any Shared Collateral resulting in a sale or disposition thereof, then (whether or not any Insolvency or Liquidation Proceeding is pending at the time) the Liens in favor of the other Collateral Agent for the benefit of each Series of Secured Parties upon such Shared Collateral will automatically be released and discharged as and when, but only to the extent, such Liens of the Applicable Collateral Agent on such Shared Collateral are released and discharged; provided that any proceeds of any Shared Collateral realized therefrom shall be applied pursuant to Section 2.01.

(b) Each Collateral Agent and Authorized Representative agrees to execute and deliver (at the sole cost and expense of the Grantors) all such authorizations and other instruments as shall reasonably be requested by the Applicable Collateral Agent to evidence and confirm any release of Shared Collateral provided for in this Section 2.04.

SECTION 2.05 Certain Agreements with Respect to Insolvency or Liquidation Proceedings.

(a) This Agreement shall continue in full force and effect notwithstanding the commencement of any proceeding under the Bankruptcy Code or any other Bankruptcy Law, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law by or against Holdings, the Borrower or any of its Subsidiaries.

(b) If Holdings, the Borrower and/or any other Grantor shall become subject to a case or other proceedings under the Bankruptcy Code or any other Bankruptcy Law (a "Bankruptcy Case") and shall, as debtor(s)-in-possession, move for approval of financing ("DIP Financing") to be provided by one or more lenders (the "DIP Lenders") under Section 364 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law or the use of cash collateral under Section 363 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law, each Secured Party (other than any Controlling Secured Party or Authorized Representative of any Controlling Secured Party) agrees that it will raise no objection to any such financing or to the Liens on the Shared Collateral securing the same ("DIP Financing Liens") or to any use of cash collateral that constitutes Shared Collateral, unless the Authorized Representative of any Controlling Secured Party, shall then oppose or object to such DIP Financing or such DIP Financing Liens or use of cash collateral (and (i) to the extent that such DIP Financing Liens are senior to the Liens on any such Shared Collateral for the benefit of the Controlling Secured Parties, each Non-Controlling Secured Party will subordinate its Liens with respect to such Shared Collateral on the same terms as the Liens of the Controlling Secured Parties (other than any Liens of any Secured Parties constituting DIP Financing Liens) are subordinated thereto, and (ii) to the extent that such DIP Financing Liens rank equal in priority with the Liens on any such Shared Collateral granted to secure the Obligations of the Controlling Secured Parties, each Non-Controlling Secured Party will confirm the priorities with respect to such Shared Collateral as set forth herein), in each case so long as (A) the Secured Parties of each Series retain the benefit of their Liens on all such Shared Collateral pledged to the DIP Lenders, including proceeds thereof arising after the commencement of such proceeding, with the same priority vis-à-vis all the other Secured Parties (other than any Liens of the Secured Parties constituting DIP Financing Liens) as existed prior to the commencement of the Bankruptcy Case, (B) the Secured Parties of each Series are granted Liens on any additional collateral pledged to any Secured Parties as adequate protection or otherwise in connection with such DIP Financing or use of cash collateral, with the same priority vis-à-vis the Secured Parties (other than any Liens of the Secured Parties constituting DIP Financing Liens) as set forth in this Agreement, (C) if any amount of such DIP Financing or cash collateral is applied to repay any of the Obligations, such amount is applied pursuant to Section 2.01, and (D) if any Secured Parties are granted adequate protection, including in the form of periodic payments, in connection with such DIP Financing or use of cash collateral, the proceeds of such adequate protection are applied pursuant to Section 2.01; provided that the Secured Parties of each Series shall have a right to object to the grant of a Lien to secure the DIP Financing over any Collateral subject to Liens in favor of the Secured Parties of such Series or its Authorized Representative that shall not constitute Shared Collateral; and provided, further, that the Secured Parties receiving adequate protection shall not object to any other Secured Party receiving adequate protection comparable to any adequate protection granted to such Secured Parties in connection with a DIP Financing or use of cash collateral.

SECTION 2.06 Reinstatement. In the event that any of the Obligations shall be paid in full and such payment or any part thereof shall subsequently, for whatever reason (including an order or judgment for disgorgement of a preference under any Bankruptcy Law, or any similar law, or the settlement of any claim in respect thereof), be required to be returned or repaid, the terms and conditions of this Article II shall be fully applicable thereto until all such Obligations shall again have been paid in full in cash.

SECTION 2.07 Insurance. As between the Secured Parties, the Applicable Collateral Agent (and in the case of the Additional Collateral Agent, acting at the direction of the Applicable Authorized Representative) shall have the right to adjust or settle any insurance policy or claim covering or constituting Shared Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding affecting the Shared Collateral.

SECTION 2.08 Refinancings. The Obligations of any Series may be Refinanced, in whole or in part, in each case, without notice to, or the consent (except to the extent a consent is otherwise required to permit the Refinancing transaction under any Secured Credit Document) of any Secured Party of any other Series, all without affecting the priorities provided for herein or the other provisions hereof; provided that the Authorized Representative of the holders of any such Refinancing indebtedness shall have executed a Joinder Agreement on behalf of the holders of such Refinancing indebtedness.

SECTION 2.09 Possessory Collateral Agent as Gratuitous Bailee for Perfection.

(a) The Possessory Collateral shall be delivered to the Credit Agreement Collateral Agent and the Credit Agreement Collateral Agent agrees to hold any Shared Collateral constituting Possessory Collateral that is part of the Collateral in its possession or control (or in the possession or control of its agents or bailees) as gratuitous bailee for the benefit of each other Secured Party and any assignee solely for the purpose of perfecting the security interest granted in such Possessory Collateral, if any, pursuant to the applicable Security Documents, in each case, subject to the terms and conditions of this Section 2.09; provided that at any time the Credit Agreement Collateral Agent is not the Applicable Collateral Agent, the Credit Agreement Collateral Agent shall, at the request of the Applicable Collateral Agent, promptly deliver all Possessory Collateral to the Applicable Collateral Agent together with any necessary endorsements (or otherwise allow the Applicable Collateral Agent to obtain control of such Possessory Collateral). The Borrower shall take such further action as is required to effectuate the transfer contemplated hereby and shall indemnify each Collateral Agent for loss or damage suffered by such Collateral Agent as a result of such transfer except for loss or damage suffered by such Collateral Agent as a result of its own willful misconduct, gross negligence or bad faith.

(b) The Applicable Collateral Agent agrees to hold any Shared Collateral constituting Possessory Collateral, from time to time in its possession, as gratuitous bailee for the benefit of each other Secured Party and any assignee, solely for the purpose of perfecting the security interest granted in such Possessory Collateral, if any, pursuant to the applicable Security Documents, in each case, subject to the terms and conditions of this Section 2.09.

(c) The duties or responsibilities of each Collateral Agent under this Section 2.09 shall be limited solely to holding any Shared Collateral constituting Possessory Collateral as gratuitous bailee for the benefit of each other Secured Party for purposes of perfecting the Lien held by such Secured Parties therein.

SECTION 2.10 Amendments to Security Documents.

(a) Without the prior written consent of the Credit Agreement Collateral Agent, the Additional Collateral Agent and the Initial Additional Collateral Agent agree that no Additional Security Document or Initial Additional Security Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Additional Security Document or new Initial Additional Security Document would be prohibited by, or would require any Grantor to act or refrain from acting in a manner that would violate, any of the terms of this Agreement.

(b) Without the prior written consent of the Additional Collateral Agent and the Initial Additional Collateral Agent, the Credit Agreement Collateral Agent agrees that no Credit Agreement Collateral Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Credit Agreement Collateral Document would be prohibited by, or would require any Grantor to act or refrain from acting in a manner that would violate, any of the terms of this Agreement.

(c) In making determinations required by this Section 2.10, each Collateral Agent may conclusively rely on an officer's certificate of the Borrower.

ARTICLE III

Existence and Amounts of Liens and Obligations

SECTION 3.01 Determinations with Respect to Amounts of Liens and Obligations. Whenever a Collateral Agent or any Authorized Representative shall be required, in connection with the exercise of its rights or the performance of its obligations hereunder, to determine the existence or amount of any Obligations of any Series, or the Shared Collateral subject to any Lien securing the Obligations of any Series, it may request that such information be furnished to it in writing by each other Authorized Representative or Collateral Agent and shall be entitled to make such determination or not make any determination on the basis of the information so furnished; provided, however, that if an Authorized Representative or a Collateral Agent shall fail or refuse reasonably promptly to provide the requested information, the requesting Collateral Agent or Authorized Representative shall be entitled to make any such determination by such method as it may, in the exercise of its good faith judgment, determine, including by reliance upon a certificate of the Borrower. Each Collateral Agent and each Authorized Representative may rely conclusively, and shall be fully protected in so relying, on any determination made by it in accordance with the provisions of the preceding sentence (or as otherwise directed by a court of competent jurisdiction) and shall have no liability to any Grantor, any Secured Party or any other person as a result of such determination.

ARTICLE IV

The Applicable Collateral Agent

SECTION 4.01 Authority.

(a) Notwithstanding any other provision of this Agreement, nothing herein shall be construed to impose any fiduciary or other duty on any Applicable Collateral Agent to any Non-Controlling Secured Party or give any Non-Controlling Secured Party the right to direct any Applicable Collateral Agent, except that each Applicable Collateral Agent shall be obligated to distribute proceeds of any Shared Collateral in accordance with Section 2.01 hereof.

(b) In furtherance of the foregoing, each Non-Controlling Secured Party acknowledges and agrees that the Applicable Collateral Agent shall be entitled, for the benefit of the Secured Parties, to sell, transfer or otherwise dispose of or deal with any Shared Collateral as provided herein and in the Security Documents, as applicable, for which the Applicable Collateral Agent is the collateral agent of such Shared Collateral, without regard to any rights to which the Non-Controlling Secured Parties would otherwise be entitled as a result of the Obligations held by such Non-Controlling Secured Parties. Without limiting the foregoing, each Non-Controlling Secured Party agrees that none of the Applicable Collateral Agent, the Applicable Authorized Representative or any other Secured Party shall have any duty or obligation first to marshal or realize upon any type of Shared Collateral (or any other

Collateral securing any of the Obligations), or to sell, dispose of or otherwise liquidate all or any portion of such Shared Collateral (or any other Collateral securing any Obligations), in any manner that would maximize the return to the Non-Controlling Secured Parties, notwithstanding that the order and timing of any such realization, sale, disposition or liquidation may affect the amount of proceeds actually received by the Non-Controlling Secured Parties from such realization, sale, disposition or liquidation. Each of the Secured Parties waives any claim it may now or hereafter have against any Collateral Agent or the Authorized Representative of any other Series of Obligations or any other Secured Party of any other Series arising out of (i) any actions which any Collateral Agent, Authorized Representative or the Secured Parties take or omit to take (including, actions with respect to the creation, perfection or continuation of Liens on any Collateral, actions with respect to the foreclosure upon, sale, release or depreciation of, or failure to realize upon, any of the Collateral and actions with respect to the collection of any claim for all or any part of the Obligations from any account debtor, guarantor or any other party) in accordance with the Security Documents or any other agreement related thereto or to the collection of the Obligations or the valuation, use, protection or release of any security for the Obligations, (ii) any election by any Applicable Collateral Agent, any Applicable Authorized Representative or any holders of Obligations, in any proceeding instituted under the Bankruptcy Code or any other applicable Bankruptcy Law, of the application of Section 1111(b) of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law, or (iii) subject to Section 2.05, any borrowing by, or grant of a security interest or administrative expense priority under Section 364 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law, by Holdings, the Borrower or any of its Subsidiaries, as debtor-in-possession. Notwithstanding any other provision of this Agreement, the Applicable Collateral Agent shall not accept any Shared Collateral in full or partial satisfaction of any Obligations pursuant to Section 9-620 of the Uniform Commercial Code of any jurisdiction or similar provision of any foreign law, without the consent of each Authorized Representative representing holders of Obligations for whom such Collateral constitutes Shared Collateral.

ARTICLE V

Miscellaneous

SECTION 5.01 Notices. All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(a) if to the Borrower, Holdings or any Grantor, to it at:

Grocery Outlet Inc.
5650 Hollis St.
Emeryville, CA 94608
Attention: Charles Bracher
Tel: [ ]
Fax: [ ]
Email: [ ]

With a copy to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
Attention: Brian Steinhardt
Email: [ ]

(b) if to the Collateral Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1300 Thames Street, 4th Floor
Thames Street Wharf
Baltimore, MD 21231
Email: docs4loans@morganstanley.com

(c) if to the [Initial Additional Collateral Agent], to it at:

[ ]
Attention: [ ]
Tel: [ ]
Facsimile: [ ]
Electronic mail: [ ]

With a copy to:

[ ]

(d) if to any other Authorized Representative, to it at the address set forth in the applicable Joinder Agreement.

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt (if a Business Day) and on the next Business Day thereafter (in all other cases) if delivered by hand or overnight courier service or sent by telecopy or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 5.01 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 5.01. As agreed to in writing among each Collateral Agent and each Authorized Representative from time to time, notices and other communications may also be delivered by e-mail to the e-mail address of a representative of the applicable person provided from time to time by such person.

SECTION 5.02 Waivers; Amendment; Joinder Agreements.

(a) No failure or delay on the part of any party hereto in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereto are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 5.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on any party hereto in any case shall entitle such party to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be terminated, waived, amended or modified (other than pursuant to any Joinder Agreement) except pursuant to an agreement or agreements in writing entered into by each Authorized Representative and each Collateral Agent (and with

respect to any such termination, waiver, amendment or modification which by the terms of this Agreement requires the Borrower's consent or which increases the obligations or reduces the rights of the Borrower or any other Grantor, with the consent of the Borrower).

(c) Notwithstanding the foregoing, without the consent of any Secured Party, any Authorized Representative may become a party hereto by execution and delivery of a Joinder Agreement in accordance with Section 5.13 and upon such execution and delivery, such Authorized Representative and the Additional Secured Parties that become subject to this Agreement after the date hereof and Additional Obligations of the Series for which such Authorized Representative is acting shall be subject to the terms hereof and the terms of the Additional Security Documents applicable thereto.

(d) Notwithstanding the foregoing, without the consent of any other Authorized Representative or Secured Party, the Collateral Agents may effect amendments and modifications to this Agreement to the extent necessary to reflect any Incurrence of any Additional Obligations in compliance with the Credit Agreement and the other Secured Credit Documents. With respect to any Additional Class Debt that is Incurred after the Closing Date, the Borrower and each of the other Grantors agrees to take such actions (if any) as may from time to time reasonably be requested by any Authorized Representative, and enter into such technical amendments, modifications and/or supplements to this Agreement, the then existing Security Documents (or execute and deliver such additional Security Documents) as may from time to time be reasonably requested by such Persons, to ensure that such Additional Class Debt are secured by, and entitled to the benefits of, the relevant Security Documents relating to such Additional Class Debt, and each Secured Party (by its acceptance of the benefits hereof) hereby agrees to, and authorizes the Applicable Authorized Representative, as the case may be, to enter into, any such technical amendments, modifications and/or supplements (and additional Security Documents).

SECTION 5.03 Parties in Interest. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, as well as the other Secured Parties, all of whom are intended to be bound by, and to be third party beneficiaries of, this Agreement.

SECTION 5.04 Survival of Agreement. All covenants, agreements, representations and warranties made by any party in this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement.

SECTION 5.05 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 5.06 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. The parties hereto shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 5.07 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 5.08 Submission to Jurisdiction Waivers; Consent to Service of Process. Each Collateral Agent and each Authorized Representative, on behalf of itself and the Secured Parties of the Series for whom it is acting, irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the Security Documents, or for recognition and enforcement of any judgment in respect thereof, to the exclusive jurisdiction of the courts of the State of New York located in the Borough of Manhattan, the courts of the United States for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 (or its Authorized Representative) at the address set forth in Section 5.01;

(d) agrees that nothing herein shall affect the right of any other party hereto (or any Secured Party) to effect service of process in any other manner permitted by law or shall limit the right of any party hereto (or any Secured Party) to sue 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 5.08 any special, exemplary, punitive or consequential damages.

SECTION 5.09 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR FOR ANY COUNTERCLAIM THEREIN.

SECTION 5.10 Headings. Article, Section and Annex headings used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 5.11 Conflicts. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any of the Security Documents or any of the other Secured Credit Documents, the provisions of this Agreement shall control.

SECTION 5.12 Provisions Solely to Define Relative Rights. The provisions of this Agreement are and are intended solely for the purpose of defining the relative rights of the Secured Parties in relation to one another. None of the Borrower, any other Grantor or any other creditor thereof shall have any rights or obligations hereunder, except as expressly provided in this Agreement (provided that nothing in this Agreement (other than Sections 2.04, 2.05, and 2.09) is intended to or will amend, waive or otherwise modify the provisions of the Credit Agreement or any Additional Documents), and none of the Borrower or any other Grantor may rely on the terms hereof (other than Sections 2.04, 2.05, 2.09 and Article V). Nothing in this Agreement is intended to or shall impair the obligations of any Grantor, which are absolute and unconditional, to pay the Obligations as and when the same shall become due and payable in accordance with their terms.

SECTION 5.13 Additional Senior Debt. To the extent, but only to the extent permitted by the provisions of the Credit Agreement and the Additional Documents, the Borrower may Incur additional indebtedness after the date hereof that is permitted by the Credit Agreement and the Additional Documents to be Incurred and secured by the Shared Collateral on a priority basis that is equal to the Liens on the Shared Collateral securing the Obligations (such indebtedness referred to as "Additional Class Debt"). Any such Additional Class Debt may be secured by a Lien on the Shared Collateral on a basis that is equal to the Liens on the Shared Collateral securing the Obligations, in each case under and pursuant to the Additional Documents, if and subject to the condition that the Authorized Representative of any such Additional Class Debt (each, an "Additional Class Debt Representative"), acting on behalf of the holders of such Additional Class Debt (such Authorized Representative and holders in respect of any Additional Class Debt being referred to as the "Additional Class Debt Parties"), and, to the extent not already a party hereto, the collateral agent for any such Additional Class Debt, becomes a party to this Agreement by satisfying the conditions set forth in clauses (i) through (iv) of the immediately succeeding paragraph.

In order for an Additional Class Debt Representative and, if applicable, the collateral agent for any such Additional Class Debt, to become a party to this Agreement,

(i) such Additional Class Debt Representative, each Collateral Agent, each Authorized Representative and each Grantor shall have executed and delivered an instrument substantially in the form of Annex II (with such changes as may be reasonably approved by each Collateral Agent and such Additional Class Debt Representative) pursuant to which (a) such Additional Class Debt Representative becomes an Authorized Representative hereunder, (b) if applicable, such collateral agent becomes the Additional Collateral Agent hereunder, and (c) the Additional Class Debt in respect of which such Additional Class Debt Representative is the Authorized Representative and the related Additional Class Debt Parties become subject hereto and bound hereby;

(ii) the Borrower shall have (x) delivered to each Collateral Agent true and complete copies of each of the Additional Documents relating to such Additional Class Debt, certified as being true and correct by an authorized officer of the Borrower and (y) identified in a certificate of an authorized officer the obligations to be designated as Additional Obligations and the initial aggregate principal amount or face amount thereof;

(iii) all filings, recordations and/or amendments or supplements to the Security Documents necessary or desirable in the reasonable judgment of such Additional Class Debt Representative to confirm and perfect the Liens securing the relevant obligations relating to such Additional Class Debt shall have been made, executed and/or delivered (or, with respect to any such filings or recordations, acceptable provisions to perform such filings or recordings have been taken in the reasonable judgment of such Additional Class Debt Representative), and all fees and taxes in connection therewith shall have been paid (or acceptable provisions to make such payments have been taken in the reasonable judgment of the Additional Class Debt Representative); and

(iv) the Additional Documents, as applicable, relating to such Additional Class Debt shall provide, in a manner reasonably satisfactory to each Collateral Agent, that each Additional Class Debt Party with respect to such Additional Class Debt will be subject to and bound by the provisions of this Agreement in its capacity as a holder of such Additional Class Debt.

SECTION 5.14 Agent Capacities. Except as expressly provided herein or in the Credit Agreement Collateral Documents, MSSF is acting in the capacity of Authorized Representative solely for

the Credit Agreement Secured Parties and in its capacity as Collateral Agent solely for the Credit Agreement Secured Parties, the Initial Additional Credit Agreement Secured Parties and the Additional Credit Agreement Secured Parties. Except as expressly set forth herein, none of the Administrative Agent, the Credit Agreement Collateral Agent, the Initial Additional Collateral Agent or the Additional Collateral Agent shall have any duties or obligations in respect of any of the Collateral, all of such duties and obligations, if any, being subject to and governed by the applicable Secured Credit Documents.

SECTION 5.15 Integration. This Agreement together with the other Secured Credit Documents and the Security Documents represents the agreement of each of the Grantors and the Secured Parties with respect to the subject matter hereof and there are no promises, undertakings, representations or warranties by any Grantor, the Credit Agreement Collateral Agent, or any other Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Secured Credit Documents or the Security Documents.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: _____
Name:
Title:

MORGAN STANLEY SENIOR FUNDING, INC., as Authorized Representative for the Credit Agreement Secured Parties

By: _____
Name:
Title:

[ ], as Initial Additional Collateral Agent

By: _____
Name:
Title:

[ ], as Initial Additional Authorized Representative for the Initial Additional Credit Agreement Secured Parties

By: _____
Name:
Title:

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

GLOBE INTERMEDIATE CORP.

By: _____
Name:
Title:

[OTHER GRANTORS]

By: _____
Name:
Title:

EXHIBIT G-1

Grantors

EXHIBIT G-1

[FORM OF] **JOINDER NO. [ ],** dated as of [ ], 20[ ] (this "Joinder") to the **EQUAL PRIORITY INTERCREDITOR AGREEMENT** dated as of [ ] (the "Equal Priority Intercreditor Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (or any successor thereof; the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the other Grantors (as defined below) from time to time party thereto, **MORGAN STANLEY SENIOR FUNDING, INC.** ("MSSF"), as collateral agent for the Credit Agreement Secured Parties, the Initial Additional Credit Agreement Secured Parties and the Additional Credit Agreement Secured Parties (in such capacity and together with its successors in such capacity, the "Credit Agreement Collateral Agent"), MSSF, as Authorized Representative for the Credit Agreement Secured Parties, [ ], as Additional Collateral Agent], [ ], as Initial Additional Authorized Representative, and the additional Authorized Representatives from time to time a party thereto.[1]

A. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the Equal Priority Intercreditor Agreement.

B. As a condition to the ability of the Borrower to Incur Additional Obligations and to secure such Additional Class Debt with the liens and security interests created by the Additional Security Documents, the Additional Class Debt Representative in respect of such Additional Class Debt is required to become an Authorized Representative, and such Additional Class Debt and the Additional Class Debt Parties in respect thereof are required to become subject to and bound by, the Equal Priority Intercreditor Agreement. Section 5.13 of the Equal Priority Intercreditor Agreement provides that such Additional Class Debt Representative may become an Authorized Representative, and such Additional Class Debt and such Additional Class Debt Parties may become subject to and bound by the Equal Priority Intercreditor Agreement upon the execution and delivery by the Authorized Representative of an instrument in the form

1 In the event of (a) a joinder by the Additional Collateral Agent or (b) the Refinancing of the Credit Agreement Obligations, revise to reflect joinder by the Additional Collateral Agent or a new Credit Agreement Collateral Agent, as applicable.

of this Joinder and the satisfaction of the other conditions set forth in Section 5.13 of the Equal Priority Intercreditor Agreement. The undersigned Additional Class Debt Representative (the "New Representative") is executing this Joinder Agreement in accordance with the requirements of the Equal Priority Intercreditor Agreement and the Security Documents.

Accordingly, each Collateral Agent, each Authorized Representative and the New Representative agree as follows:

SECTION 1. In accordance with Section 5.13 of the Equal Priority Intercreditor Agreement, the New Representative by its signature below becomes an Authorized Representative under, and the related Additional Class Debt and Additional Class Debt Parties become subject to and bound by, the Equal Priority Intercreditor Agreement with the same force and effect as if the New Representative had originally been named therein as an Authorized Representative and the New Representative, on its behalf and on behalf of such Additional Class Debt Parties, hereby agrees to all the terms and provisions of the Equal Priority Intercreditor Agreement applicable to it as Authorized Representative and to the Additional Class Debt Parties that it represents as Additional Secured Parties. Each reference to an "Authorized Representative" in the Equal Priority Intercreditor Agreement shall be deemed to include the New Representative. The Equal Priority Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Representative represents and warrants to each Collateral Agent, each Authorized Representative and the other Secured Parties, individually, that (i) it has full power and authority to enter into this Joinder, in its capacity as [agent] [trustee] under [describe Additional Document], (ii) this Joinder has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms and (iii) the Additional Documents relating to such Additional Class Debt provide that, upon the New Representative's entry into this Agreement, the Additional Class Debt Parties in respect of such Additional Class Debt will be subject to and bound by the provisions of the Equal Priority Intercreditor Agreement as Additional Secured Parties.

SECTION 3. This Joinder may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Joinder

shall become effective when each Collateral Agent shall have received a counterpart of this Joinder that bears the signatures of the New Representative. Delivery of an executed signature page to this Joinder by facsimile or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Joinder.

SECTION 4. Except as expressly supplemented hereby, the Equal Priority Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS JOINDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Joinder should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the Equal Priority Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 5.01 of the Equal Priority Intercreditor Agreement. All communications and notices hereunder to the New Representative shall be given to it at its address set forth below its signature hereto.

SECTION 8. The Borrower agrees to reimburse each Collateral Agent and each Authorized Representative for its reasonable and documented or invoiced out-of-pocket expenses in connection with this Joinder, including the reasonable fees, other charges and disbursements of counsel in accordance with the terms of the applicable Secured Credit Documents.

[Signature Page Follows]

IN WITNESS WHEREOF, the New Representative has duly executed this Joinder to the Equal Priority Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW REPRESENTATIVE], as [ ]
for the holders of [ ],

By: _____
Name:
Title:

Address for notices:

_____

attention of: _____

Phone: _____
Fax: _____
Email: _____

EXHIBIT G-1

Acknowledged by:

MORGAN STANLEY SENIOR FUNDING, INC.,

as the Credit Agreement Collateral Agent and Authorized Representative,

By: _____
Name:
Title:

[ ],

as [the Additional Collateral Agent and] Initial Additional Authorized Representative,

By: _____
Name:
Title:

[OTHER AUTHORIZED REPRESENTATIVES]

GLOBE INTERMEDIATE CORP.,

as Holdings

By: _____
Name:
Title:

GOBP HOLDINGS, INC.,

as Borrower

By: _____
Name:
Title:

THE OTHER GRANTORS

LISTED ON SCHEDULE I HERETO

By: _____
Name:
Title:

ANNEX II

Schedule I to the

Supplement to the

Equal Priority Intercreditor Agreement

Grantors

EXHIBIT G-1

FORM OF FIRST LIEN / SECOND LIEN INTERCREDITOR AGREEMENT

Attached.

FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT

Among

GLOBE INTERMEDIATE CORP.,
as Holdings,

GOBP HOLDINGS, INC.,
as the Borrower,

and the other Grantors party hereto,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Senior Priority Representative for the First Lien Credit Agreement Secured Parties,

MORGAN STANLEY SENIOR FUNDING, INC.,
as Second Priority Representative for the Second Lien Credit Agreement Secured Parties,

and

each additional Representative from time to time party hereto

dated as of October 22, 2018

FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT dated as of October 22, 2018 (this "Agreement"), among GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof), GOBP HOLDINGS, INC., a Delaware corporation, the other Grantors (as defined below) party hereto, MORGAN STANLEY SENIOR FUNDING, INC. ("MSSF") as Representative for the First Lien Credit Agreement Secured Parties (in such capacity and together with its successors in such capacity, the "First Lien Administrative Agent"), MSSF as Representative for the Second Lien Credit Agreement Secured Parties (in such capacity and together with its successors in such capacity, the "Second Lien Administrative Agent"), and each additional Senior Priority Representative and Second Priority Representative that from time to time becomes a party hereto pursuant to Section 8.09.

In consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the First Lien Administrative Agent (for itself and on behalf of the First Lien Credit Agreement Secured Parties), the Second Lien Administrative Agent (for itself and on behalf of the Second Lien Credit Agreement Secured Parties) and each additional Senior Priority Representative (for itself and on behalf of the Additional Senior Secured Parties under the applicable Additional Senior Priority Debt Facility) and each additional Second Priority Representative (for itself and on behalf of the Additional Second Priority Secured Parties under the applicable Additional Second Priority Debt Facility) agree as follows:

ARTICLE 1
DEFINITIONS

SECTION 1.01. *Certain Defined Terms.* Capitalized terms used but not otherwise defined herein have the meanings set forth in the First Lien Credit Agreement or, if defined in the New York UCC, the meanings specified therein. As used in this Agreement, the following terms have the meanings specified below:

"Additional Second Priority Debt" means any Indebtedness that is Incurred or guaranteed by the Borrower, Holdings and/or any other Guarantor (other than Indebtedness constituting Second Lien Credit Agreement Obligations), which Indebtedness and Guarantees are secured by Liens on the Second Priority Collateral (or a portion thereof) having, or intended to have, the same priority ranking (but without regard to control of remedies, other than as provided by the terms of the applicable Second Priority Debt Documents) as the Liens securing the Second Lien Credit Agreement Obligations; provided, however, that (a) such Indebtedness is permitted to be Incurred, secured and guaranteed on such basis by each Senior Priority Debt Document and Second Priority Debt Document and (b) the Representative for the holders of such Indebtedness shall have become party to (i) this Agreement pursuant to, and by satisfying the conditions set forth in, Section 8.09 hereof and (ii) the Second Lien Intercreditor Agreement pursuant to, and by satisfying the conditions set forth in, Section 5.13 thereof (or any equivalent Section); provided, further, that, if such Indebtedness will be the initial Additional Second Priority Debt Incurred by the Borrower after the Closing Date, then the Guarantors, the Second Lien Administrative Agent and the Representative for such Indebtedness shall have executed and delivered the Second Lien Intercreditor Agreement. Additional Second Priority Debt shall include any Registered Equivalent Notes and Guarantees thereof by the Guarantors issued in exchange therefor.

"Additional Second Priority Debt Documents" means, with respect to any series, issue or class of Additional Second Priority Debt, the promissory notes, credit agreements, loan agreements, note purchase agreements, indentures or other operative agreements evidencing or governing such Indebtedness or the Liens securing such Indebtedness, including the Second Priority Collateral Documents.

"Additional Second Priority Debt Facility" means each credit agreement, loan agreement, note purchase agreement, indenture or other governing agreement with respect to any Additional Second Priority Debt.

"Additional Second Priority Debt Obligations" means, with respect to any series, issue or class of Additional Second Priority Debt, (a) all principal of, and premium and interest, fees and expenses (including, without limitation, any interest, fees and expenses which accrue after the commencement of any Bankruptcy Case or which would accrue but for the operation of Bankruptcy Laws, whether or not allowed or allowable as a claim in any such proceeding) payable with respect to, such Additional Second Priority Debt, (b) all other amounts payable to the related Additional Second Priority Secured Parties under the related Additional Second Priority Debt Documents, including, if applicable, any Hedging Obligations and/or Cash Management Obligations, and (c) any Refinancings of the foregoing.

"Additional Second Priority Secured Parties" means, with respect to any series, issue or class of Additional Second Priority Debt, the holders of such Indebtedness or any other Additional Second Priority Debt Obligation, including if applicable, any counterparty to any Hedging Agreements and/or in regard of any Cash Management Obligations, the Representative with respect thereto, any trustee or agent therefor under any related Additional Second Priority Debt Documents and the beneficiaries of each indemnification obligation undertaken by the Borrower or any Guarantor under any related Additional Second Priority Debt Documents.

"Additional Senior Priority Debt" means any Indebtedness that is Incurred or guaranteed by the Borrower, Holdings and/or any other Guarantor (other than Indebtedness constituting First Lien Credit Agreement Obligations), which Indebtedness and Guarantees are secured by Liens on the Senior Priority Collateral (or a portion thereof) having a priority ranking (but without regard to control of remedies) that is senior to the Liens on the Second Priority Collateral securing the Second Priority Debt Obligations; provided, however, that (a) such Indebtedness is permitted to be Incurred, secured and guaranteed on such basis by each Senior Priority Debt Document and Second Priority Debt Document and (b) the Representative for the holders of such Indebtedness shall have become party to (i) this Agreement pursuant to, and by satisfying the conditions set forth in, Section 8.09 hereof and (ii) the First Lien Intercreditor Agreement pursuant to, and by satisfying the conditions set forth in, Section 5.13 thereof (or any equivalent Section); provided, further, that, if such Indebtedness will be the initial Additional Senior Priority Debt incurred by the Borrower after the Closing Date, then the Guarantors, the First Lien Administrative Agent and the Representative for such Indebtedness shall have executed and delivered the First Lien Intercreditor Agreement. Additional Senior Priority Debt shall include any Registered Equivalent Notes and Guarantees thereof by the Guarantors issued in exchange therefor.

"Additional Senior Priority Debt Documents" means, with respect to any series, issue or class of Additional Senior Priority Debt, the promissory notes, credit agreements, loan agreements, indentures, or other operative agreements evidencing or governing such Indebtedness or the Liens securing such Indebtedness, including the Senior Priority Collateral Documents.

"Additional Senior Priority Debt Facility" means each credit agreement, loan agreement, note purchase agreement, indenture or other governing agreement with respect to any Additional Senior Priority Debt.

"Additional Senior Priority Debt Obligations" means, with respect to any series, issue or class of Additional Senior Priority Debt, (a) all principal of, and premium and interest, fees and expenses (including, without limitation, any interest, fees and expenses which accrues after the commencement of any Bankruptcy Case or which would accrue but for the operation of Bankruptcy Laws, whether or not allowed or allowable as a claim in any such proceeding) payable with respect to, such Additional Senior Priority Debt, (b) all other amounts payable to the related Additional Senior Secured Parties under the related Additional Senior Priority Debt Documents ,including, if applicable, any Hedging Obligations and/or Cash Management Obligations, and (c) any Refinancings of the foregoing.

"Additional Senior Secured Parties" means, with respect to any series, issue or class of Additional Senior Priority Debt, the holders of such Indebtedness or any other Additional Senior Priority Debt Obligation, including, if applicable, any counterparty to any Hedging Agreements and/or in regard of any Cash Management Obligations, the Representative with respect thereto, any trustee or agent therefor under any related Additional Senior Priority Debt Documents and the beneficiaries of each indemnification obligation undertaken by the Borrower or any Guarantor under any related Additional Senior Priority Debt Documents.

"Agreement" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Bankruptcy Case" means a case under the Bankruptcy Code or any other Bankruptcy Law.

"Bankruptcy Code" means Title 11 of the United States Code, as amended.

"Bankruptcy Laws" means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

"Board of Directors" means, with respect to any Person, (i) in the case of any corporation, the board of directors of such Person, (ii) in the case of any limited liability company, the board of managers of such Person, (iii) in the case of any partnership, the Board of Directors of the general partner of such Person and (iv) in any other case, the functional equivalent of the foregoing.

"Borrower" means the "Borrower" as defined in the First Lien Credit Agreement.

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation and including membership interests and partnership interests) and, except to the extent constituting Indebtedness, any and all warrants, rights or options to purchase, acquire or exchange any of the foregoing.

"Class Debt" has the meaning assigned to such term in Section 8.09.

"Class Debt Parties" has the meaning assigned to such term in Section 8.09.

"Class Debt Representatives" has the meaning assigned to such term in Section 8.09.

"Closing Date" means October 22, 2018.

"Collateral" means the Senior Priority Collateral and the Second Priority Collateral.

"Collateral Documents" means the Senior Priority Collateral Documents and the Second Priority Collateral Documents.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of Voting Stock, by agreement or otherwise. The terms "Controlling" and "Controlled" have meanings correlative thereto.

"Copyrights" means all United States (a) copyrights, rights in works of authorship, mask works and integrated circuit designs and other rights subject to the copyright laws of the United States, or of any other country or any group of countries, including copyrights and other rights in Software, data, databases, Internet web sites and the proprietary content thereof, (b) registrations, renewals, rights of reversion, extensions, supplemental registrations, recordings and applications for registration of any of the foregoing in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, and (c) rights to obtain all renewals, reversions and extensions thereof.

"Debt Facility" means any Senior Priority Debt Facility and any Second Priority Debt Facility.

"Designated Second Priority Representative" means (a) the Second Lien Administrative Agent, so long as the Second Priority Debt Facility under the Second Lien Credit Agreement is the only Second Priority Debt Facility under this Agreement and (b) at any time when clause (a) does not apply, the "Applicable Authorized Representative" (as defined in any Second Lien Intercreditor Agreement that may be in effect at such time).

"Designated Senior Priority Representative" means (a) the First Lien Administrative Agent, so long as the Senior Priority Debt Facility under the First Lien Credit Agreement is the only Senior Priority Debt Facility under this Agreement and (b) at any time when clause (a) does not apply, the "Applicable Authorized Representative" (as defined in any First Lien Intercreditor Agreement that may be in effect at such time).

"DIP Financing" has the meaning assigned to such term in Section 6.01.

"Discharge" means, with respect to any Debt Facility, the date on which such Debt Facility and the Senior Priority Obligations or Second Priority Debt Obligations thereunder, as the case may be, are no longer secured by Shared Collateral pursuant to the terms of the documentation governing such Debt Facility. The term "Discharged" shall have a corresponding meaning.

"Discharge of First Lien Credit Agreement Obligations" means, the Discharge of the First Lien Credit Agreement Obligations; provided that the Discharge of First Lien Credit Agreement Obligations shall not be deemed to have occurred in connection with a Refinancing of such First Lien Credit Agreement Obligations with an Additional Senior Priority Debt Facility secured by Shared Collateral under one or more Additional Senior Priority Debt Documents that have been designated in writing by the "Administrative Agent" (under the First Lien Credit Agreement so Refinanced) to the Designated Senior Priority Representative as the "First Lien Credit Agreement" for purposes of this Agreement.

"Discharge of Senior Priority Obligations" means the date on which the Discharge of First Lien Credit Agreement Obligations and the Discharge of each Additional Senior Priority Debt Facility has occurred.

"Disposition" means any conveyance, sale, lease, assignment, transfer, license or other disposition.

"First Lien Administrative Agent" has the meaning assigned to such term in the introductory paragraph of this Agreement and shall include any successor administrative agent and collateral agent as provided in Section 12 of the First Lien Credit Agreement.

"First Lien Credit Agreement" means that certain First Lien Credit Agreement, dated as of October 22, 2018, among Holdings, the Borrower, the lenders from time to time party thereto, the letter of credit issuers from time to time party thereto, MSSF, as administrative agent and collateral agent, and the other parties thereto.

"First Lien Credit Agreement Credit Documents" means the First Lien Credit Agreement and the other "Credit Documents" as defined in the First Lien Credit Agreement.

"First Lien Credit Agreement Obligations" means the "Obligations" as defined in the First Lien Credit Agreement.

"First Lien Credit Agreement Secured Parties" means the "Secured Parties" as defined in the First Lien Credit Agreement.

"First Lien Intercreditor Agreement" means (a) an intercreditor agreement substantially in the form of the Equal Priority Intercreditor Agreement (as defined in the First Lien Credit Agreement) or (b) a customary intercreditor agreement in form and substance reasonably acceptable to the Senior Priority Representative with respect to each Senior Priority Debt Facility in existence at the time such intercreditor agreement is entered into and the Borrower, and which provides that the Liens securing all Indebtedness covered thereby shall be of equal priority (but without regard to the control of remedies).

"Grantors" means Holdings, the Borrower and each Subsidiary that has granted a security interest pursuant to any Collateral Document to secure any Secured Obligations.

"Guarantors" means the "Guarantors" as defined in the First Lien Credit Agreement.

"Holdings" means "Holdings" as defined in the First Lien Credit Agreement.

"Insolvency or Liquidation Proceeding" means:

(a) any case commenced by or against the Borrower or any other Grantor under any Bankruptcy Law, any other proceeding for the reorganization, recapitalization or adjustment or marshalling of the assets or liabilities of the Borrower or any other Grantor, any receivership or assignment for the benefit of creditors relating to the Borrower or any other Grantor or any similar case or proceeding relative to the Borrower or any other Grantor or its creditors, as such, in each case whether or not voluntary;

(b) any liquidation, dissolution, marshalling of assets or liabilities or other winding up of or relating to the Borrower or any other Grantor, in each case whether or not voluntary and whether or not involving bankruptcy or insolvency; or

(c) any other proceeding of any type or nature in which substantially all claims of creditors of the Borrower or any other Grantor are determined and any payment or distribution is or may be made on account of such claims.

"Intellectual Property" means Copyrights, Patents and Trademarks.

"Joinder Agreement" means a supplement to this Agreement in the form of Annex II or Annex III hereof required to be delivered by a Representative to the Designated Senior Priority Representative or Designated Second Priority Representative, as the case may be, pursuant to Section 8.09 hereof in order to include an additional Debt Facility hereunder and to become the Representative hereunder for the Senior Priority Secured Parties or Second Priority Secured Parties, as the case may be, under such Debt Facility.

"Lien" means any mortgage, pledge, deed of trust, security interest, hypothecation, lien (statutory or other) or similar encumbrance and any easement, right-of-way, restriction (including zoning restrictions), defect, exception or irregularity in title or similar charge or encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof); provided that in no event shall a Non-Financing Lease Obligation be deemed to be a Lien.

"Major Second Priority Representative" means, with respect to any Shared Collateral, the Second Priority Representative of the series of Second Priority Debt Obligations that constitutes the largest outstanding principal amount of any then outstanding series of Second Priority Debt Obligations with respect to such Shared Collateral.

"MSSF" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"New York UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Officer's Certificate" has the meaning assigned to such term in Section 8.08.

"Patents" means all United States (a) patents, statutory invention registrations, certificates of invention, industrial designs and utility models, and all pending applications of the foregoing, (b) provisionals, reissues, reexaminations, continuations, divisions, continuations-in-part, renewals or extensions thereof and (c) the inventions, discoveries and designs disclosed or claimed therein and all improvements thereto, including the right to make, use and/or sell the inventions, discoveries and designs disclosed or claimed therein.

"Person" means any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust or other enterprise or any Governmental Authority (as defined in the First Lien Credit Agreement as in effect on the date hereof).

"Pledged or Controlled Collateral" has the meaning assigned to such term in Section 5.05(a).

"Proceeds" means the proceeds of any sale, collection or other liquidation of Shared Collateral and any payment or distribution made in respect of Shared Collateral in a Bankruptcy Case and any amounts received by any Senior Priority Representative or any Senior Priority Secured Party from a Second Priority Secured Party in respect of Shared Collateral pursuant to this Agreement.

"Recovery" has the meaning assigned to such term in Section 6.04.

"Refinance" means, in respect of any indebtedness, to refinance, extend, renew, defease, amend, increase, modify, supplement, restructure, refund, replace or repay, or to Incur other indebtedness or enter alternative financing arrangements, in exchange or replacement for, such indebtedness (in whole or in part), including by adding or replacing lenders, creditors, agents, borrowers and/or guarantors, and including in each case, but not limited to, after the original instrument giving rise to such indebtedness has been terminated and including, in each case, through any credit agreement, loan agreement, note purchase agreement, indenture or other agreement. "Refinanced" and "Refinancing" have correlative meanings.

"Registered Equivalent Notes" means, with respect to any notes originally issued in a Rule 144A or other private placement transaction under the Securities Act of 1933, substantially identical notes (having the same Guarantees) issued in a dollar for dollar exchange therefor pursuant to an exchange offer registered with the SEC.

"Representatives" means the Senior Priority Representatives and the Second Priority Representatives.

"SEC" means the United States Securities and Exchange Commission and any successor agency thereto.

"Second Lien Administrative Agent" has the meaning assigned to such term in the introductory paragraph of this Agreement and shall include any successor administrative agent and collateral agent as provided in Section 12 of the Second Lien Credit Agreement.

"Second Lien Credit Agreement" means that certain Second Lien Credit Agreement, dated as of October 22, 2018, among Holdings, the Borrower, the lenders from time to time party thereto, MSSF, as administrative agent and collateral agent, and the other parties thereto.

"Second Lien Credit Agreement Credit Documents" means the Second Lien Credit Agreement and the other "Credit Documents" as defined in the Second Lien Credit Agreement.

"Second Lien Credit Agreement Obligations" means the "Obligations" as defined in the Second Lien Credit Agreement.

"Second Lien Credit Agreement Secured Parties" means the "Secured Parties" as defined in the Second Lien Credit Agreement.

"Second Lien Intercreditor Agreement" means (a) an intercreditor agreement substantially in the form of the Equal Priority Intercreditor Agreement (as defined in the Second Lien Credit Agreement) or (b) a customary intercreditor agreement in form and substance reasonably acceptable to the Second Priority Representative with respect to each Second Priority Debt Facility in existence at the time such intercreditor agreement is entered into and the Borrower, and which provides that the Liens securing all Indebtedness covered thereby shall be of equal priority (but without regard to the control of remedies).

"Second Priority Class Debt" has the meaning assigned to such term in Section 8.09.

"Second Priority Class Debt Parties" has the meaning assigned to such term in Section 8.09.

"Second Priority Class Debt Representative" has the meaning assigned to such term in Section 8.09.

"Second Priority Collateral" means any "Collateral" as defined in any Second Lien Credit Agreement Credit Document or any other Second Priority Debt Document or any other assets of Holdings, the Borrower or any other Grantor with respect to which a Lien is granted or purported to be granted pursuant to a Second Priority Collateral Document as security for any Second Priority Debt Obligation.

"Second Priority Collateral Documents" means the "Security Documents" as defined in the Second Lien Credit Agreement, the Second Lien Intercreditor Agreement (upon and after the initial execution and delivery thereof by the initial parties thereto) and each of the security agreements and other instruments and documents executed and delivered by Holdings, the Borrower or any other Grantor for purposes of providing collateral security for any Second Priority Debt Obligation.

"Second Priority Debt Documents" means (a) the Second Lien Credit Agreement Credit Documents and (b) any Additional Second Priority Debt Documents.

"Second Priority Debt Facilities" means the Second Lien Credit Agreement and any Additional Second Priority Debt Facilities.

"Second Priority Debt Obligations" means the Second Lien Credit Agreement Obligations and any Additional Second Priority Debt Obligations.

"Second Priority Enforcement Date" means, with respect to any Second Priority Representative, the date that is 180 days (through which 180 day period such Second Priority Representative was the Major Second Priority Representative) after the occurrence of both (a) an Event of Default (under and as defined in the Second Priority Debt Document for which such Second Priority Representative has been named as Representative) and (b) the Designated Senior Priority Representative's and each other Representative's receipt of written notice from such Second Priority Representative that (i) such Second Priority Representative is the Major Second Priority Representative and that an Event of Default (under and as defined in the Second Priority Debt Document for which such Second Priority Representative has been named as Representative) has occurred and is continuing and (ii) the Second Priority Debt Obligations of the series with respect to which such Second Priority Representative is the Second Priority Representative are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the terms of the applicable Second Priority Debt Document; provided that the Second Priority Enforcement Date shall be stayed and shall not occur and shall be deemed not to have occurred (1) at any time the Designated Senior Priority Representative has commenced and is diligently pursuing any enforcement action with respect to any Shared Collateral or (2) at any time any Grantor which has granted a security interest in any Shared Collateral is then a debtor under or with respect to (or otherwise subject to) any Insolvency or Liquidation Proceeding.

"Second Priority Lien" means the Liens on the Second Priority Collateral in favor of Second Priority Secured Parties under the Second Priority Collateral Documents.

"Second Priority Representative" means (a) in the case of any Second Lien Credit Agreement Obligations or the Second Lien Credit Agreement Secured Parties, the Second Lien Administrative Agent and (b) in the case of any Additional Second Priority Debt Facility and the Additional Second Priority Secured Parties thereunder, the trustee, administrative agent, collateral agent, security agent or similar agent under such Additional Second Priority Debt Facility that is named as the Representative in respect of such Additional Second Priority Debt Facility in the applicable Joinder Agreement.

"Second Priority Secured Parties" means the Second Lien Credit Agreement Secured Parties and any Additional Second Priority Secured Parties.

"Secured Obligations" means the Senior Priority Obligations and the Second Priority Debt Obligations.

"Secured Parties" means the Senior Priority Secured Parties and the Second Priority Secured Parties.

"Senior Lien" means the Liens on the Senior Priority Collateral in favor of the Senior Priority Secured Parties under the Senior Priority Collateral Documents.

"Senior Priority Class Debt" has the meaning assigned to such term in Section 8.09.

"Senior Priority Class Debt Parties" has the meaning assigned to such term in Section 8.09.

"Senior Priority Class Debt Representative" has the meaning assigned to such term in Section 8.09.

"Senior Priority Collateral" means any "Collateral" as defined in any First Lien Credit Agreement Credit Document or any other Senior Priority Debt Document or any other assets of Holdings, the Borrower or any other Grantor with respect to which a Lien is granted or purported to be granted pursuant to a Senior Priority Collateral Document as security for any Senior Priority Obligations.

"Senior Priority Collateral Documents" means the "Security Documents" as defined in the First Lien Credit Agreement, the First Lien Intercreditor Agreement (upon and after the initial execution and delivery thereof by the initial parties thereto) and each of the security agreements and other instruments and documents executed and delivered by Holdings, the Borrower or any other Grantor for purposes of providing collateral security for any Senior Priority Obligation.

"Senior Priority Debt Documents" means (a) the First Lien Credit Agreement Credit Documents and (b) any Additional Senior Priority Debt Documents.

"Senior Priority Debt Facilities" means the First Lien Credit Agreement and any Additional Senior Priority Debt Facilities.

"Senior Priority Obligations" means the First Lien Credit Agreement Obligations and any Additional Senior Priority Debt Obligations (provided that the Senior Priority Obligations shall exclude any such obligations the Incurrence of which was not permitted under each Second Priority Debt Document extant at the time of the Incurrence thereof).

"Senior Priority Representative" means (a) in the case of any First Lien Credit Agreement Obligations or the First Lien Credit Agreement Secured Parties, the First Lien Administrative Agent and (b) in the case of any Additional Senior Priority Debt Facility and the Additional Senior Secured Parties thereunder, the trustee, administrative agent, collateral agent, security agent or similar agent under such Additional Senior Priority Debt Facility that is named as the Representative in respect of such Additional Senior Priority Debt Facility in the applicable Joinder Agreement.

"Senior Priority Secured Parties" means the First Lien Credit Agreement Secured Parties and any Additional Senior Secured Parties.

"Shared Collateral" means, at any time, Collateral in which the holders of Senior Priority Obligations under at least one Senior Priority Debt Facility (or their Representatives) and the holders of Second Priority Debt Obligations under at least one Second Priority Debt Facility (or their Representatives) hold a security interest at such time (or, in the case of the Senior Priority Debt Facilities, are deemed pursuant to Article 2 to hold a security interest). If, at any time, any portion of the Senior Priority Collateral under one or more Senior Priority Debt Facilities does not constitute Second Priority Collateral under one or more Second Priority Debt Facilities, then such portion of such Senior Priority Collateral shall constitute Shared Collateral only with respect to the Second Priority Debt Facilities for which it constitutes Second Priority Collateral and shall not constitute Shared Collateral for any Second Priority Debt Facility that does not have a security interest in such Collateral at such time.

"Subsidiary" of any Person shall mean and include (a) any corporation more than 50.0% of whose 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 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 and (b) any limited liability company, partnership, association, Joint Venture or other entity in which such Person directly or indirectly through Subsidiaries has more than a 50.0% equity interest at the time. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Borrower.

"Trademarks" means all United States (a) trademarks, service marks, domain names, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, slogans, other source or business identifiers, now existing or hereafter adopted or acquired, whether registered or unregistered, and all registrations, recordings and applications for registration filed in connection with the foregoing, including registrations, recordings and applications for registration in the United States Patent and Trademark Office or any similar offices in any State of the United States or any political subdivision thereof, and all common-law rights related thereto, (b) all goodwill associated therewith or symbolized thereby and (c) all extensions or renewals thereof.

"Uniform Commercial Code" or "UCC" means, unless otherwise specified, the Uniform Commercial Code as from time to time in effect in the State of New York or the Uniform Commercial Code of another jurisdiction, to the extent it may be required to apply to any item or items of collateral.

"Voting Stock" means, with respect to any Person, shares of such Person's Capital Stock that is at the time generally entitled, without regard to contingencies, to vote in the election of the Board of Directors of such Person. To the extent that a partnership agreement, limited liability company agreement or other agreement governing a partnership or limited liability company provides that the members of the Board of Directors of such partnership or limited liability company (or, in the case of a limited partnership whose business and affairs are managed or controlled by its general partner, the Board of Directors of the general partner of such limited partnership) is appointed or designated by one or more Persons rather than by a vote of Voting Stock, each of the Persons who are entitled to appoint or designate the members of such Board of Directors will be deemed to own a percentage of Voting Stock of such partnership or limited liability company equal to (a) the aggregate votes entitled to be cast on such Board of Directors by the members of such Board of Directors which such Person or Persons are entitled to appoint or designate divided by (b) the aggregate number of votes of all members of such Board of Directors.

SECTION 1.02. *Terms Generally.* The rules of interpretation set forth in Sections 1.2, 1.5, 1.6, 1.7, 1.8 and 1.11 of the First Lien Credit Agreement are incorporated herein *mutatis mutandis*.

ARTICLE 2
PRIORITIES AND AGREEMENTS WITH RESPECT TO SHARED COLLATERAL

SECTION 2.01. *Subordination.* Notwithstanding the date, time, manner or order of filing or recordation of any document or instrument or grant, attachment or perfection of any Liens granted to any Second Priority Representative or any Second Priority Secured Parties on the Shared Collateral or of any Liens granted to any Senior Priority Representative or any other Senior Priority Secured Party on the Shared Collateral (or any actual or alleged defect in any of the foregoing) and notwithstanding any provision of the UCC, any Applicable Law, any Second Priority Debt Document or any Senior Priority Debt Document or any other circumstance whatsoever, each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, hereby agrees that (a) any Lien on the Shared Collateral securing any Senior Priority Obligations now or hereafter held by or on behalf of any Senior Priority Representative or any other Senior Priority Secured Party or other agent or trustee therefor, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall have priority over and be senior in all respects and prior to any Lien on the Shared Collateral securing any Second Priority Debt Obligations and (b) any Lien on the Shared Collateral securing any Second Priority Debt Obligations now or hereafter held by or on behalf of any Second Priority Representative, any Second Priority Secured Parties or any other agent or trustee therefor, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens on the Shared Collateral securing any Senior Priority Obligations. All Liens on the Shared Collateral securing any Senior Priority Obligations shall be and remain senior in all respects and prior to all Liens on the Shared Collateral securing any Second Priority Debt Obligations for all purposes, whether or not such Liens securing any Senior Priority Obligations are subordinated to any Lien securing any other obligation of the Borrower, any Grantor or any other Person or otherwise subordinated, voided, avoided, invalidated or lapsed.

SECTION 2.02. *Nature Of Senior Lender Claims.* Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, acknowledges that (a) a portion of the Senior Priority Obligations is revolving in nature and that the amount thereof that may be outstanding at any time or from time to time may be increased or reduced and subsequently reborrowed, (b) the terms of the Senior Priority Debt Documents and the Senior Priority Obligations may be amended, restated, amended and restated, supplemented or otherwise modified, and the Senior Priority Obligations, or a portion thereof, may be Refinanced from time to time and (c) the aggregate amount of the Senior Priority Obligations may be increased, in each case, without notice to or consent by the Second Priority Representatives or the Second Priority Secured Parties and without affecting the provisions hereof, except as otherwise expressly set forth herein. The Lien priorities provided for in Section 2.01 shall not be altered or otherwise affected by any amendment, restatement, amendment and restatement, supplement or other modification, or any Refinancing, of either the Senior Priority Obligations or the Second Priority Debt Obligations, or any portion thereof. As between Holdings, the Borrower and the other Grantors and the Second Priority Secured Parties, the foregoing provisions will not limit or otherwise affect the obligations of Holdings, the Borrower and the other Grantors contained in any Second Priority Debt Document with respect to the Incurrence of additional Senior Priority Obligations.

SECTION 2.03. *Prohibition On Contesting Liens.* Each of the Second Priority Representatives, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that it shall not (and hereby waives any right to) contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the validity, extent, perfection, priority or enforceability of any Lien securing, or the allowability of any claims asserted with respect

to, any Senior Priority Obligations held (or purported to be held) by or on behalf of any Senior Priority Representative or any of the other Senior Priority Secured Parties or other agent or trustee therefor in any Senior Priority Collateral, and each Senior Priority Representative, for itself and on behalf of each Senior Priority Secured Party under its Senior Priority Debt Facility, agrees that it shall not (and hereby waives any right to) contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the validity, extent, perfection, priority or enforceability of any Lien securing, or the allowability of any claims asserted with respect to, any Second Priority Debt Obligations held (or purported to be held) by or on behalf of any of any Second Priority Representative or any of the Second Priority Secured Parties in the Second Priority Collateral. Notwithstanding the foregoing, no provision in this Agreement shall be construed to prevent or impair the rights of any Senior Priority Representative to enforce this Agreement (including the priority of the Liens securing the Senior Priority Obligations as provided in Section 2.01) or any of the Senior Priority Debt Documents.

SECTION 2.04. *No New Liens.* The parties hereto agree that, so long as the Discharge of Senior Priority Obligations has not occurred, (a) none of the Grantors shall grant any additional Liens on any asset or property of any Grantor to secure any Second Priority Debt Obligation unless it has granted, or concurrently therewith grants, a Lien on such asset or property of such Grantor to secure the Senior Priority Obligations; and (b) if any Second Priority Representative or any Second Priority Secured Party shall hold any Lien on any assets or property of any Grantor securing any Second Priority Debt Obligations that are not also subject to the Liens securing all Senior Priority Obligations under the Senior Priority Collateral Documents, such Second Priority Representative or Second Priority Secured Party (i) shall notify the Designated Senior Priority Representative promptly upon becoming aware thereof and, unless such Grantor shall promptly grant a similar Lien on such assets or property to each Senior Priority Representative as security for the Senior Priority Obligations, shall assign such Lien to the Designated Senior Priority Representative as security for all Senior Priority Obligations for the benefit of the Senior Priority Secured Parties (but may retain a junior Lien on such assets or property subject to the terms hereof) and (ii) until such assignment or such grant of a similar Lien to each Senior Priority Representative, shall be deemed to hold and have held such Lien for the benefit of each Senior Priority Representative and the other Senior Priority Secured Parties as security for the Senior Priority Obligations.

SECTION 2.05. *Perfection Of Liens.* Except for the limited agreements of the Senior Priority Representatives pursuant to Section 5.05 hereof, none of the Senior Priority Representatives or the Senior Priority Secured Parties shall be responsible for perfecting and maintaining the perfection of Liens with respect to the Shared Collateral for the benefit of the Second Priority Representatives or the Second Priority Secured Parties. The provisions of this Agreement are intended solely to govern the respective Lien priorities as between the Senior Priority Secured Parties and the Second Priority Secured Parties and shall not impose on the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives, the Second Priority Secured Parties or any agent or trustee therefor any obligations in respect of the disposition of proceeds of any Shared Collateral which would conflict with prior perfected claims therein in favor of any other Person or any order or decree of any court or governmental authority or any applicable law.

SECTION 2.06. *Certain Cash Collateral.* Notwithstanding anything in this Agreement or any other Senior Priority Debt Documents or Second Priority Debt Documents to the contrary, collateral consisting of cash and deposit account balances pledged to secure First Lien Credit Agreement Obligations consisting of reimbursement obligations in respect of Letters of Credit or otherwise held by the First Lien Administrative Agent pursuant to Section 3.8 of the First Lien Credit Agreement (or any equivalent successor provision) shall be applied as specified in the First Lien Credit Agreement and will not constitute Shared Collateral.

ARTICLE 3
ENFORCEMENT

SECTION 3.01. *Exercise Of Remedies.*

(a) So long as the Discharge of Senior Priority Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against the Borrower or any other Grantor, (i) neither any Second Priority Representative nor any Second Priority Secured Party will (x) exercise or seek to exercise any rights or remedies (including setoff) with respect to any Shared Collateral in respect of any Second Priority Debt Obligations, or institute any action or proceeding with respect to such rights or remedies (including any action of foreclosure), (y) contest, protest or object to any foreclosure proceeding or other action brought with respect to the Shared Collateral or any other Senior Priority Collateral by any Senior Priority Representative or any Senior Priority Secured Party in respect of the Senior Priority Obligations, the exercise of any right by any Senior Priority Representative or any Senior Priority Secured Party (or any agent or sub-agent on their behalf) in respect of the Senior Priority Obligations under any lockbox agreement, control agreement, landlord waiver or bailee's letter or similar agreement or arrangement to which any Senior Priority Representative or any Senior Priority Secured Party either is a party or may have rights as a third party beneficiary, or any other exercise by any such party of any rights and remedies relating to the Shared Collateral under the Senior Priority Debt Documents or otherwise in respect of the Senior Priority Collateral or the Senior Priority Obligations, or (z) object to the forbearance by the Senior Priority Secured Parties from bringing or pursuing any foreclosure proceeding or action or any other exercise of any rights or remedies relating to the Shared Collateral in respect of Senior Priority Obligations and (ii) except as otherwise provided herein, the Senior Priority Representatives and the Senior Priority Secured Parties shall have the exclusive right to enforce rights, exercise remedies (including setoff and the right to credit bid their debt) and make determinations regarding the release, disposition or restrictions with respect to the Shared Collateral or any other Senior Priority Collateral without any consultation with or the consent of any Second Priority Representative or any Second Priority Secured Party; provided, however, that (A) in any Insolvency or Liquidation Proceeding commenced by or against Holdings, the Borrower or any other Grantor, any Second Priority Representative may file a claim or statement of interest with respect to the Second Priority Debt Obligations under its Second Priority Debt Facility, (B) any Second Priority Representative may take any action (not adverse to the prior Liens on the Shared Collateral securing the Senior Priority Obligations or the rights of the Senior Priority Representatives or the Senior Priority Secured Parties to exercise remedies in respect thereof) in order to create, prove, perfect, preserve or protect (but not enforce) its rights in, and perfection and priority of its Lien on, the Shared Collateral, (C) any Second Priority Representative and the Second Priority Secured Parties may exercise their rights and remedies as unsecured creditors, as provided in Section 5.04, (D) any Second Priority Representative may exercise the rights and remedies provided for in Section 6.03, (E) any Second Priority Representative and the Second Priority Secured Parties may file any necessary or appropriate responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any person objecting to or otherwise seeking the disallowance of the claims or Liens of the Second Priority Secured Parties, including any claims secured by the Second Priority Collateral, in each case in accordance with the terms of this Agreement and (F) from and after the Second Priority Enforcement Date, the Major Second Priority Representative (or such other Person, if any, as is so authorized under the Second Lien Intercreditor Agreement) may exercise or seek to exercise any rights or remedies (including setoff) with respect to any Shared Collateral in respect of any Second Priority Debt Obligations, or institute any action or proceeding with respect to such rights or remedies (including any action of foreclosure), but only so long as (1) the Designated Senior Priority Representative has not commenced and is not diligently pursuing any enforcement action with respect to such Shared Collateral or (2) any Grantor which has granted a security interest in such Shared Collateral is not then a debtor under or with respect to (or otherwise subject to) any Insolvency or Liquidation Proceeding. In

exercising rights and remedies with respect to the Senior Priority Collateral, the Senior Priority Representatives and the Senior Priority Secured Parties may enforce the provisions of the Senior Priority Debt Documents and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to sell or otherwise dispose of Shared Collateral upon foreclosure, to incur expenses in connection with such sale or disposition and to exercise all the rights and remedies of a secured lender under the Uniform Commercial Code of any applicable jurisdiction and of a secured creditor under Bankruptcy Laws of any applicable jurisdiction.

(b) So long as the Discharge of Senior Priority Obligations has not occurred, each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, agrees that it will not, in the context of its role as secured creditor, take or receive any Shared Collateral or any proceeds of Shared Collateral in connection with the exercise of any right or remedy (including setoff) with respect to any Shared Collateral in respect of Second Priority Debt Obligations. Without limiting the generality of the foregoing, unless and until the Discharge of Senior Priority Obligations has occurred, except as expressly provided in the proviso in clause (ii) of Section 3.01(a), the sole right of the Second Priority Representatives and the Second Priority Secured Parties with respect to the Shared Collateral is to hold a Lien on the Shared Collateral in respect of Second Priority Debt Obligations pursuant to the Second Priority Debt Documents for the period and to the extent granted therein and to receive a share of the proceeds thereof, if any, after the Discharge of Senior Priority Obligations has occurred.

(c) Subject to the proviso in clause (ii) of Section 3.01(a), (i) each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that neither such Second Priority Representative nor any such Second Priority Secured Party will take any action that would hinder any exercise of remedies undertaken by any Senior Priority Representative or any Senior Priority Secured Party with respect to the Shared Collateral under the Senior Priority Debt Documents, including any Disposition of the Shared Collateral, whether by foreclosure or otherwise, and (ii) each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby waives any and all rights it or any such Second Priority Secured Party may have as a junior lien creditor or otherwise to object to the manner in which the Senior Priority Representatives or the Senior Priority Secured Parties seek to enforce or collect the Senior Priority Obligations or the Liens granted on any of the Senior Priority Collateral, regardless of whether any action or failure to act by or on behalf of any Senior Priority Representative or any other Senior Priority Secured Party is adverse to the interests of the Second Priority Secured Parties.

(d) Each Second Priority Representative hereby acknowledges and agrees that no covenant, agreement or restriction contained in any Second Priority Debt Document shall be deemed to restrict in any way the rights and remedies of the Senior Priority Representatives or the Senior Priority Secured Parties with respect to the Senior Priority Collateral as set forth in this Agreement and the Senior Priority Debt Documents.

(e) Subject to the proviso in Section 3.01(a), until the Discharge of Senior Priority Obligations, the Designated Senior Priority Representative or any Person authorized by it shall have the exclusive right to exercise any right or remedy with respect to the Shared Collateral and shall have the exclusive right to determine and direct the time, method and place for exercising such right or remedy or conducting any proceeding with respect thereto. Following the Discharge of Senior Priority Obligations, the Designated Second Priority Representative or any Person authorized by it shall have the exclusive right to exercise any right or remedy with respect to the Collateral, and the Designated Second Priority Representative or any Person Authorized by it shall have the exclusive right to direct the time, method and place of exercising or conducting any proceeding for the exercise of any right or remedy available to the

Second Priority Secured Parties with respect to the Collateral, or of exercising or directing the exercise of any trust or power conferred on the Second Priority Representatives, or for the taking of any other action authorized by the Second Priority Collateral Documents; provided, however, that nothing in this Section shall impair the right of any Second Priority Representative or other agent or trustee acting on behalf of the Second Priority Secured Parties to take such actions with respect to the Collateral after the Discharge of Senior Priority Obligations as may be otherwise required or authorized pursuant to any intercreditor agreement governing the Second Priority Secured Parties or the Second Priority Debt Obligations.

SECTION 3.02. *Cooperation.* Subject to the proviso in clause (ii) of Section 3.01(a), each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, agrees that, unless and until the Discharge of Senior Priority Obligations has occurred, it will not commence, or join with any Person (other than the Senior Priority Secured Parties and the Senior Priority Representatives upon the request of the Designated Senior Priority Representative) in commencing, any enforcement, collection, execution, levy or foreclosure action or proceeding with respect to any Lien held by it in the Shared Collateral under any of the Second Priority Debt Documents or otherwise in respect of the Second Priority Debt Obligations.

SECTION 3.03. *Actions Upon Breach.* Should any Second Priority Representative or any Second Priority Secured Party, contrary to this Agreement, in any way take, attempt to take or threaten to take any action with respect to the Shared Collateral (including any attempt to realize upon or enforce any remedy with respect to this Agreement) or fail to take any action required by this Agreement, any Senior Priority Representative or other Senior Priority Secured Party (in its or their own name or in the name of the Borrower or any other Grantor) or the Borrower may obtain relief against such Second Priority Representative or such Second Priority Secured Party by injunction, specific performance or other appropriate equitable relief. Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Facility, hereby (a) agrees that the Senior Priority Secured Parties' damages from the actions of the Second Priority Representatives or any Second Priority Secured Party may at that time be difficult to ascertain and may be irreparable and waives any defense that Holdings, the Borrower, any other Grantor or the Senior Priority Secured Parties cannot demonstrate damage or be made whole by the awarding of damages and (b) irrevocably waives any defense based on the adequacy of a remedy at law and any other defense that might be asserted to bar the remedy of specific performance in any action that may be brought by any Senior Priority Representative or any other Senior Priority Secured Party.

ARTICLE 4
PAYMENTS

SECTION 4.01. *Application Of Proceeds.* So long as the Discharge of Senior Priority Obligations has not occurred and regardless of whether an Insolvency or Liquidation Proceeding has been commenced, the Shared Collateral or proceeds thereof received in connection with the sale or other disposition of, or collection on, such Shared Collateral upon the exercise of remedies shall be applied by the Designated Senior Priority Representative to the Senior Priority Obligations in such order as specified in the relevant Senior Priority Debt Documents and, if applicable, the First Lien Intercreditor Agreement, until the Discharge of Senior Priority Obligations has occurred. Upon the Discharge of Senior Priority Obligations, each applicable Senior Priority Representative shall deliver promptly to the Designated Second Priority Representative any Shared Collateral or proceeds thereof held by it in the same form as received, with any necessary endorsements, or as a court of competent jurisdiction may otherwise direct, to be applied by the Designated Second Priority Representative to the Second Priority Debt Obligations in such order as specified in the relevant Second Priority Debt Documents and, if applicable, the Second Lien Intercreditor Agreement.

SECTION 4.02. *Payments Over.* So long as the Discharge of Senior Priority Obligations has not occurred, any Shared Collateral or proceeds thereof received by any Second Priority Representative or any Second Priority Secured Party in connection with the exercise of any right or remedy (including setoff) relating to the Shared Collateral shall be segregated and held in trust for the benefit of and forthwith paid over to the Designated Senior Priority Representative for the benefit of the Senior Priority Secured Parties in the same form as received, with any necessary endorsements, or as a court of competent jurisdiction may otherwise direct. The Designated Senior Priority Representative is hereby authorized to make any such endorsements as agent for each of the Second Priority Representatives or any such Second Priority Secured Party. This authorization is coupled with an interest and is irrevocable.

ARTICLE 5
OTHER AGREEMENTS

SECTION 5.01. *Releases*.

(a) Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that, if in connection with (i) a Disposition of any specified item of Shared Collateral (including all or substantially all of the Capital Stock of any Subsidiary of the Borrower) (other than in connection with the exercise of remedies with respect to the Shared Collateral which shall be governed by clause (ii)) permitted under the terms of the Second Priority Debt Documents or (ii) the exercise of any remedies with respect to the Shared Collateral by any Senior Priority Secured Parties made or exercised on a commercially reasonable basis, the Liens granted to the Second Priority Representatives and the Second Priority Secured Parties upon such Shared Collateral (but not on the Proceeds thereof) to secure Second Priority Debt Obligations shall terminate and be released, automatically and without any further action, concurrently with the termination and release of all Liens granted upon such Shared Collateral to secure Senior Priority Obligations. Upon delivery to a Second Priority Representative of an Officer's Certificate stating that any such termination and release of Liens securing the Senior Priority Obligations has become effective (or shall become effective concurrently with such termination and release of the Liens granted to the Second Priority Secured Parties and the Second Priority Representatives) and any necessary or proper instruments of termination or release prepared by Holdings, the Borrower or any other Grantor, such Second Priority Representative will promptly execute, deliver or acknowledge, at Holdings', the Borrower's or the other Grantor's sole cost and expense and without any representation or warranty, such instruments to evidence such termination and release of the Liens. Nothing in this Section 5.01(a) will be deemed to affect any agreement of a Second Priority Representative, for itself and on behalf of the Second Priority Secured Parties under its Second Priority Debt Facility, to release the Liens on the Second Priority Collateral as set forth in the relevant Second Priority Debt Documents.

(b) Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby irrevocably constitutes and appoints the Designated Senior Priority Representative and any officer or agent of the Designated Senior Priority Representative, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Second Priority Representative or such Second Priority Secured Party or in the Designated Senior Priority Representative's own name, from time to time in the Designated Senior Priority Representative's discretion, for the purpose of carrying out the terms of Section 5.01(a), to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of Section 5.01(a), including any termination statements, endorsements or other instruments of transfer or release.

(c) Unless and until the Discharge of Senior Priority Obligations has occurred, each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby consents to the application, whether prior to or after an event of default under any Senior Priority Debt Document of proceeds of Shared Collateral to the repayment of Senior Priority Obligations pursuant to the Senior Priority Debt Documents; provided that nothing in this Section 5.01(c) shall be construed to prevent or impair the rights of the Second Priority Representatives or the Second Priority Secured Parties to receive proceeds in connection with the Second Priority Debt Obligations not otherwise in contravention of this Agreement.

(d) Notwithstanding anything to the contrary in any Second Priority Collateral Document, in the event the terms of a Senior Priority Collateral Document and a Second Priority Collateral Document each require any Grantor (i) to make payment in respect of any item of Shared Collateral, (ii) to deliver or afford control over any item of Shared Collateral to, or deposit any item of Shared Collateral with, (iii) to register ownership of any item of Shared Collateral in the name of or make an assignment of ownership of any Shared Collateral or the rights thereunder to, (iv) cause any securities intermediary, commodity intermediary or other Person acting in a similar capacity to agree to comply, in respect of any item of Shared Collateral, with instructions or orders from, or to treat, in respect of any item of Shared Collateral, as the entitlement holder, (v) hold any item of Shared Collateral in trust for (to the extent such item of Shared Collateral cannot be held in trust for multiple parties under applicable law), (vi) obtain the agreement of a bailee or other third party to hold any item of Shared Collateral for the benefit of or subject to the control of or, in respect of any item of Shared Collateral, to follow the instructions of or (vii) obtain the agreement of a landlord with respect to access to leased premises where any item of Shared Collateral is located or waivers or subordination of rights with respect to any item of Shared Collateral in favor of, in any case, both the Designated Senior Priority Representative and any Second Priority Representative or Second Priority Secured Party, such Grantor may, until the applicable Discharge of Senior Priority Obligations has occurred, comply with such requirement under the Second Priority Collateral Document as it relates to such Shared Collateral by taking any of the actions set forth above only with respect to, or in favor of, the Designated Senior Priority Representative.

SECTION 5.02. *Insurance And Condemnation Awards.* Unless and until the Discharge of Senior Priority Obligations has occurred, the Designated Senior Priority Representative and the Senior Priority Secured Parties shall have the sole and exclusive right, subject in each case to the rights of the Grantors under the Senior Priority Debt Documents, (a) to adjust settlement for any insurance policy covering the Shared Collateral in the event of any loss thereunder and (b) to approve any award granted in any condemnation or similar proceeding affecting the Shared Collateral. Unless and until the Discharge of Senior Priority Obligations has occurred, and subject to the rights of the Grantors under the Senior Priority Debt Documents, all proceeds of any such policy and any such award, if in respect of the Shared Collateral, shall be paid (i) first, prior to the occurrence of the Discharge of Senior Priority Obligations, to the Designated Senior Priority Representative for the benefit of Senior Priority Secured Parties pursuant to the terms of the Senior Priority Debt Documents, (ii) second, after the occurrence of the Discharge of Senior Priority Obligations, to the Designated Second Priority Representative for the benefit of the Second Priority Secured Parties pursuant to the terms of the applicable Second Priority Debt Documents and (iii) third, if no Senior Priority Obligations and no Second Priority Debt Obligations are outstanding, to the owner of the subject property, such other Person as may be entitled thereto or as a court of competent jurisdiction may otherwise direct. If any Second Priority Representative or any Second Priority Secured Party shall, at any time, receive any proceeds of any such insurance policy or any such award in contravention of this Agreement, it shall pay such proceeds over to the Designated Senior Priority Representative in accordance with the terms of Section 4.02.

SECTION 5.03. *Certain Amendments.*

(a) No Second Priority Collateral Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Second Priority Collateral Document, would be prohibited by or inconsistent with any of the terms of this Agreement. The Borrower agrees to deliver to the Designated Senior Priority Representative copies of (i) any amendments, supplements or other modifications to the Second Priority Collateral Documents and (ii) any new Second Priority Collateral Documents promptly after effectiveness thereof. Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that each Second Priority Collateral Document under its Second Priority Debt Facility shall include the following language (or language to similar effect reasonably approved by the Designated Senior Priority Representative):

"Notwithstanding anything herein to the contrary, (i) the liens and security interests granted to the [Second Priority Representative] pursuant to this Agreement are expressly subject and subordinate to the liens and security interests granted in favor of the Senior Priority Secured Parties (as defined in the Intercreditor Agreement referred to below), including liens and security interests granted to MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent, pursuant to or in connection with the First Lien Credit Agreement dated as of October 22, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), among Holdings, the Borrower, the lenders from time to time party thereto and MORGAN STANLEY SENIOR FUNDING, INC., as administrative agent and collateral agent, and the other parties thereto, and (ii) the exercise of any right or remedy by the [Second Priority Representative] or any other secured party hereunder is subject to the limitations and provisions of the First Lien/Second Lien Intercreditor Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien/Second Lien Intercreditor Agreement"), among MORGAN STANLEY SENIOR FUNDING, INC., as First Lien Administrative Agent, MORGAN STANLEY SENIOR FUNDING, INC., as Second Lien Administrative Agent, Holdings, the Borrower and certain of its affiliated entities party thereto. In the event of any conflict between the terms of the First Lien/Second Lien Intercreditor Agreement and the terms of this Agreement, the terms of the First Lien/Second Lien Intercreditor Agreement shall govern."

(b) In the event that each applicable Senior Priority Representative and/or the Senior Priority Secured Parties enter into any amendment, waiver or consent in respect of any of the Senior Priority Collateral Documents for the purpose of adding to or deleting from, or waiving or consenting to any departures from any provisions of, any Senior Priority Collateral Document or changing in any manner the rights of the Senior Priority Representatives, the Senior Priority Secured Parties, Holdings, the Borrower or any other Grantor thereunder (including the release of any Liens in Senior Priority Collateral) in a manner that is applicable to all Senior Priority Debt Facilities, then such amendment, waiver or consent shall apply automatically to any comparable provision of each comparable Second Priority Collateral Document without the consent of any Second Priority Representative or any Second Priority Secured Party and without any action by any Second Priority Representative, Holdings, the Borrower or any other Grantor; provided, however, that (x) no such amendment, waiver or consent shall have the effect (i) of removing assets subject to the Lien of any Second Priority Collateral Document, except to the extent that a release of such Lien is provided for in Section 5.01(a), (ii) imposing duties that are materially adverse on any Second Priority Representative without its consent or (iii) altering the terms of the Second Priority Collateral Documents to permit other Liens on the Collateral not permitted under the terms of the Second Priority Debt Documents as in effect on the date hereof or Article VI hereof and (y) written notice of such amendment, waiver or consent shall have been given to each Second Priority Representative within 10 Business Days after the effectiveness of such amendment, waiver or consent.

(c) The Senior Priority Debt Documents may be amended, restated, amended and restated, waived, supplemented or otherwise modified in accordance with their terms, and the indebtedness under the Senior Priority Debt Documents may be Refinanced, in each case, without the consent of any Second Priority Representative or Second Priority Secured Party; provided, however, that, without the consent of the Second Lien Administrative Agent, acting with the consent of the Required Lenders (as such term is defined in the Second Lien Credit Agreement) and each other Second Priority Representative (acting with the consent of the requisite holders of each series of Additional Second Priority Debt), no such amendment, restatement, amendment and restatement, waiver, supplement or modification (including self-effecting or other modifications pursuant to Section 2.14 or Section 2.15 of the First Lien Credit Agreement) shall contravene any provision of this Agreement.

(d) The Second Priority Debt Documents may be amended, restated, waived, supplemented or otherwise modified in accordance with their terms, and the indebtedness under the Second Priority Debt Documents may be Refinanced, in each case, without the consent of any Senior Priority Representative or Senior Priority Secured Party; provided, however, that, without the consent of the First Lien Administrative Agent, acting with the consent of the Required Lenders (as such term is defined in the First Lien Credit Agreement) and each other Senior Priority Representative (acting with the consent of the requisite holders of each series of Additional Senior Priority Debt), no such amendment, restatement, supplement or modification (including self-effecting or other modifications pursuant to Section 2.14 or 2.15 of the Second Lien Credit Agreement) shall contravene any provision of this Agreement.

SECTION 5.04. *Rights As Unsecured Creditors.* Notwithstanding anything to the contrary in this Agreement, the Second Priority Representatives and the Second Priority Secured Parties may exercise rights and remedies as unsecured creditors against Holdings, the Borrower and any other Grantor in accordance with the terms of the Second Priority Debt Documents and Applicable Law so long as such rights and remedies do not violate any express provision of this Agreement. Nothing in this Agreement shall prohibit the receipt by any Second Priority Representative or any Second Priority Secured Party of the required payments of principal, premium, interest, fees and other amounts due under the Second Priority Debt Documents so long as such receipt is not the direct or indirect result of the exercise by a Second Priority Representative or any Second Priority Secured Party of rights or remedies as a secured creditor in respect of Shared Collateral. In the event any Second Priority Representative or any Second Priority Secured Party becomes a judgment Lien creditor in respect of Shared Collateral as a result of its enforcement of its rights as an unsecured creditor in respect of Second Priority Debt Obligations, such judgment Lien shall be subordinated to the Liens securing Senior Priority Obligations on the same basis as the other Liens securing the Second Priority Debt Obligations are so subordinated to such Liens securing Senior Priority Obligations under this Agreement. Nothing in this Agreement shall impair or otherwise adversely affect any rights or remedies the Senior Priority Representatives or the Senior Priority Secured Parties may have with respect to the Senior Priority Collateral.

SECTION 5.05. *Gratuitous Bailee For Perfection.*

(a) Each Senior Priority Representative acknowledges and agrees that if it shall at any time hold a Lien securing any Senior Priority Obligations on any Shared Collateral that can be perfected by the possession or control of such Shared Collateral or of any account in which such Shared Collateral is held, and if such Shared Collateral or any such account is in fact in the possession or under the control of such Senior Priority Representative, or of agents or bailees of such Person (such Shared Collateral being referred to herein as the "Pledged or Controlled Collateral"), or if it shall any time obtain any landlord waiver or bailee's letter or any similar agreement or arrangement granting it rights or access to Shared Collateral, the applicable Senior Priority Representative shall also hold such Pledged or Controlled Collateral, or take such actions with respect to such landlord waiver, bailee's letter or similar agreement or arrangement, as sub-agent or gratuitous bailee for the relevant Second Priority Representatives, in each case solely for the purpose of perfecting the Liens granted under the relevant Second Priority Collateral Documents and subject to the terms and conditions of this Section 5.05.

(b) In the event that any Senior Priority Representative (or its agents or bailees) has Lien filings against Intellectual Property that are part of the Shared Collateral that are necessary for the perfection of Liens in such Shared Collateral, such Senior Priority Representative agrees to hold such Liens as sub-agent and gratuitous bailee for the relevant Second Priority Representatives and any assignee thereof, solely for the purpose of perfecting the security interest granted in such Liens pursuant to the relevant Second Priority Collateral Documents, subject to the terms and conditions of this Section 5.05.

(c) Except as otherwise specifically provided herein, until the Discharge of Senior Priority Obligations has occurred, the Senior Priority Representatives and the Senior Priority Secured Parties shall be entitled to deal with the Pledged or Controlled Collateral in accordance with the terms of the Senior Priority Debt Documents as if the Liens under the Second Priority Collateral Documents did not exist. The rights of the Second Priority Representatives and the Second Priority Secured Parties with respect to the Pledged or Controlled Collateral shall at all times be subject to the terms of this Agreement.

(d) The Senior Priority Representatives and the Senior Priority Secured Parties shall have no obligation whatsoever to the Second Priority Representatives or any Second Priority Secured Party to assure that any of the Pledged or Controlled Collateral is genuine or owned by the Grantors or to protect or preserve rights or benefits of any Person or any rights pertaining to the Shared Collateral, except as expressly set forth in this Section 5.05. The duties or responsibilities of the Senior Priority Representatives under this Section 5.05 shall be limited solely to holding or controlling the Shared Collateral and the related Liens referred to in paragraphs (a) and (b) of this Section 5.05 as sub-agent and gratuitous bailee for the relevant Second Priority Representative for purposes of perfecting the Lien held by such Second Priority Representative.

(e) The Senior Priority Representatives shall not have by reason of the Second Priority Collateral Documents or this Agreement, or any other document, a fiduciary relationship in respect of any Second Priority Representative or any Second Priority Secured Party, and each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby waives and releases the Senior Priority Representatives from all claims and liabilities arising pursuant to the Senior Priority Representatives' roles under this Section 5.05 as sub-agents and gratuitous bailees with respect to the Shared Collateral.

(f) Upon the Discharge of the Senior Priority Obligations, each applicable Senior Priority Representative shall, at the Grantors' sole cost and expense, (i) (A) deliver to the Designated Second Priority Representative, to the extent that it is legally permitted to do so, all Shared Collateral, including all proceeds thereof, held or controlled by such Senior Priority Representative or any of its agents or bailees, including the transfer of possession and control, as applicable, of the Pledged or Controlled Collateral, together with any necessary endorsements and notices to depositary banks, securities intermediaries and commodities intermediaries, and assign its rights under any landlord waiver or bailee's letter or any similar agreement or arrangement granting it rights or access to Shared Collateral, or (B) direct and deliver such Shared Collateral as a court of competent jurisdiction may otherwise direct, (ii) notify any applicable insurance carrier that it is no longer entitled to be an additional loss payee or additional insured under the insurance policies of any Grantor issued by such insurance carrier and (iii) notify any Governmental Authority involved in any condemnation or similar proceeding involving any Grantor that the Designated Second Priority Representative is entitled to approve any awards granted in such proceeding. Holdings, the Borrower and the other Grantors shall take such further action as is required to effectuate the transfer contemplated hereby. The Senior Priority Representatives have no obligations to follow instructions from any Second Priority Representative or any other Second Priority Secured Party in contravention of this Agreement.

(g) None of the Senior Priority Representatives nor any of the other Senior Priority Secured Parties shall be required to marshal any present or future collateral security for any obligations of Holdings, the Borrower or any Subsidiary to any Senior Priority Representative or any Senior Priority Secured Party under the Senior Priority Debt Documents or any assurance of payment in respect thereof, or to resort to such collateral security or other assurances of payment in any particular order, and all of their rights in respect of such collateral security or any assurance of payment in respect thereof shall be cumulative and in addition to all other rights, however existing or arising.

SECTION 5.06. *When Discharge Of Senior Priority Obligations Deemed To Not Have Occurred.* If, at any time substantially concurrently with or after the Discharge of Senior Priority Obligations has occurred, Holdings, the Borrower or any Subsidiary Incurs any Senior Priority Obligations (other than in respect of the payment of indemnities surviving the Discharge of Senior Priority Obligations), then such Discharge of Senior Priority Obligations shall automatically be deemed not to have occurred for all purposes of this Agreement (other than with respect to any actions taken prior to the date of such designation as a result of the occurrence of such first Discharge of Senior Priority Obligations) and the applicable agreement governing such Senior Priority Obligations shall automatically be treated as a Senior Priority Debt Document for all purposes of this Agreement, including for purposes of the Lien priorities and rights in respect of Shared Collateral set forth herein and the agent, representative or trustee for the holders of such Senior Priority Obligations shall be the Senior Priority Representative for all purposes of this Agreement. Upon receipt of notice of such incurrence (including the identity of the new Senior Priority Representative), each Second Priority Representative (including the Designated Second Priority Representative) shall promptly (a) enter into such documents and agreements (at the expense of the Borrower), including amendments, supplements or modifications to this Agreement, as the Borrower or such new Senior Priority Representative shall reasonably request in writing in order to provide the new Senior Priority Representative the rights of a Senior Priority Representative contemplated hereby, (b) deliver to such Senior Priority Representative, to the extent that it is legally permitted to do so, all Shared Collateral, including all proceeds thereof, held or controlled by such Second Priority Representative or any of its agents or bailees, including the transfer of possession and control, as applicable, of the Pledged or Controlled Collateral, together with any necessary endorsements and notices to depositary banks, securities intermediaries and commodities intermediaries, and assign its rights under any landlord waiver or bailee's letter or any similar agreement or arrangement granting it rights or access to Shared Collateral, (c) notify any applicable insurance carrier that it is no longer entitled to be a loss payee or additional insured under the insurance policies of any Grantor issued by such insurance carrier and (d) notify any Governmental Authority involved in any condemnation or similar proceeding involving a Grantor that the new Senior Priority Representative is entitled to approve any awards granted in such proceeding.

ARTICLE 6
INSOLVENCY OR LIQUIDATION PROCEEDINGS

SECTION 6.01. *Financing Issues.* Until the Discharge of Senior Priority Obligations has occurred, if Holdings, the Borrower or any other Grantor shall be subject to any Insolvency or Liquidation Proceeding, then each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that (A) if any Senior Priority Representative or any Senior Priority Secured Party shall desire to consent (or not object) to the sale, use or lease of cash or other collateral or to consent (or not object) to Holdings', the Borrower's or any other Grantor's obtaining financing under Section 363 or Section 364 of Title 11 of the United States Code (the "Bankruptcy Code") or any similar provision of any other Bankruptcy Law ("DIP Financing"), it will raise no

objection to and will not otherwise contest such sale, use or lease of such cash or other collateral or such DIP Financing and, except to the extent permitted by the proviso in clause (ii) of Section 3.01(a) and Section 6.03, will not request adequate protection or any other relief in connection therewith and, to the extent the Liens securing any Senior Priority Obligations are subordinated to or have the same priority as the Liens securing such DIP Financing, will subordinate (and will be deemed hereunder to have subordinated) its Liens in the Shared Collateral to (x) such DIP Financing (and all obligations relating thereto) on the same basis as the Liens securing the Second Priority Debt Obligations are so subordinated to Liens securing Senior Priority Obligations under this Agreement, (y) any adequate protection Liens provided to the Senior Priority Secured Parties and (z) "carve-out" for professional and United States Trustee fees agreed to by the Senior Priority Representatives, (B) it will raise no objection to (and will not otherwise contest) any motion for relief from the automatic stay or from any injunction against foreclosure or enforcement in respect of Senior Priority Obligations made by any Senior Priority Representative or any other Senior Priority Secured Party, (C) it will raise no objection to (and will not otherwise contest) any lawful exercise by any Senior Priority Secured Party of the right to credit bid Senior Priority Obligations at any sale in foreclosure of Senior Priority Collateral (including pursuant to Section 363(k) of the Bankruptcy Code or any similar provision under any other applicable Bankruptcy Law) or to exercise any rights under Section 1111(b) of the Bankruptcy Code with respect to the Senior Priority Collateral, (D) it will raise no objection to (and will not otherwise contest) any other request for judicial relief made in any court by any Senior Priority Secured Party relating to the lawful enforcement of any Lien on Senior Priority Collateral and (E) it will raise no objection to (and will not otherwise contest or oppose) any Disposition (including pursuant to Section 363 of the Bankruptcy Code) of assets of any Grantor for which any Senior Priority Representative has consented that provides, to the extent such Disposition is to be free and clear of Liens, that the Liens securing the Senior Priority Obligations and the Second Priority Debt Obligations will attach to the Proceeds of the sale on the same basis of priority as the Liens on the Shared Collateral securing the Senior Priority Obligations rank to the Liens on the Shared Collateral securing the Second Priority Debt Obligations pursuant to this Agreement. Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that notice received three Business Days prior to the entry of an order approving such usage of cash or other collateral or approving such financing shall be adequate notice.

SECTION 6.02. *Relief From The Automatic Stay.* Until the Discharge of Senior Priority Obligations has occurred, each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that none of them shall seek relief from the automatic stay or any other stay in any Insolvency or Liquidation Proceeding or take any action in derogation thereof, in each case in respect of any Shared Collateral, without the prior written consent of the Designated Senior Priority Representative.

SECTION 6.03. *Adequate Protection.* Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, agrees that none of them shall object, contest or support any other Person objecting to or contesting (a) any request by any Senior Priority Representative or any Senior Priority Secured Parties for adequate protection, (b) any objection by any Senior Priority Representative or any Senior Priority Secured Parties to any motion, relief, action or proceeding based on any Senior Priority Representative's or Senior Priority Secured Party's claiming a lack of adequate protection or (c) the payment of interest, fees, expenses or other amounts of any Senior Priority Representative or any other Senior Priority Secured Party under Section 506(b) or 506(c) of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law. Notwithstanding anything contained in this Section 6.03 or in Section 6.01, in any Insolvency or Liquidation Proceeding, (i) if the Senior Priority Secured Parties (or any subset thereof) are granted adequate protection in the form of a Lien on additional collateral or superpriority claims in connection with any DIP Financing or use of cash collateral under Section 363 or 364 of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law, then each Second Priority Representative, for itself and

on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, may seek or request adequate protection in the form of a replacement Lien or superpriority claim on such additional collateral, which Lien or superpriority claim is subordinated to the Liens securing or providing adequate protection for all Senior Priority Obligations and such DIP Financing (and all obligations relating thereto) on the same basis as the other Liens securing the Second Priority Debt Obligations are so subordinated to the Liens securing Senior Priority Obligations under this Agreement and (ii) in the event any Second Priority Representatives, for themselves and on behalf of the Second Priority Secured Parties under their Second Priority Debt Facilities, seek or request adequate protection and such adequate protection is granted in the form of a Lien on additional collateral, then such Second Priority Representatives, for themselves and on behalf of each Second Priority Secured Party under their Second Priority Debt Facilities, agree that each Senior Priority Representative shall also be granted a senior Lien on such additional collateral as security or adequate protection for the Senior Priority Obligations and any such DIP Financing and that any Lien on such additional collateral securing the Second Priority Debt Obligations shall be subordinated to the Liens on such collateral securing or providing adequate protection for the Senior Priority Obligations and any such DIP Financing (and all obligations relating thereto) and any other Liens granted to the Senior Priority Secured Parties as adequate protection on the same basis as the other Liens securing the Second Priority Debt Obligations are so subordinated to such Liens securing Senior Priority Obligations under this Agreement.

SECTION 6.04. *Preference Issues.* If any Senior Priority Secured Party is required in any Insolvency or Liquidation Proceeding or otherwise to disgorge, turn over or otherwise pay any amount to the estate of Holdings, the Borrower or any other Grantor (or any trustee, receiver or similar Person therefor), because the payment of such amount was declared to be or avoided as fraudulent or preferential in any respect or for any other reason (any such amount, a "Recovery"), whether received as Proceeds of security, enforcement of any right of setoff or otherwise, then the Senior Priority Obligations shall be reinstated to the extent of such Recovery and deemed to be outstanding as if such payment had not occurred and the Senior Priority Secured Parties shall be entitled to the benefits of this Agreement until a Discharge of Senior Priority Obligations with respect to all such recovered amounts. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto. Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby agrees that none of them shall be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to them shall instead be allocated and turned over for application in accordance with the priorities set forth in this Agreement. Without limiting the generality of the foregoing, to the extent that Senior Priority Secured Parties are granted adequate protection in the form of payments in the amount of current post-petition fees and expenses, and/or other cash payments, then the Second Priority Representatives, for themselves and on behalf of the Second Priority Secured Parties under the Second Priority Debt Facilities, shall not be prohibited from seeking adequate protection in the form of payments in the amount of current post-petition incurred fees and expenses, and/or other cash payments (as applicable), subject to the right of the Senior Priority Secured Parties to object to the reasonableness of the amounts of fees and expenses or other cash payments so sought by the Second Priority Secured Parties.

SECTION 6.05. *Separate Grants Of Security And Separate Classifications.* Each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, acknowledges and agrees that (a) the grants of Liens pursuant to the Senior Priority Collateral Documents and the Second Priority Collateral Documents constitute separate and distinct grants of Liens and (b) because of, among other things, their differing rights in the Shared Collateral, the Second Priority Debt Obligations are fundamentally different from the Senior Priority Obligations and

must be separately classified in any plan of reorganization or similar dispositive restructuring plan proposed, confirmed or adopted in an Insolvency or Liquidation Proceeding. To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that any claims of the Senior Priority Secured Parties and the Second Priority Secured Parties in respect of the Shared Collateral constitute a single class of claims (rather than separate classes of senior and junior secured claims), then each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby acknowledges and agrees that all distributions shall be made as if there were separate classes of senior and junior secured claims against the Grantors in respect of the Shared Collateral (with the effect being that, to the extent that the aggregate value of the Shared Collateral is sufficient (for this purpose ignoring all claims held by the Second Priority Secured Parties), the Senior Priority Secured Parties shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of post-petition interest, fees and expenses (whether or not allowed or allowable) before any distribution is made in respect of the Second Priority Debt Obligations, with each Second Priority Representative, for itself and on behalf of each Second Priority Secured Party under its Second Priority Debt Facility, hereby acknowledging and agreeing to turn over to the Designated Senior Priority Representative amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the claim or recovery of the Second Priority Secured Parties.

SECTION 6.06. *No Waivers Of Rights Of Senior Priority Secured Parties.* Nothing contained herein shall, except as expressly provided herein, prohibit or in any way limit any Senior Priority Representative or any other Senior Priority Secured Party from objecting in any Insolvency or Liquidation Proceeding or otherwise to any action taken by any Second Priority Secured Party, including the seeking by any Second Priority Secured Party of adequate protection or the asserting by any Second Priority Secured Party of any of its rights and remedies under the Second Priority Debt Documents or otherwise.

SECTION 6.07. *Application.* This Agreement, which the parties hereto expressly acknowledge is a "subordination agreement" under Section 510(a) of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law, shall be effective before, during and after the commencement of any Insolvency or Liquidation Proceeding. The relative rights as to the Shared Collateral and proceeds thereof shall continue after the commencement of any Insolvency or Liquidation Proceeding on the same basis as prior to the date of the petition therefor, subject to any court order approving the financing of, or use of cash collateral by, any Grantor. All references herein to any Grantor shall include such Grantor as a debtor-in-possession and any receiver or trustee for such Grantor.

SECTION 6.08. *Other Matters.* To the extent that any Second Priority Representative or any Second Priority Secured Party has or acquires rights under Section 363 or Section 364 of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law with respect to any of the Shared Collateral, such Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, agrees not to assert any such rights without the prior written consent of each Senior Priority Representative; provided that if requested by any Senior Priority Representative, such Second Priority Representative shall timely exercise such rights in the manner requested by the Senior Priority Representatives (acting unanimously), including any rights to payments in respect of such rights.

SECTION 6.09. *506(c) Claims.* Until the Discharge of Senior Priority Obligations has occurred, each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, agrees that it will not assert or enforce any claim under Section 506(c) of Title 11 of the United States Code or any similar provision of any other Bankruptcy Law senior to or on a parity with the Liens securing the Senior Priority Obligations for costs or expenses of preserving or disposing of any Shared Collateral.

SECTION 6.10. *Reorganization Securities.* If, in any Insolvency or Liquidation Proceeding, debt obligations of the reorganized debtor secured by Liens upon any property of the reorganized debtor are distributed, pursuant to a plan of reorganization or similar dispositive restructuring plan, on account of both the Senior Priority Obligations and the Second Priority Debt Obligations, then, to the extent the debt obligations distributed on account of the Senior Priority Obligations and on account of the Second Priority Debt Obligations are secured by Liens upon the same assets or property, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations.

SECTION 6.11. *Post-Petition Interest*.

(a) None of the Second Priority Representatives or any other Second Priority Secured Party shall oppose or seek to challenge any claim by any Senior Priority Representative or any Senior Priority Secured Party for allowance in any Insolvency or Liquidation Proceedings of Senior Priority Obligations consisting of claims for post-petition interest, fees, costs, expenses, and/or other charges, under Section 506(b) of the Bankruptcy Code or otherwise (for this purpose ignoring all claims and Liens held by the Second Priority Secured Parties on the Shared Collateral).

(b) None of the Senior Priority Representatives or any Senior Priority Secured Party shall oppose or seek to challenge any claim by any Second Priority Representative or any other Second Priority Secured Party for allowance in any Insolvency or Liquidation Proceedings of Second Priority Debt Obligations consisting of claims for post-petition interest, fees, costs, expenses, and/or other charges, under Section 506(b) of the Bankruptcy Code or otherwise, to the extent of the value of the Lien of the Second Priority Representatives on behalf of the Second Priority Secured Parties on the Shared Collateral (after taking into account the Senior Priority Obligations and the Senior Priority Liens).

ARTICLE 7
RELIANCE; ETC

SECTION 7.01. *Reliance.* The consent by the Senior Priority Secured Parties to the execution and delivery of the Second Priority Debt Documents to which the Senior Priority Secured Parties have consented and all loans and other extensions of credit made or deemed made on and after the date hereof by the Senior Priority Secured Parties to Holdings, the Borrower or any Subsidiary shall be deemed to have been given and made in reliance upon this Agreement. Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, acknowledges that it and such Second Priority Secured Parties have, independently and without reliance on any Senior Priority Representative or other Senior Priority Secured Party, and based on documents and information deemed by them appropriate, made their own credit analysis and decision to enter into the Second Priority Debt Documents to which they are party or by which they are bound, this Agreement and the transactions contemplated hereby and thereby, and they will continue to make their own credit decision in taking or not taking any action under the Second Priority Debt Documents or this Agreement.

SECTION 7.02. *No Warranties Or Liability.* Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, acknowledges and agrees that neither any Senior Priority Representative nor any other Senior Priority Secured Party has made any express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectibility or enforceability of any of the Senior Priority Debt Documents, the ownership of any Shared Collateral or the perfection or priority of any Liens thereon. The Senior Priority Secured Parties will be entitled to manage and supervise their respective loans and extensions of credit under the Senior Priority Debt Documents in accordance with Applicable Law and as they may otherwise, in their sole discretion, deem appropriate, and the Senior Priority Secured Parties may manage their loans

and extensions of credit without regard to any rights or interests that the Second Priority Representatives and the Second Priority Secured Parties have in the Shared Collateral or otherwise, except as otherwise provided in this Agreement. Neither any Senior Priority Representative nor any other Senior Priority Secured Party shall have any duty to any Second Priority Representative or Second Priority Secured Party to act or refrain from acting in a manner that allows, or results in, the occurrence or continuance of an event of default or default under any agreement with Holdings, the Borrower or any Subsidiary (including the Second Priority Debt Documents), regardless of any knowledge thereof that they may have or be charged with. Except as expressly set forth in this Agreement, the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties have not otherwise made to each other, nor do they hereby make to each other, any warranties, express or implied, nor do they assume any liability to each other with respect to (a) the enforceability, validity, value or collectibility of any of the Senior Priority Obligations, the Second Priority Debt Obligations or any guarantee or security which may have been granted to any of them in connection therewith, (b) any Grantor's title to or right to transfer any of the Shared Collateral or (c) any other matter except as expressly set forth in this Agreement.

SECTION 7.03. *Obligations Unconditional.* All rights, interests, agreements and obligations of the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties hereunder shall remain in full force and effect irrespective of:

(a) any lack of validity or enforceability of any Senior Priority Debt Document or any Second Priority Debt Document;

(b) any change in the time, manner or place of payment of, or in any other terms of, all or any of the Senior Priority Obligations or Second Priority Debt Obligations, or any amendment or waiver or other modification, including any increase in the amount thereof, whether by course of conduct or otherwise, of the terms of the First Lien Credit Agreement or any other Senior Priority Debt Document or of the terms of any Second Priority Debt Document;

(c) any exchange of any security interest in any Shared Collateral or any other collateral or any amendment, waiver or other modification, whether in writing or by course of conduct or otherwise, of all or any of the Senior Priority Obligations or Second Priority Debt Obligations or any guarantee thereof;

(d) the commencement of any Insolvency or Liquidation Proceeding in respect of Holdings, the Borrower or any other Grantor; or

(e) any other circumstances that otherwise might constitute a defense available to, or a discharge of, (i) Holdings, the Borrower or any other Grantor in respect of the Senior Priority Obligations or (ii) any Second Priority Representative or Second Priority Secured Party in respect of this Agreement.

ARTICLE 8
MISCELLANEOUS

SECTION 8.01. *Conflicts.* Subject to Section 8.18, in the event of any conflict between the provisions of this Agreement and the provisions of any Senior Priority Debt Document or any Second Priority Debt Document, the provisions of this Agreement shall govern. Notwithstanding the foregoing, the relative rights and obligations of the Senior Priority Representatives and the Senior Priority Secured Parties (as amongst themselves) with respect to any Senior Priority Collateral shall be governed by the terms of the First Lien Intercreditor Agreement and in the event of any conflict between the First Lien Intercreditor Agreement and this Agreement, the provisions of the First Lien Intercreditor Agreement shall control.

SECTION 8.02. *Continuing Nature Of This Agreement; Severability.* Subject to Section 6.04, this Agreement shall continue to be effective until the Discharge of Senior Priority Obligations shall have occurred. This is a continuing agreement of Lien subordination, and the Senior Priority Secured Parties may continue, at any time and without notice to the Second Priority Representatives or any Second Priority Secured Party, to extend credit and other financial accommodations and lend monies to or for the benefit of Holdings, the Borrower or any Subsidiary constituting Senior Priority Obligations in reliance hereon. The terms of this Agreement shall survive and continue in full force and effect in any Insolvency or Liquidation Proceeding. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall not invalidate 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. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8.03. *Amendments; Waivers.*

(a) No failure or delay on the part of any party hereto in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereto are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on any party hereto in any case shall entitle such party to any other or further notice or demand in similar or other circumstances.

(b) This Agreement may be amended in writing signed by each Representative (in each case, acting in accordance with the documents governing the applicable Debt Facility); provided that any such amendment, supplement or waiver which by the terms of this Agreement requires the Borrower's consent or which increases the obligations or reduces the rights of Holdings, the Borrower or any Grantor, shall require the consent of the Borrower. Any such amendment, supplement or waiver shall be in writing and shall be binding upon the Senior Priority Secured Parties and the Second Priority Secured Parties and their respective successors and assigns.

(c) Notwithstanding the foregoing, without the consent of any Secured Party, any Representative may become a party hereto by execution and delivery of a Joinder Agreement in accordance with Section 8.09 of this Agreement and, upon such execution and delivery, such Representative and the Secured Parties and Senior Priority Obligations or Second Priority Debt Obligations of the Debt Facility for which such Representative is acting shall be subject to the terms hereof.

SECTION 8.04. *Information Concerning Financial Condition Of Holdings, The Borrower And The Subsidiaries.* The Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties shall each be responsible for keeping themselves informed of (a) the financial condition of Holdings, the Borrower and the Subsidiaries and all endorsers or guarantors of the Senior Priority Obligations or the Second Priority Debt Obligations and (b) all other circumstances bearing upon the risk of nonpayment of the Senior Priority Obligations or the Second Priority Debt Obligations. The Senior Priority Representatives, the Senior Priority Secured

Parties, the Second Priority Representatives and the Second Priority Secured Parties shall have no duty to advise any other party hereunder of information known to it or them regarding such condition or any such circumstances or otherwise. In the event that any Senior Priority Representative, any Senior Priority Secured Party, any Second Priority Representative or any Second Priority Secured Party, in its sole discretion, undertakes at any time or from time to time to provide any such information to any other party, it shall be under no obligation to (i) make, and the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties shall not make or be deemed to have made, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness or validity of any such information so provided, (ii) provide any additional information or to provide any such information on any subsequent occasion, (iii) undertake any investigation or (iv) disclose any information that, pursuant to accepted or reasonable commercial finance practices, such party wishes to maintain confidential or is otherwise required to maintain confidential.

SECTION 8.05. *Subrogation.* Each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, hereby waives any rights of subrogation it may acquire as a result of any payment hereunder until the Discharge of Senior Priority Obligations has occurred.

SECTION 8.06. *Application Of Payments.* Except as otherwise provided herein, all payments received by the Senior Priority Secured Parties may be applied, reversed and reapplied, in whole or in part, to such part of the Senior Priority Obligations as the Senior Priority Secured Parties, in their sole discretion, deem appropriate, consistent with the terms of the Senior Priority Debt Documents. Except as otherwise provided herein, each Second Priority Representative, on behalf of itself and each Second Priority Secured Party under its Second Priority Debt Facility, assents to any such extension or postponement of the time of payment of the Senior Priority Obligations or any part thereof and to any other indulgence with respect thereto, to any substitution, exchange or release of any security that may at any time secure any part of the Senior Priority Obligations and to the addition or release of any other Person primarily or secondarily liable therefor.

SECTION 8.07. *Additional Grantors.* Holdings and the Borrower agree that, if any Subsidiary shall become a Grantor after the date hereof, they will promptly cause such Subsidiary to become party hereto by executing and delivering an instrument in the form of Annex I. Upon such execution and delivery, such Subsidiary will become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein. The execution and delivery of such instrument shall not require the consent of any other party hereunder, and will be acknowledged by the Designated Second Priority Representative and the Designated Senior Priority Representative. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

SECTION 8.08. *Dealings With Grantors.* Upon any application or demand by Holdings, the Borrower or any other Grantor to any Representative to take or permit any action under any of the provisions of this Agreement or under any Collateral Document (if such action is subject to the provisions hereof), Holdings, the Borrower or such other Grantor, as appropriate, shall furnish to such Representative a certificate of an Authorized Officer (an "Officer's Certificate") stating that all conditions precedent, if any, provided for in this Agreement or such Collateral Document, as the case may be, relating to the proposed action have been complied with, except that in the case of any such application or demand as to which the furnishing of such documents is specifically required by any provision of this Agreement or any Collateral Document relating to such particular application or demand, no additional certificate or opinion need be furnished.

SECTION 8.09. *Additional Debt Facilities.*

(a) To the extent, but only to the extent, permitted by the provisions of the Senior Priority Debt Documents and the Second Priority Debt Documents, the Borrower, Holdings or any other Grantor may Incur one or more series or classes of Additional Second Priority Debt and one or more series or classes of Additional Senior Priority Debt. Any such additional class or series of Additional Second Priority Debt (the "Second Priority Class Debt") may be secured by a junior priority, subordinated Lien on Shared Collateral, in each case under and pursuant to the relevant Second Priority Collateral Documents for such Second Priority Class Debt, if and subject to the condition that the Representative of any such Second Priority Class Debt (each, a "Second Priority Class Debt Representative"), acting on behalf of the holders of such Second Priority Class Debt (such Representative and holders in respect of any Second Priority Class Debt being referred to as the "Second Priority Class Debt Parties"), becomes a party to this Agreement by satisfying conditions (i) through (iii), as applicable, of the immediately succeeding paragraph, and Section 8.09(b). Any such additional class or series of Senior Priority Debt Facilities (the "Senior Priority Class Debt"; and the Senior Priority Class Debt and Second Priority Class Debt, collectively, the "Class Debt") may be secured by a senior priority Lien on Shared Collateral, in each case under and pursuant to the Senior Priority Collateral Documents, if and subject to the condition that the Representative of any such Senior Priority Class Debt (each, a "Senior Priority Class Debt Representative"; and the Senior Priority Class Debt Representatives and Second Priority Class Debt Representatives, collectively, the "Class Debt Representatives"), acting on behalf of the holders of such Senior Priority Class Debt (such Representative and holders in respect of any such Senior Priority Class Debt being referred to as the "Senior Priority Class Debt Parties"; and the Senior Priority Class Debt Parties and Second Priority Class Debt Parties, collectively, the "Class Debt Parties"), becomes a party to this Agreement by satisfying the conditions set forth in clauses (i) through (iii), as applicable, of the immediately succeeding paragraph, and Section 8.09(b). In order for a Class Debt Representative to become a party to this Agreement:

(i) such Class Debt Representative shall have executed and delivered to the Designated Senior Priority Representative and the Designated Second Priority Representative a Joinder Agreement substantially in the form of Annex II (if such Representative is a Second Priority Class Debt Representative) or Annex III (if such Representative is a Senior Priority Class Debt Representative) (with such changes as may be reasonably approved by the Designated Senior Priority Representative and such Class Debt Representative) pursuant to which it becomes a Representative hereunder, and the Class Debt in respect of which such Class Debt Representative is the Representative and the related Class Debt Parties become subject hereto and bound hereby;

(ii) the Borrower shall have delivered to the Designated Senior Priority Representative an Officer's Certificate stating that the conditions set forth in this Section 8.09 are satisfied with respect to such Class Debt and, if requested, true and complete copies of each of the Second Priority Debt Documents or Senior Priority Debt Documents, as applicable, relating to such Class Debt, certified as being true and correct by an Authorized Officer of the Borrower; and

(iii) the Second Priority Debt Documents or Senior Priority Debt Documents, as applicable, relating to such Class Debt shall provide, or shall be amended on terms and conditions reasonably approved by the Designated Senior Priority Representative and such Class Debt Representative, that each Class Debt Party with respect to such Class Debt will be subject to and bound by the provisions of this Agreement in its capacity as a holder of such Class Debt.

(b) With respect to any Class Debt that is Incurred after the Closing Date, the Borrower and each of the other Grantors agrees to take such actions (if any) as may from time to time reasonably be requested by any Senior Priority Representative, any Second Priority Representative or any Major Second Priority Representative, and enter into such technical amendments, modifications and/or supplements to

this Agreement or the then existing Guarantees and Collateral Documents (or execute and deliver such additional Collateral Documents) as may from time to time be reasonably requested by such Persons, to ensure that the Class Debt is secured by, and entitled to the benefits of, the relevant Collateral Documents relating to such Class Debt, and each Secured Party (by its acceptance of the benefits hereof) hereby agrees to, and authorizes the Designated Senior Priority Representative and the Designated Second Priority Representative, as the case may be, to enter into, any such technical amendments, modifications and/or supplements (and additional Collateral Documents).

SECTION 8.10. *Consent To Jurisdiction; Waivers.* Each Representative, on behalf of itself and the Secured Parties of the Debt Facility for which it is acting, irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the Collateral Documents, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York in the County of New York, the courts of the United States of America for the Southern District of New York in the County of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 (or its Representative) at the address referred to in Section 8.11;

(d) agrees that nothing herein shall affect the right of any other party hereto (or any Secured Party) to effect service of process in any other manner permitted by law; 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 8.10 any special, exemplary, punitive or consequential damages.

SECTION 8.11. *Notices.* All notices, requests, demands and other communications provided for or permitted hereunder shall be in writing and shall be sent:

(i) if to Holdings, the Borrower or any Grantor, to the Borrower, at its address at:

Grocery Outlet Inc.
5650 Hollis St.
Emeryville, CA 94608
Attention: Charles Bracher
Tel: [ ]
Fax: [ ]
Electronic Mail: [ ]

(ii) if to the First Lien Administrative Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

(iii) if to the Second Lien Administrative Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

(iv) if to any other Representative, to it at the address specified by it in the Joinder Agreement delivered by it pursuant to Section 8.09.

Unless otherwise specifically provided herein, all notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by fax or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 8.11 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 8.11. As agreed to among Holdings, the Borrower, the Administrative Agent and the applicable Lenders from time to time, notices and other communications may also be delivered by e-mail to the email address of a representative of the applicable Person provided from time to time by such Person.

SECTION 8.12. *Further Assurances.* Each Senior Priority Representative, on behalf of itself and each Senior Priority Secured Party under the Senior Priority Debt Facility for which it is acting, and each Second Priority Representative, on behalf of itself, and each Second Priority Secured Party under its Second Priority Debt Facility, agrees that it will take such further action and shall execute and deliver such additional documents and instruments (in recordable form, if requested) as the other parties hereto may reasonably request to effectuate the terms of, and the Lien priorities contemplated by, this Agreement.

SECTION 8.13. *Governing Law; Waiver Of Jury Trial.*

(A) **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

(B) **EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND FOR ANY COUNTERCLAIM THEREIN.**

SECTION 8.14. *Binding On Successors And Assigns.* This Agreement shall be binding upon the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives, the Second Priority Secured Parties, Holdings, the Borrower, the other Grantors party hereto and their respective successors and assigns.

SECTION 8.15. *Section Titles.* The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of this Agreement.

SECTION 8.16. *Counterparts.* This Agreement may be executed in one or more counterparts, including by means of facsimile or other electronic method, each of which shall be an original and all of which shall together constitute one and the same document. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

SECTION 8.17. *Authorization.* By its signature, each Person executing this Agreement on behalf of a party hereto represents and warrants to the other parties hereto that it is duly authorized to execute this Agreement. The First Lien Administrative Agent represents and warrants that this Agreement is binding upon the First Lien Credit Agreement Secured Parties. The Second Lien Administrative Agent represents and warrants that this Agreement is binding upon the Second Lien Credit Agreement Secured Parties.

SECTION 8.18. *No Third Party Beneficiaries; Successors And Assigns.* The lien priorities set forth in this Agreement and the rights and benefits hereunder in respect of such lien priorities shall inure solely to the benefit of the Senior Priority Representatives, the Senior Priority Secured Parties, the Second Priority Representatives and the Second Priority Secured Parties, and their respective permitted successors and assigns, and no other Person (including the Grantors, or any trustee, receiver, debtor in possession or bankruptcy estate in a bankruptcy or like proceeding) shall have or be entitled to assert such rights.

SECTION 8.19. *Effectiveness.* This Agreement shall become effective when executed and delivered by the parties hereto.

SECTION 8.20. *Administrative Agent And Representative.* It is understood and agreed that (a) the First Lien Administrative Agent is entering into this Agreement in its capacity as administrative agent and collateral agent under the First Lien Credit Agreement and the provisions of Section 12 of the First Lien Credit Agreement applicable to the Agents (as defined therein) thereunder shall also apply to the First Lien Administrative Agent hereunder, (b) the Second Lien Administrative Agent is entering into this Agreement in its capacity as administrative agent and collateral agent under the Second Lien Credit Agreement and the provisions of Section 12 of the Second Lien Credit Agreement applicable to the Agents (as defined therein) thereunder shall also apply to the Second Lien Administrative Agent hereunder and (c) each other Representative party hereto is entering into this Agreement in its capacity as trustee or agent for the secured parties referenced in the applicable Additional Senior Priority Debt Document or Additional Second Priority Debt Document (as applicable) and the corresponding exculpatory and liability-limiting provisions of such agreement applicable to such Representative thereunder shall also apply to such Representative hereunder.

SECTION 8.21. *Relative Rights.* Notwithstanding anything in this Agreement to the contrary (except to the extent contemplated by Sections 5.01(a), 5.01(d) or 5.03(b)), nothing in this Agreement is intended to or will (a) amend, waive or otherwise modify the provisions of the First Lien Credit Agreement, any other Senior Priority Debt Document or any Second Priority Debt Documents, or permit Holdings, the Borrower or any other Grantor to take any action, or fail to take any action, to the extent such action or failure would otherwise constitute a breach of, or default under, the First Lien Credit Agreement or any other Senior Priority Debt Document or any Second Priority Debt Documents, (b) change the relative priorities of the Senior Priority Obligations or the Liens granted under the Senior Priority Collateral Documents on the Shared Collateral (or any other assets) as among the Senior Priority Secured Parties, (c) otherwise change the relative rights of the Senior Priority Secured Parties in respect of the Shared

Collateral as among such Senior Priority Secured Parties or (d) obligate Holdings, the Borrower or any other Grantor to take any action, or fail to take any action, that would otherwise constitute a breach of, or default under, the First Lien Credit Agreement or any other Senior Priority Debt Document or any Second Priority Debt Document.

SECTION 8.22. *Survival Of Agreement.* All covenants, agreements, representations and warranties made by any party in this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement.

[*Signatures Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MORGAN STANLEY SENIOR FUNDING, INC., as
First Lien Administrative Agent

By: _____
Name:
Title:

MORGAN STANLEY SENIOR FUNDING, INC., as
Second Lien Administrative Agent

By: _____
Name:
Title:

GLOBE INTERMEDIATE CORP.

By: _____
Name:
Title:

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

AMELIA'S, LLC

By: _____
Name:
Title:

GOBP MIDCO, INC.

By: _____
Name:
Title:

GROCERY OUTLET INC.

By: _____
Name:
Title:

ANNEX I

[FORM OF] SUPPLEMENT NO. [ ] dated as of [ ], 20[ ] to the FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT dated as of October 22, 2018 (the "First Lien/Second Lien Intercreditor Agreement"), among GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof) ("Holdings"), GOBP HOLDINGS, INC., a Delaware corporation, (the "Borrower"), certain subsidiaries and affiliates of the Borrower (each a "Grantor"), MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the First Lien Credit Agreement, MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the Second Lien Credit Agreement, and the additional Representatives from time to time a party thereto.

A. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the First Lien/Second Lien Intercreditor Agreement.

B. The Grantors have entered into the First Lien/Second Lien Intercreditor Agreement. Pursuant to the First Lien Credit Agreement, certain Additional Senior Priority Debt Documents and certain Second Priority Debt Documents, certain newly acquired or organized Subsidiaries of the Borrower are required to enter into the First Lien/Second Lien Intercreditor Agreement. Section 8.07 of the First Lien/Second Lien Intercreditor Agreement provides that such Subsidiaries may become party to the First Lien/Second Lien Intercreditor Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Grantor") is executing this Supplement in accordance with the requirements of the First Lien Credit Agreement, the Second Priority Debt Documents and Additional Senior Priority Debt Documents.

Accordingly, the Designated Senior Priority Representative and the New Subsidiary Grantor agree as follows:

SECTION 1. In accordance with Section 8.07 of the First Lien/Second Lien Intercreditor Agreement, the New Grantor by its signature below becomes a Grantor under the First Lien/Second Lien Intercreditor Agreement with the same force and effect as if originally named therein as a Grantor, and the New Grantor hereby agrees to all the terms and provisions of the First Lien/Second Lien Intercreditor Agreement applicable to it as a Grantor thereunder. Each reference to a "Grantor" in the First Lien/Second Lien Intercreditor Agreement shall be deemed to include the New Grantor. The First Lien/Second Lien Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Designated Senior Priority Representative and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Designated Senior Priority Representative shall have received a counterpart of this Supplement that bears the signature of the New Grantor. Delivery of an executed signature page to this Supplement by facsimile transmission or other electronic method shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. Except as expressly supplemented hereby, the First Lien/Second Lien Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the First Lien/Second Lien Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 8.11 of the First Lien/Second Lien Intercreditor Agreement. All communications and notices hereunder to the New Grantor shall be given to it in care of the Borrower as specified in the First Lien/Second Lien Intercreditor Agreement.

SECTION 8. The Borrower agrees to reimburse each of the Designated Senior Priority Representative and the Designated Second Priority Representative for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Designated Senior Priority Representative and the Designated Second Priority Representative.

IN WITNESS WHEREOF, the New Grantor, and the Designated Senior Priority Representative have duly executed this Supplement to the First Lien/Second Lien Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW SUBSIDIARY GRANTOR],

By: _____
Name:
Title:

Acknowledged by:
[ ], as Designated Senior Priority Representative,

By: _____
Name:
Title:

[ ], as Designated Second Priority Representative,

By: _____
Name:
Title:

ANNEX II

[FORM OF] REPRESENTATIVE SUPPLEMENT NO. [ ] dated as of [ ], 20[ ] to the FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT dated as of October 22, 2018 (the "First Lien/Second Lien Intercreditor Agreement"), among GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof) ("Holdings"), GOBP HOLDINGS, INC., a Delaware corporation, (the "Borrower"), certain subsidiaries and affiliates of the Borrower (each a "Grantor"), MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the First Lien Credit Agreement, MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the Second Lien Credit Agreement, and the additional Representatives from time to time a party thereto.

A. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the First Lien/Second Lien Intercreditor Agreement.

B. As a condition to the ability of the Borrower, Holdings or any other Grantor to incur Second Priority Class Debt and to secure such Second Priority Class Debt with the Second Priority Lien and to have such Second Priority Class Debt guaranteed by the Grantors on a subordinated basis, in each case under and pursuant to the Second Priority Collateral Documents, the Second Priority Class Representative in respect of such Second Priority Class Debt is required to become a Representative under, and such Second Priority Class Debt and the Second Priority Class Debt Parties in respect thereof are required to become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement. Section 8.09 of the First Lien/Second Lien Intercreditor Agreement provides that such Second Priority Class Debt Representative may become a Representative under, and such Second Priority Class Debt and such Second Priority Class Debt Parties may become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement, pursuant to the execution and delivery by the Second Priority Class Debt Representative of an instrument in the form of this Representative Supplement and the satisfaction of the other conditions set forth in Section 8.09 of the First Lien/Second Lien Intercreditor Agreement. The undersigned Second Priority Class Debt Representative (the "New Representative") is executing this Supplement in accordance with the requirements of the Senior Priority Debt Documents and the Second Priority Debt Documents.

Accordingly, the Designated Senior Priority Representative and the New Representative agree as follows:

SECTION 1. In accordance with Section 8.09 of the First Lien/Second Lien Intercreditor Agreement, the New Representative by its signature below becomes a Representative under, and the related Second Priority Class Debt and Second Priority Class Debt Parties become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement with the same force and effect as if the New Representative had originally been named therein as a Representative, and the New Representative, on behalf of itself and such Second Priority Class Debt Parties, hereby agrees to all the terms and provisions of the First Lien/Second Lien Intercreditor Agreement applicable to it as a Second Priority Representative and to the Second Priority Class Debt Parties that it represents as Second Priority Secured Parties. Each reference to a "Representative" or "Second Priority Representative" in the First Lien/Second Lien Intercreditor Agreement shall be deemed to include the New Representative. The First Lien/Second Lien Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Representative represents and warrants to the Designated Senior Priority Representative and the other Secured Parties that (i) it has full power and authority to enter into this Representative Supplement, in its capacity as [agent] [trustee], (ii) this Representative Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms of such Agreement and (iii) the Second Priority Debt Documents relating to such Second Priority Class Debt provide that, upon the New Representative's entry into this Agreement, the Second Priority Class Debt Parties in respect of such Second Priority Class Debt will be subject to and bound by the provisions of the First Lien/Second Lien Intercreditor Agreement as Second Priority Secured Parties.

SECTION 3. This Representative Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Representative Supplement shall become effective when the Designated Senior Priority Representative shall have received a counterpart of this Representative Supplement that bears the signature of the New Representative. Delivery of an executed signature page to this Representative Supplement by facsimile transmission or other electronic method shall be effective as delivery of a manually signed counterpart of this Representative Supplement.

SECTION 4. Except as expressly supplemented hereby, the First Lien/Second Lien Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS REPRESENTATIVE SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Representative Supplement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the First Lien/Second Lien Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 8.11 of the First Lien/Second Lien Intercreditor Agreement. All communications and notices hereunder to the New Representative shall be given to it at the address set forth below its signature hereto.

SECTION 8. The Borrower agrees to reimburse the Designated Senior Priority Representative for its reasonable out-of-pocket expenses in connection with this Representative Supplement, including the reasonable fees, other charges and disbursements of counsel for the Designated Senior Priority Representative.

IN WITNESS WHEREOF, the New Representative and the Designated Senior Priority Representative have duly executed this Representative Supplement to the First Lien/Second Lien Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW REPRESENTATIVE], as [ ] for the holders of [ ],

By: _____
Name:
Title:

Address for notices:

_____

attention of: _____

Telecopy: _____

[ ],
as Designated Senior Priority Representative,

By: _____
Name:
Title:

Acknowledged by:

[
]

By: _____
Name:
Title:

[
]

By: _____
Name:
Title:

THE GRANTORS LISTED ON SCHEDULE I HERETO

By: _____
Name:
Title:

ANNEX III

[FORM OF] REPRESENTATIVE SUPPLEMENT NO. [ ] dated as of [ ], 20[ ] to the FIRST LIEN/SECOND LIEN INTERCREDITOR AGREEMENT dated as of October 22, 2018 (the "First Lien/Second Lien Intercreditor Agreement"), among GLOBE INTERMEDIATE CORP., a Delaware corporation (or any successor thereof) ("Holdings"), GOBP HOLDINGS, INC., a Delaware corporation, (the "Borrower"), certain subsidiaries and affiliates of the Borrower (each a "Grantor"), MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, and Collateral Agent under the First Lien Credit Agreement, MORGAN STANLEY SENIOR FUNDING, INC. or any successor thereof, as Administrative Agent and Collateral Agent under the Second Lien Credit Agreement, and the additional Representatives from time to time a party thereto.

A. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the First Lien/Second Lien Intercreditor Agreement.

B. As a condition to the ability of the Borrower, Holdings or any other Grantor to incur Senior Priority Class Debt after the date of the First Lien/Second Lien Intercreditor Agreement and to secure such Senior Priority Class Debt with the Senior Lien and to have such Senior Priority Class Debt guaranteed by the Grantors on a senior basis, in each case under and pursuant to the Senior Priority Collateral Documents, the Senior Priority Class Debt Representative in respect of such Senior Priority Class Debt is required to become a Representative under, and such Senior Priority Class Debt and the Senior Priority Class Debt Parties in respect thereof are required to become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement. Section 8.09 of the First Lien/Second Lien Intercreditor Agreement provides that such Senior Priority Class Debt Representative may become a Representative under, and such Senior Priority Class Debt and such Senior Priority Class Debt Parties may become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement, pursuant to the execution and delivery by the Senior Priority Class Debt Representative of an instrument in the form of this Representative Supplement and the satisfaction of the other conditions set forth in Section 8.09 of the First Lien/Second Lien Intercreditor Agreement. The undersigned Senior Priority Class Debt Representative (the "New Representative") is executing this Supplement in accordance with the requirements of the Senior Priority Debt Documents and the Second Priority Debt Documents.

Accordingly, the Designated Senior Priority Representative and the New Representative agree as follows:

SECTION 1. In accordance with Section 8.09 of the First Lien/Second Lien Intercreditor Agreement, the New Representative by its signature below becomes a Representative under, and the related Senior Priority Class Debt and Senior Priority Class Debt Parties become subject to and bound by, the First Lien/Second Lien Intercreditor Agreement with the same force and effect as if the New Representative had originally been named therein as a Representative, and the New Representative, on behalf of itself and such Senior Priority Class Debt Parties, hereby agrees to all the terms and provisions of the First Lien/Second Lien Intercreditor Agreement applicable to it as a Senior Priority Representative and to the Senior Priority Class Debt Parties that it represents as Senior Priority Secured Parties. Each reference to a "Representative" or "Senior Priority Representative" in the First Lien/Second Lien Intercreditor Agreement shall be deemed to include the New Representative. The First Lien/Second Lien Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Representative represents and warrants to the Designated Senior Priority Representative and the other Secured Parties that (i) it has full power and authority to enter into this Representative Supplement, in its capacity as [agent] [trustee] under [describe new facility], (ii) this Representative Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms of such Agreement and (iii) the Senior Priority Debt Documents relating to such Senior Priority Class Debt provide that, upon the New Representative's entry into this Agreement, the Senior Priority Class Debt Parties in respect of such Senior Priority Class Debt will be subject to and bound by the provisions of the First Lien/Second Lien Intercreditor Agreement as Senior Priority Secured Parties.

SECTION 3. This Representative Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Representative Supplement shall become effective when the Designated Senior Priority Representative shall have received a counterpart of this Representative Supplement that bears the signature of the New Representative. Delivery of an executed signature page to this Representative Supplement by facsimile transmission or other electronic method shall be effective as delivery of a manually signed counterpart of this Representative Supplement.

SECTION 4. Except as expressly supplemented hereby, the First Lien/Second Lien Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS REPRESENTATIVE SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Representative Supplement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the First Lien/Second Lien Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 8.11 of the First Lien/Second Lien Intercreditor Agreement. All communications and notices hereunder to the New Representative shall be given to it at the address set forth below its signature hereto.

SECTION 8. The Borrower agrees to reimburse the Designated Senior Priority Representative for its reasonable out-of-pocket expenses in connection with this Representative Supplement, including the reasonable fees, other charges and disbursements of counsel for the Designated Senior Priority Representative.

IN WITNESS WHEREOF, the New Representative and the Designated Senior Priority Representative have duly executed this Representative Supplement to the First Lien/Second Lien Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW REPRESENTATIVE], as [ ] for the holders of [ ],

By: _____
Name:
Title:

Address for notices:

_____

attention of: _____

Telecopy: _____

[ ],
as Designated Senior Priority Representative,

By: _____
Name:
Title:

Acknowledged by:

[ ]

By: _____
Name:
Title:

[ ]

By: _____
Name:
Title:

THE GRANTORS LISTED ON SCHEDULE I HERETO

By: _____
Name:
Title:

FORM OF ASSIGNMENT AND ACCEPTANCE

This Assignment and Acceptance (the "Assignment and Acceptance") is dated as of the Effective Date (as defined below) and is entered into by and between [the][each][1] Assignor identified in item 1 below ([the][each, an] "Assignor") and [the][each][2] Assignee identified in item 2 below ([the][each, an] "Assignee"). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees][3] hereunder are several and not joint.][4] Capitalized terms used in this Assignment and Acceptance and not otherwise defined herein shall have the meanings specified in the Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent and the Collateral Agent, receipt of a copy of which is hereby acknowledged by [the][each] Assignee.

The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Acceptance as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and

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1 For bracketed language here and elsewhere in this form relating to the Assignor[s], if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

2 For bracketed language here and elsewhere in this form relating to the Assignee[s], if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

3 Select as appropriate.

4 Include bracketed language if there are either multiple Assignors or multiple Assignees.

assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions set forth in Annex 1 hereto and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of [the Assignor's][the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective Credit Facilities identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] "Assigned Interest"). [Such] [Each such] sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Acceptance, without representation or warranty by [the][any] Assignor.

1. Assignor[s]: [NAME OF ASSIGNOR[S]]

2. Assignee[s]: [NAME OF ASSIGNEE[S]]

   [Assignee is an [Affiliate][Approved Fund] of [*identify Lender*]]

Address for Notices:

[ADDRESS FOR NOTICES]

3. Borrower: GOBP HOLDINGS, INC.

4. Assigned Interest[s]:

Assignor[s][5]	Assignee[s][6]	Credit Facility Assigned[7]	Total Loans of all Lenders under each Credit Facility[8]	Amount of Credit Facility Assigned	Percentage Assigned of Total Loans of all Lenders under each Credit Facility[9]	CUSIP Number
		Initial Term Loan Facility	$ [ ]	$[ ]	[0.000000000]%	
		[Incremental Term Loan Facility	$ [ ]	$[ ]	[0.000000000]%	
		[Extended Term Loan Facility	$ [ ]	$[ ]	[0.000000000]%	

5. [Trade Date: , 20][10]

6. Effective Date of Assignment (the "Effective Date"): , 20 .[11] [subject to the payment of an assignment fee in an amount of $3,500 to the Administrative Agent][12].

5 List each Assignor, as appropriate.
6 List each Assignee, as appropriate.
7 Fill in the appropriate terminology for the types of Credit Facilities under the Credit Agreement that are being assigned under this Assignment.
8 Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date
9 To be set forth, to at least 9 decimals, as a percentage of the Total Loans of all Lenders under each assigned Credit Facility.
10 To be completed if the Assignor[s] and the Assignee[s] intend that the minimum assignment amount is to be determined as of the Trade Date.
11 To be inserted by Administrative Agent and which shall be the effective date of recordation of transfer in the Register therefor.
12 To be deleted for assignment made by the Joint Bookrunners, the Lead Arrangers or any of their respective Affiliates in connection with the primary syndication of the Initial Term Loan Facility.

EXHIBIT H

The terms set forth in this Assignment and Acceptance are hereby agreed to:

[NAME OF ASSIGNOR], as Assignor

By: _____
Name:
Title:

[NAME OF ASSIGNOR], as Assignor

By: _____
Name:
Title:

[NAME OF ASSIGNEE], as Assignee

By: _____
Name:
Title:

[NAME OF ASSIGNEE], as Assignee

By: _____
Name:
Title:

EXHIBIT H

[Consented to and][13] Accepted:

[ ],
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

GOBP HOLDINGS, INC.

By: _____
Name:
Title:][14]

13 If required by Section 13.6(b)(i)(B) of Credit Agreement.
14 If required by Section 13.6(b)(i)(A) of Credit Agreement.

EXHIBIT H

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ACCEPTANCE

1. Representations and Warranties and Agreements.

1.1 Assignor[s]. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any Lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of Holdings, the Borrower or any of their Subsidiaries or (iv) the performance or observance by any of Holdings, the Borrower or any of their Subsidiaries of any of their respective obligations under any Credit Document.

1.2 Assignee[s]. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire [the][the relevant] Assigned Interest and become a Lender thereunder, (iii) from and after the Effective Date, it shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender under the Credit Agreement, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it is not a Disqualified Lender and (vi) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity

to receive copies of the most recent financial statements delivered pursuant to Section 9.1 of the Credit Agreement, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase [the][such] Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, (b) appoints and authorizes the Administrative Agent and the Collateral Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Credit Documents as are delegated to the Administrative Agent and the Collateral Agent, respectively, by the terms thereof, together with such powers as are reasonably incidental thereto and (c) agrees that (i) it will, independently and without reliance on the Administrative Agent, [the][any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender, including, if it is a Non-U.S. Lender, its obligations pursuant to Section 5.4 of the Credit Agreement.

2. Payments: From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to [the][the relevant] Assignee.

3. General Provisions.

3.1 In accordance with Section 13.6 of the Credit Agreement, upon execution, delivery, acceptance and recording of this Assignment and Acceptance, from and after the Effective Date, (a) [the][each] Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender under the Credit Agreement with

Loans as set forth herein and (b) [the][each] Assignor shall, to the extent of [the][the relevant] Assigned Interest assigned pursuant to this Assignment and Acceptance, be released from its obligations under the Credit Agreement (and if this Assignment and Acceptance covers all of [the][such] Assignor's rights and obligations under the Credit Agreement, [the][such] Assignor shall cease to be a party to the Credit Agreement but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 5.4, 13.5, 13.12 and 13.15 thereof).

3.2 This Assignment and Acceptance shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed by one or more of the parties to this Assignment and Acceptance on any number of separate counterparts (including by facsimile or other electronic transmission (*e.g.*, a "PDF or "TIF" file)), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Assignment and Acceptance and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by and interpreted under the law of the state of New York.

EXHIBIT H

FORM OF AFFILIATED LENDER ASSIGNMENT AND ACCEPTANCE

This Affiliated Lender Assignment and Acceptance (the "Assignment and Acceptance") is dated as of the Effective Date (as defined below) and is entered into by and between the Assignor (as defined below) and the Assignee (as defined below). Capitalized terms used in this Assignment and Acceptance and not otherwise defined herein shall have the meanings specified in the Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent and the Collateral Agent.

The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Acceptance as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions set forth in Annex 1 hereto and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective Credit Facility identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Acceptance, without representation or warranty by the Assignor.

1. Assignor (the "Assignor"): [NAME OF ASSIGNOR]

2. Assignee (the "Assignee"): [NAME OF ASSIGNEE]

3. Borrower: GOBP HOLDINGS, INC.

4. Assigned Interest:

Credit Facility	Total Loans of all Lenders under each Credit Facility	Amount of Credit Facility Assigned[1]	Percentage Assigned of Total Loans of all Lenders under each Credit Facility[2]	CUSIP Number
Initial Term Loan Facility	$ [ ]	$ [ ]	[0.000000000]%	
[Incremental Term Loan Facility	$ [ ]	$ [ ]	[0.000000000]%]	
[Extended Term Loan Facility	$ [ ]	$ [ ]	[0.000000000]%]	

4. [Trade Date: , 20][3]

5. Effective Date of Assignment (the "Effective Date"): , 20 ,[4] [subject to the payment of an assignment fee in an amount of $3,500 to the Administrative Agent][5].

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1 Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

2 To be set forth, to at least 9 decimals, as a percentage of the Total Loans of all Lenders under each assigned Credit Facility.

3 To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

4 To be inserted by Administrative Agent and which shall be the effective date of recordation of transfer in the Register therefor.

5 To be deleted for assignment made by Joint Bookrunners, the Lead Arrangers or any of their respective Affiliates in connection with the primary syndication of the Initial Term Loan Facility.

EXHIBIT I

The terms set forth in this Assignment and Acceptance are hereby agreed to:

[NAME OF ASSIGNOR], as Assignor

By: _____
Name:
Title:

[NAME OF ASSIGNEE], as Assignee

By: _____
Name:
Title:

EXHIBIT I

[Consented to and][6] Accepted:

[ ],
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

GOBP HOLDINGS, INC.

By: _____
Name:
Title:][7]

6 If required by Section 13.6(b)(i)(B) of Credit Agreement.
7 If required by Section 13.6(b)(i)(A) of Credit Agreement.

EXHIBIT I

STANDARD TERMS AND CONDITIONS FOR
AFFILIATED LENDER ASSIGNMENT AND ACCEPTANCE

1. Representations and Warranties and Agreements.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any Lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of Holdings, the Borrower or any of their Subsidiaries or (iv) the performance or observance by any of Holdings, the Borrower or any of their Subsidiaries of any of their respective obligations under any Credit Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender thereunder, (iii) from and after the Effective Date, it shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender under the Credit Agreement, (iv) it is a [Purchasing Borrower Party][Affiliated Lender], as such term is defined in the Credit Agreement, (v) after giving pro forma effect to the purchase, assumption and assignment of Term Loans pursuant to Section 13.6(g) of the Credit Agreement, the aggregate principal amount of all Term Loans of such Class outstanding held by Affiliated Lenders that are Non-Debt Fund Affiliates as of the Effective Date does not exceed 30% of all Term Loans of such Class then outstanding under the Credit Agreement, (vi) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (vii) it is not a Disqualified Lender and (viii) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 9.1 of the Credit Agreement, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, (b) appoints and authorizes the Administrative Agent and the Collateral Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Credit Documents as are delegated to the Administrative Agent and the Collateral Agent, respectively, by the terms thereof, together with such powers as are reasonably incidental thereto and (c) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender, including, if it is a Non-U.S. Lender, its obligations pursuant to Section 5.4 of the Credit Agreement.

EXHIBIT I

2. Payments: From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the relevant Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee.

3. General Provisions.

3.1 In accordance with Section 13.6 of the Credit Agreement, upon execution, delivery, acceptance and recording of this Assignment and Acceptance, from and after the Effective Date, (a) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance (subject to the limitations set forth in Section 13.6(g)(ii) and Section 13.6(h) of the Credit Agreement), have the rights and obligations of a Lender under the Credit Agreement with Loans as set forth herein and (b) the Assignor shall, to the extent of the Assigned Interest assigned pursuant to this Assignment and Acceptance, be released from its obligations under the Credit Agreement (and if this Assignment and Acceptance covers all of the Assignor's rights and obligations under the Credit Agreement, the Assignor shall cease to be a party to the Credit Agreement but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 5.4, 13.5, 13.12, 13.15 and 13.16 thereof).

3.2 This Assignment and Acceptance shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed by one or more of the parties to this Assignment and Acceptance on any number of separate counterparts (including by facsimile or other electronic transmission (*e.g.*, a "PDF or "TIF" file)), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Assignment and Acceptance and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by and interpreted under the law of the state of New York.

EXHIBIT I

FORM OF SOLVENCY CERTIFICATE

To the Administrative Agents and each of the Lenders party to the Credit Agreements referred to below:

I, the undersigned, the Chief Financial Officer of **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), in that capacity only and not in my individual capacity (and without personal liability), do hereby certify as of the date hereof, and based upon facts and circumstances as they exist as of the date hereof (and disclaiming any responsibility for changes in such facts and circumstances after the date hereof), that:

1. This certificate is furnished to the Administrative Agents and the Lenders pursuant to (i) Section 6.8 of the First Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Credit Agreement"), among the Borrower, **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "First Lien Administrative Agent"), as the Administrative Agent, the Collateral Agent and the Swingline Lender, and (ii) Section 6.8 of the Second Lien Credit Agreement, dated as of [●], 2018 (the "Second Lien Credit Agreement" and, together with the First Lien Credit Agreement, the "Credit Agreements"), among the Borrower, Holdings, the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Second Lien Administrative Agent" and, together with the First Lien Administrative Agent, the "Administrative Agents"), as the Administrative Agent and the Collateral Agent. Unless otherwise defined herein, capitalized terms used in this certificate shall have the meanings set forth in the First Lien Credit Agreement or the Second Lien Credit Agreement, as applicable.

2. For purposes of this certificate, the terms below shall have the following definitions:

(a) "Fair Value"

The amount at which the assets (both tangible and intangible), in their entirety, of the Borrower and its Subsidiaries taken as a whole would change hands between a willing buyer and a willing seller, within a commercially reasonable period of time, each having reasonable knowledge of the relevant facts, with neither being under any compulsion to act.

(b) "Present Fair Salable Value"

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 Borrower and its 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.

(c) "Stated Liabilities"

The recorded liabilities (including contingent liabilities that would be recorded in accordance with GAAP) of the Borrower and its 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 the First Lien Credit Agreement and the Second Lien Credit Agreement, the making of the Loans and the use of proceeds of such Loans on the date hereof), determined in accordance with GAAP consistently applied.

(d) "Identified Contingent Liabilities"

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 Borrower and its Subsidiaries taken as a whole after giving effect to the Transactions (including the execution and delivery of the First Lien Credit Agreement and the Second Lien Credit Agreement, the making of the Loans and the use of proceeds of such Loans on the date hereof) (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.

(e) "Can pay their Stated Liabilities and Identified Contingent Liabilities as they mature"

The Borrower and its Subsidiaries taken as a whole after giving effect to the Transactions (including the execution and delivery of the First Lien Credit Agreement and the Second Lien Credit Agreement, the making of the Loans and the use of proceeds of such Loans on the date hereof) have sufficient assets and cash flow to pay their respective Stated Liabilities and Identified Contingent Liabilities as those liabilities mature or (in the case of contingent liabilities) otherwise become payable.

(f) "Do not have Unreasonably Small Capital"

The Borrower and its Subsidiaries taken as a whole after giving effect to the Transactions (including the execution and delivery of the First Lien Credit Agreement and the execution and delivery of the Second Lien Credit Agreement, the making of the Loans under each such agreement and the use of proceeds of such Loans on the date hereof) have sufficient capital to ensure that it is a going concern.

3. For purposes of this certificate, I, or officers of the Borrower under my direction and supervision, have performed the following procedures as of and for the periods set forth below.

(a) I have reviewed the financial statements referred to in Section 6.9 of the First Lien Credit Agreement and Section 6.9 of the Second Lien Credit Agreement.

(b) I have knowledge of and have reviewed to my satisfaction the First Lien Credit Agreement and the Second Lien Credit Agreement.

(c) As chief financial officer, I am familiar with the financial condition of the Borrower and its Subsidiaries.

4. Based on and subject to the foregoing, I hereby certify on behalf of the Borrower that after giving effect to the consummation of the Transactions (including the execution and delivery of the First Lien Credit Agreement and the Second Lien Credit Agreement, the making of the Loans and the use of proceeds of such Loans on the date hereof), it is my opinion that (i) each of the Fair Value and the Present Fair Salable Value of the assets of the Borrower and its Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; (ii) the Borrower and its Subsidiaries taken as a whole do not have Unreasonably Small Capital; and (iii) the Borrower and its Subsidiaries taken as a whole can pay their Stated Liabilities and Identified Contingent Liabilities as they mature.

EXHIBIT J

[*Signature page follows*]

EXHIBIT J

IN WITNESS WHEREOF, the Borrower has caused this certificate to be executed on its behalf by its Chief Financial Officer as of the date set forth above.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

EXHIBIT J

FORM OF UNITED STATES TAX COMPLIANCE CERTIFICATES

FORM OF
TAX CERTIFICATE
(For Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent and the Collateral Agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.4(d) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. person status on Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent in writing and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payment.

[Signature Page Follows]

[Lender]

By: _____
Name:
Title:

[Address]

Dated: , 20[ ]

EXHIBIT K

FORM OF
TAX CERTIFICATE
(For Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent and the Collateral Agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.4(d) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Credit Agreement or any other Credit Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with Internal Revenue Service Form W-8IMY accompanied by one of the following forms from each of its partners/members claiming the portfolio interest exemption: (i) an Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable or (ii) an Internal Revenue Service Form W-8IMY accompanied by Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent in writing and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent in writing with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payment.

[Signature Page Follows]

EXHIBIT K

[Lender]

By: _____
Name:
Title:

[Address]

Dated: , 20[ ]

EXHIBIT K

FORM OF
TAX CERTIFICATE
(For Non-U.S. Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent and the Collateral Agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.4(d) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. person status on Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payment.

[Signature Page Follows]

[Participant]

By: _____
Name:
Title:

[Address]

Dated: , 20[ ]

EXHIBIT K

FORM OF
TAX CERTIFICATE
(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that Second Lien Credit Agreement, dated as of [●], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent and the Collateral Agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.4(d) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect to such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with Internal Revenue Service Form W-8IMY accompanied by one of the following forms from each of its partners/members claiming the portfolio interest exemption: (i) an Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable or (ii) an Internal Revenue Service Form W-8IMY accompanied by an Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payment.

[Signature Page Follows]

EXHIBIT K

[Participant]

By: _____
Name:
Title:

[Address]

Dated: , 20[ ]

EXHIBIT K

EXHIBIT L
TO THE SECOND LIEN CREDIT AGREEMENT

FORM OF INTERCOMPANY SUBORDINATED NOTE

New York

[●], 2018

FOR VALUE RECEIVED, each of the undersigned, to the extent a borrower from time to time from any other entity listed on the signature page hereto (each, in such capacity, a "Payor"), hereby promises to pay on demand to the order of such other entity listed below that is a Credit Party (or a Person required to become a Subsidiary Guarantor pursuant to Section 9.10 of each of the Credit Agreements (as defined below)) (each, in such capacity, a "Payee"), in lawful money of the United States of America, or in such other currency as agreed to by such Payor and such Payee, in immediately available funds, at such location as a Payee shall from time to time designate, the unpaid principal amount of all loans and advances (including trade payables) made by such Payee to such Payor. Each Payor promises also to pay interest on the unpaid principal amount of all such loans and advances in like money at said location from the date of such loans and advances until paid at such rate per annum as shall be agreed upon from time to time by such Payor and such Payee.

Capitalized terms used in this Intercompany Subordinated Note (this "Note") but not otherwise defined herein shall have the meanings given to them, as applicable, in (i) that certain First Lien Credit Agreement, dated as of [●], 2018 (as the same may be amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "First Lien Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders and Letter of Credit Issuers from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.**, as the Administrative Agent (in such capacity, the "First Lien Administrative Agent"), the Collateral Agent (in such capacity, the "First Lien Collateral Agent") and the Swingline Lender, (ii) that certain Second Lien Credit Agreement, dated as of [●], 2018 (as the same may be amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "Second Lien Credit Agreement" and, together with the First Lien Credit Agreement, the "Credit Agreements"), among the Borrower, Holdings, the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.**, as the Administrative Agent (in such capacity, the "Second Lien Administrative Agent") and the Collateral Agent (in such capacity, the "Second Lien Collateral Agent" and, collectively with the First Lien Collateral Agent, the "Collateral Agents") and (iii) that certain First Lien/Second Lien Intercreditor Agreement, dated as of [●], 2018 (as the same may be amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "Intercreditor Agreement") among the Borrower, Holdings, the other Grantors party thereto, the First Lien Collateral Agent and the Second Lien Collateral Agent, and each additional Senior Priority Representative and Second Priority Representative that from time to time becomes a party thereto.

This Note shall be pledged by each Payee that is a Credit Party (a "Credit Party Payee") (i) to the First Lien Collateral Agent (or any agent or designee thereof), for the benefit of the First Lien Secured Parties (as defined in the Security Agreement (as defined in the First Lien Credit Agreement), the "First Lien Secured Parties"), pursuant to the Pledge Agreement (as defined in the First Lien Credit Agreement, the "First Lien Pledge Agreement") as collateral security for such Payee's Senior Priority Obligations (as defined in the Intercreditor Agreement) and (ii) to the Second Lien Collateral Agent (or any agent or designee thereof), for the benefit of the Second Lien Secured Parties (as defined in the Security Agreement (as defined in the Second Lien Credit Agreement), the "Second Lien Secured Parties" and, together with the First Lien Secured Parties, the "Secured Parties"), pursuant to the Pledge Agreement (as defined in the Second Lien Credit Agreement, the "Second Lien Pledge Agreement") as collateral security for such Payee's Second Priority Debt Obligations (as defined in the Intercreditor Agreement). Each Payee hereby acknowledges and agrees that (i) after the occurrence of and during the continuance of an Event of Default under and as defined in the First Lien Credit Agreement, the First Lien Collateral Agent may exercise all rights of the Credit Party Payees with respect to this Note and (ii) after the occurrence of and during the continuance of an Event of Default under and as defined in the Second Lien Credit Agreement, but subject to the terms of the Intercreditor Agreement, the Second Lien Collateral Agent may exercise all rights of the Credit Party Payees with respect to this Note.

Upon the commencement of any insolvency or bankruptcy proceeding, or any receivership, liquidation, reorganization or other similar proceeding in connection therewith, relating to any Payor owing any amounts evidenced by this Note to any Credit Party, or to any property of any such Payor, or upon the commencement of any proceeding for voluntary liquidation, dissolution or other winding up of any such Payor, all amounts evidenced by this Note owing by such Payor to any and all Credit Parties shall become immediately due and payable, without presentment, demand, protest or notice of any kind.

Anything in this Note to the contrary notwithstanding, the indebtedness evidenced by this Note owed by any Payor that is a Credit Party to any Payee shall be subordinate and junior in right of payment, to the extent and in the manner hereinafter set forth, to all Senior Priority Obligations of such

Payor until the Termination Date (as defined in the First Lien Pledge Agreement) and to all Second Priority Debt Obligations of such Payor until the Termination Date (as defined in the Second Lien Pledge Agreement) (the Senior Priority Obligations, the Second Priority Debt Obligations and other indebtedness and obligations in connection with any renewal, refunding, restructuring or refinancing thereof, including interest thereon accruing after the commencement of any proceedings referred to in clause (i) below, whether or not such interest is an allowed claim in such proceeding, being hereinafter collectively referred to as "Senior Indebtedness").

(i) In the event of any insolvency or bankruptcy proceedings, and any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to any Payor or to its property, and in the event of any proceedings for voluntary liquidation, dissolution or other winding up of such Payor (except as expressly permitted by the Credit Agreements), whether or not involving insolvency or bankruptcy, then, if an Event of Default (under and as defined in either of the Credit Agreements) has occurred and is continuing after prior written notice from the Collateral Agents to the Borrower, (x) the holders of Senior Indebtedness shall be irrevocably paid in full in cash in respect of all amounts constituting Senior Indebtedness (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations) before any Payee is entitled to receive (whether directly or indirectly), or make any demands for, any payment on account of this Note and (y) until the holders of Senior Indebtedness are irrevocably paid in full in cash in respect of all amounts constituting Senior Indebtedness (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations), any payment or distribution to which such Payee would otherwise be entitled (other than debt securities of such Payor that are subordinated, to at least the same extent as this Note, to the payment of all Senior Indebtedness then outstanding (such securities being hereinafter referred to as "Restructured Debt Securities")) shall be made to the holders of Senior Indebtedness;

(ii) If any Event of Default (under and as defined in either of the Credit Agreements) occurs and is continuing after prior written notice from either Collateral Agent to the Borrower, then (x) no payment or distribution of any kind or character shall be made by or on behalf of the Payor or any other Person on its behalf with respect to this Note and (y) upon the request of either of the Collateral Agents, no amounts evidenced by this Note owing by any Payor to any Payee that is a Credit Party shall be forgiven or otherwise reduced in any way, other than as a result of payment in full thereof made in cash;

(iii) If any payment or distribution of any character, whether in cash, securities or other property (other than Restructured Debt Securities), in respect of this Note shall (despite these subordination provisions) be received by any Payee in violation of clause (i) or (ii) above before all Senior Indebtedness shall have been irrevocably paid in full in cash (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations), such payment or distribution shall be held in trust (segregated from other property of such Payee) for the benefit of the Collateral Agents, and shall be paid over or delivered in accordance with the Intercreditor Agreement; and

(iv) Each Payee agrees to file all claims against each relevant Payor in any bankruptcy or other proceeding in which the filing of claims is required by law in respect of any Senior Indebtedness, and the Collateral Agents shall be entitled to all of such Payee's rights thereunder. If for any reason a Payee fails to file such claim at least ten Business Days prior to the last date on which such claim should be filed, such Payee hereby irrevocably appoints each Collateral Agent as its true and lawful attorney-in-fact and each Collateral Agent is hereby authorized to act as attorney-in-fact in such Payee's name to file such claim or, in such Collateral Agent's discretion, to assign such claim to and cause proof of claim to be filed in the name of the relevant Collateral Agent or its nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to the Collateral Agents the full amount payable on the claim in the proceeding, and, to the full extent necessary for that purpose, each Payee hereby assigns to the Collateral Agents all of such Payee's rights to any payments or distributions to which such Payee otherwise would be entitled. If the amount so paid is greater than such Payee's liability hereunder, the Collateral Agents shall pay the excess amount to the party entitled thereto. In addition, each Payee hereby irrevocably appoints each Collateral Agent as its attorney in fact to exercise all of such Payee's voting rights in connection with any bankruptcy proceeding or any plan for the reorganization of each relevant Payor.

To the fullest extent permitted by law, no present or future holder of Senior Indebtedness shall be prejudiced in its right to enforce the subordination of this Note by any act or failure to act on the part of any Payor or by any act or failure to act on the part of such holder or any trustee or agent for such holder. Each Payee and each Payor hereby agree that the subordination of this Note is for the benefit of the Collateral Agents and the other Secured Parties. The Collateral Agents and the other Secured Parties are obligees under this Note to the same extent as if their names were written herein as such and the respective Collateral Agent may, on behalf of itself, and the Secured Parties, proceed to enforce the subordination provisions herein.

The indebtedness evidenced by this Note owed by any Payor that is not a Credit Party shall not be subordinated to, and shall rank *pari passu* in right of payment with, any other obligation of such Payor.

Nothing contained in the subordination provisions set forth above is intended to or will impair, as between each Payor and each Payee, the obligations of such Payor, which are absolute and unconditional, to pay to such Payee the principal of and interest on this Note as and when due and payable in accordance with its terms, or is intended to or will affect the relative rights of such Payee and other creditors of such Payor other than the holders of Senior Indebtedness.

EXHIBIT L

Each Payee is hereby authorized to record all loans and advances made by it to any Payor (all of which shall be evidenced by this Note), and all repayments or prepayments thereof, in its books and records, such books and records constituting prima facie evidence of the accuracy of the information contained therein; provided that the failure of any Payee to record such information shall not affect any Payor's obligations in respect of intercompany Indebtedness extended by such Payee to such Payor.

Each Payor hereby waives presentment, demand, protest or notice of any kind in connection with this Note. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

It is understood that this Note shall only evidence Indebtedness.

This Note shall be binding upon each Payor and its successors and assigns, and the terms and provisions of this Note shall inure to the benefit of each Payee and their respective successors and assigns, including subsequent holders hereof. Notwithstanding anything to the contrary contained herein, in any other Credit Document or in any other promissory note or other instrument, this Note replaces and supersedes any and all promissory notes or other instruments which create or evidence any loans or advances made on, before or after the date hereof by any Payee to any other Subsidiary.

From time to time after the date hereof, additional Subsidiaries of Holdings may become parties hereto (as Payor and/or Payee, as the case may be) by executing a counterpart signature page hereto, which shall automatically be incorporated into this Note (each additional Subsidiary, an "Additional Party"). Upon delivery of such counterpart signature page to the Payees, notice of which is hereby waived by the other Payors, each Additional Party shall be a Payor and/or a Payee, as the case may be, and shall be as fully a party hereto as if such Additional Party were an original signatory hereof. Each Payor expressly agrees that its obligations arising hereunder shall not be affected or diminished by the addition or release of any other Payor or Payee hereunder. This Note shall be fully effective as to any Payor or Payee that is or becomes a party hereto regardless of whether any other person becomes or fails to become or ceases to be a Payor or Payee hereunder.

EXHIBIT L

In the event either of the Collateral Agents enter into any Customary Intercreditor Agreement, the Collateral Agents shall be authorized (without the consent of any Lender) to enter into such amendments to this Note as may be necessary to reflect the provisions of such Customary Intercreditor Agreement.

THIS NOTE AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Notwithstanding anything herein to the contrary, the lien and security interest granted to the Collateral Agents or other Person, as applicable, pursuant to this Note and the exercise of any right or remedy by the Collateral Agents or other Person, as applicable, hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Note, the terms of the Intercreditor Agreement shall govern and control.

[Signature Page Follows]

EXHIBIT L

GOBP HOLDINGS, INC.

By: _____

Name:
Title:

EXHIBIT L

FORM OF PERFECTION CERTIFICATE

Attached.

PERFECTION CERTIFICATE

Reference is made to (a) the First Lien Credit Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Credit Agreement"), by and among Globe Intermediate Corp., ("Holdings"), GOBP Holdings, Inc. (the "Borrower"), the lenders from time to time parties thereto (each a "First Lien Lender" and, collectively, the "First Lien Lenders"), Morgan Stanley Senior Funding, Inc., as the Administrative Agent (in such capacity, the "First Lien Administrative Agent"), Collateral Agent (in such capacity, the "First Lien Collateral Agent") and Swingline Lender, and the other parties thereto; (b) the First Lien Security Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Security Agreement"), by and among Holdings, the Borrower, the First Lien Collateral Agent and each of the subsidiaries of the Borrower from time to time party thereto; (c) the First Lien Pledge Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Pledge Agreement" and together with the Security Agreement, the "First Lien Collateral Documents"), by and among Holdings, the Borrower, the First Lien Collateral Agent and each of the subsidiaries of the Borrower from time to time party thereto; (d) the Second Lien Credit Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Second Lien Credit Agreement" and together with the First Lien Credit Agreement, the "Credit Agreements"), by and among Holdings, the Borrower, the lenders from time to time parties thereto (each a "Second Lien Lender" and, collectively, the "Second Lien Lenders"), Morgan Stanley Senior Funding, Inc., as the Administrative Agent (in such capacity, the "Second Lien Administrative Agent") and Collateral Agent (in such capacity, the "Second Lien Collateral Agent" and together with the First Lien Collateral Agent, the "Collateral Agents"), and the other agents party thereto; (e) the Second Lien Security Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Second Lien Security Agreement" and together with the First Lien Security Agreement, the "Security Agreements"), by and among Holdings, the Borrower, the Second Lien Collateral Agent and each of the subsidiaries of the Borrower from time to time party thereto and (f) the Second Lien Pledge Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Second Lien Pledge Agreement" and together with the Second Lien Security Agreement, the "Second Lien Collateral Documents" and together with the First Lien Collateral Documents, the "Collateral Documents"), by and among Holdings, the Borrower, the Second Lien Collateral Agent and each of the subsidiaries of the Borrower from time to time party thereto.

Capitalized terms used but not defined herein have the meanings assigned in the Credit Agreements or the Security Agreements, as applicable.

The undersigned Authorized Officer of the Borrower hereby certifies to the Collateral Agents and each other Secured Party, solely in respect of Holdings, the Borrower and each of its Subsidiary Guarantors party to each Collateral Document (each party a "Grantor"), as follows:

1. Names.

(a) The exact legal name of each Grantor, as such name appears in its respective Organizational Documents, and the type of organization of each Grantor is as listed in Schedule 1(a) attached hereto.

(b) Set forth in Schedule 1(b) attached hereto is each other legal name each Grantor has had or used on any filings with the Internal Revenue Service at any time within the in the past five years, together with the date of the relevant change.

(c) Except as set forth in Schedule 1(c) attached hereto, no Grantor has become successor by merger, consolidation, or acquisition to any other business or organization in the preceding five years, in each case to the extent such merger, consolidation or acquisition exceeded $10,000.000. If any such merger, consolidation, or acquisition or any other change in the form, nature or jurisdiction of organization has occurred, include in Schedule 1(c) the information required by Sections 1(a) and 2(b) of this certificate as to each acquiree or constituent party to a merger or consolidation, as applicable.

(d) Set forth in Schedule 1(d) attached hereto is the Organizational Identification Number, if any, issued by the jurisdiction of organization of each Grantor that is a registered organization.

(e) Set forth in Schedule 1(e) attached hereto is the Federal Taxpayer Identification Number of each Grantor.

2. Current Locations.

(a) The chief executive office of each Grantor is located at the address set forth opposite its name in Schedule 2(a) attached hereto. None of the Borrower or any Grantor has changed its chief executive office within the past five (5) years, except that the Borrower, GOBP Midco, Inc. and Grocery Outlet Inc. each changed the address of its chief executive office from 2000 Fifth Street, Berkeley, California 94710 to the address listed in Schedule 2(a) within the past five (5) years.

(b) The jurisdiction of organization of each Grantor that is a registered organization is set forth opposite its name in Schedule 2(b) attached hereto.

3. Unusual Transactions. All Accounts have been originated by the Grantors and all assets with a value in excess of $10,000,000 have been acquired in the ordinary course of business from a person in the business of selling goods of that kind except to the extent listed on Schedule 3 hereto.

4. File Search Reports. File search reports have been obtained from (i) the Uniform Commercial Code filing office of the jurisdiction of organization of each Grantor and each entity merged into such Grantor as described on Schedule 1(c) hereto and (ii) each local jurisdiction listed in Schedule 2(a) hereof with respect to judgment liens and tax liens, and such search reports reflect no liens against any of the Collateral other than those permitted under each Credit Agreement or which shall be terminated on the Closing Date as set forth in Section 7 hereof.

5. UCC Filings; PPSA/RPMRR Filings. Financing statements (duly authorized by each Grantor constituting the debtor therein) in substantially the form of Schedule 5 hereto have been prepared by counsel to the Collateral Agent in the appropriate form for filing in the proper Uniform Commercial Code filing office in the jurisdiction in which each Grantor is organized, in each case as set forth with respect to such Grantor in Section 2(b) hereof.

6. Schedule of Filings. Attached hereto as Schedule 6 is a schedule setting forth, with respect to the filings described in Section 5 above, the filing office in which such filing is to be made.

7. Termination Statements. Attached hereto as Schedule 7(a) are the duly authorized termination statements in the appropriate form for filing in each applicable jurisdiction identified in Schedule 7(b) hereto with respect to each Lien described therein.

8. Stock Ownership and Other Equity Interests. Attached hereto as Schedule 8 is a true and correct list of all the issued and outstanding Capital Stock owned by each Grantor that is required to be pledged under the Pledge Agreements and the record and beneficial owners of such Capital Stock, and the percentage ownership of each other equity investment held by each Grantor that represents more than 50% of the equity of the entity in which such investment was made.

9. Debt Instruments. Except with respect to intercompany indebtedness owed by Holdings, the Borrower or a Restricted Subsidiary, attached hereto as Schedule 9 is a true and correct list of all promissory notes, instruments, tangible chattel paper, electronic chattel paper and other evidence of indebtedness (other than checks to be deposited in the ordinary course of business) in a principal amount in excess of $10,000,000 (individually) held by each Grantor that are required to be pledged under any Collateral Document. All intercompany indebtedness owed by Holdings, the Borrower and each Restricted Subsidiary as of the Closing Date is evidenced by the Intercompany Note.

10. Advances. Attached hereto as Schedule 10 is a true and correct list of all advances in respect of Indebtedness made by any Grantor to Holdings, the Borrower or any of their respective Subsidiaries in excess of $10,000,000 in aggregate principal amount (other than those identified on Schedule 9), which advances will be on and after the date hereof evidenced by the Intercompany Note pledged to the Collateral Agent under the Security Agreements.

11. Intellectual Property.

(a) Attached hereto as Schedule 11(A) in proper form for filing with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, is a true and correct list of all of each Grantor's United States (i) federal issued Patents and pending Patent applications, (ii) Trademark registrations and pending Trademark applications and (iii) Copyright registrations (collectively, the "Registered Intellectual Property"), in each case owned in whole or in part by a Grantor as of the date hereof, indicating for each such item, as applicable, the title, application and/or registration number, and the identity of the current applicant or registered owner.

(b) Attached hereto as Schedule 11(B) is a true and correct list of all of each Grantor's IP Agreements which accounted for aggregate revenue to the Borrower or any of its Subsidiaries of more than $10,000,000 during the Borrower's most recent fiscal year (other than non-exclusive license agreements or licenses of commercially available off-the-shelf software) in which a Grantor is, as of the date hereof, the exclusive licensee of any United States Patent, Patent Application, Trademark registration, Trademark application, or Copyright registration (collectively, the "Exclusive IP Agreements"), indicating for each such Exclusive IP Agreement the parties and date, as well as the registration number, date of registration and identity of the registered owner of the Patent, Trademark or Copyright registration licensed thereunder.

12. Commercial Tort Claims.

Attached hereto as Schedule 12 is a true and correct list of all Commercial Tort Claims in excess of $10,000,000 held by each Grantor, including a brief description thereof.

13. Real Property.

Attached hereto as Schedule 13 is a list of all real property owned by each Grantor that (i) is located in the United States as of the Closing Date and (ii) has a Fair Market Value (on a per property basis) of at least $10,000,000.

14. Letter of Credit Rights.

Attached hereto as Schedule 14 is a list of all Letters of Credit (other than supporting obligations with respect to any of the Collateral) with a face value in excess of $10,000,000 issued in favor of the Borrower or any Grantor, as a beneficiary thereunder.

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IN WITNESS WHEREOF, the undersigned have duly executed this certificate as of the date first above written.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

[Signature Page to Perfection Certificate]

Schedule 1(a)*

Legal Name of Each Grantor and Type of Organization

Grantor	Type of Organization
Globe Intermediate Corp.	Corporation
GOBP Holdings, Inc.	Corporation
GOBP Midco, Inc.	Corporation
Grocery Outlet Inc.	Corporation
Amelia's, LLC	Limited liability company

* All schedules are prepared after giving effect to the Transactions, unless otherwise noted.

Schedule 1(b)

Other Legal Names

Grantor	Other Legal Names
Globe Intermediate Corp.	Cannery Sales Intermediate Corp.
GOBP Holdings, Inc.	None
GOBP Midco, Inc.	None
Grocery Outlet Inc.	None
Amelia's, LLC	None

Schedule 1(c)

Changes in Identity or Corporate Structure

Date	Change
10/7/2014	Globe Merger Corp. merged into GOBP Holdings, Inc.

Schedule 1(d)

Organizational Identification Number

Grantor	Organizational Identification Number
Globe Intermediate Corp.	5601808
GOBP Holdings, Inc.	4735740
GOBP Midco, Inc.	4741999
Grocery Outlet Inc.	C0418678
Amelia’s, LLC	5060815

Schedule 1(e)

Federal Taxpayer Identification Number

Grantor	Federal Taxpayer Identification Number
Globe Intermediate Corp.	32-0448965
GOBP Holdings, Inc.	27-1200482
GOBP Midco, Inc.	27-1200209
Grocery Outlet Inc.	94-1513561
Amelia’s, LLC	32-0358070

Schedule 2(a)

Chief Executive Office

Grantor	Mailing Address	County	State	Country
Globe Intermediate Corp.	5650 Hollis Street, Emeryville, CA 94608	Alameda	CA	USA
GOBP Holdings, Inc.	5650 Hollis Street, Emeryville, CA 94608	Alameda	CA	USA
GOBP Midco, Inc.	5650 Hollis Street, Emeryville, CA 94608	Alameda	CA	USA
Grocery Outlet Inc.	5650 Hollis Street, Emeryville, CA 94608	Alameda	CA	USA
Amelia’s, LLC	43 Graybill Road, Leola, PA 17540	Lancaster	PA	USA

Schedule 2(b)

Jurisdiction of Organization

Grantor	Jurisdiction of Organization
Globe Intermediate Corp.	Delaware
GOBP Holdings, Inc.	Delaware
GOBP Midco, Inc.	Delaware
Grocery Outlet Inc.	California
Amelia's, LLC	Delaware

Schedule 3

Transactions Other Than in the Ordinary Course of Business

None.

Schedule 5

Financing Statements

Schedule 6

Uniform Commercial Code Filings

Debtor	Filing Jurisdiction
Globe Intermediate Corp.	Delaware
GOBP Holdings, Inc.	Delaware
GOBP Midco, Inc.	Delaware
Grocery Outlet Inc.	California
Amelia's, LLC	Delaware

Schedule 7(a)

Termination Statements

[See attached]

Schedule 7(b)

Uniform Commercial Code Terminations

Debtor	Filing Jurisdiction
UCC Termination Statements	California Delaware
IP Releases	United States Patent and Trademark Office, United States Copyright Office

Schedule 8

Stock Ownership and Other Equity Interests

Pledgor/ Record & Beneficial Owner	Issuing Entity	Class of Issued Stock/Units	Certificate Nos. of Issued Shares/Units	Number of Shares/Units Issued & Percentage of Class
Globe Intermediate Corp.	GOBP Holdings, Inc.	(i) Common Stock (ii) Series A Preferred	N/A	N/A
GOBP Holdings, Inc.	GOBP Midco, Inc.	Common Stock	CS-1	1,000
GOBP Midco, Inc.	Grocery Outlet Inc.	Series A Voting Common Stock	No. 21	1,000
Grocery Outlet Inc.	Amelia's, LLC	Membership Units	No. 2	100

Schedule 9

Debt Instruments

None.

Schedule 10

Advances

Intercompany Loan Agreement (On Loan Agreement), dated as of October 7, 2014, by and among GOBP Holdings, Inc. and Grocery Outlet Inc.

Schedule 11(A)

Registered Intellectual Property

A. COPYRIGHTS AND COPYRIGHT APPLICATIONS

Copyright (Work)	Reg. No.	Owner
Ben Saven (Frugal Friends)	VA0001816784	Grocery Outlet Inc.
Doug (Frugal Friends)	VA0001816783	Grocery Outlet Inc.
Lois Prices (Frugal Friends)	VA0001816782	Grocery Outlet Inc.
Tammy Underspend (Frugal Friends)	VA0001816786	Grocery Outlet Inc.
WOW! Bottlenecker.	VA0001795425	Grocery Outlet Inc.

B. PATENTS AND PATENT APPLICATIONS

None.

C. TRADEMARK REGISTRATIONS AND TRADEMARK APPLICATIONS

Trademark[1]	App. No.	Trademark No.	Owner
AMELIA'S	85509370	4190703	Grocery Outlet Inc.
AMELIA'S GROCERY OUTLET	85509375	4205087	Grocery Outlet Inc.
BARGAIN MINUTE	85808393	4518765	Grocery Outlet Inc.
BARGAINOMICS	87213160	5313378	Grocery Outlet, Inc.
BARGAINS ON BRANDS YOU TRUST!	78424125	2964247	Grocery Outlet Inc.
BEN SAVEN	85597891	4249974	Grocery Outlet Inc.
BIG BRANDS. LITTLE PRICES.	85505693	4190431	Grocery Outlet Inc.
CANNED FOODS GROCERY OUTLETS	77699947	3701241	Grocery Outlet Inc.
DOUG	85597895	4249975	Grocery Outlet Inc.
ECO-FRUGAL	77867458	4112260	Grocery Outlet Inc.
FRUGAL FRIENDS	85597910	4245918	Grocery Outlet Inc.

1 Grantors have abandoned the following trademark registrations and make no representations, warranties, or covenants under the First Lien Security Agreement, First Lien Credit Agreement, Second Lien Security Agreement or the Second Lien Credit Agreement with respect to such trademark registrations: Registration No. 4190703 and Registration No. 4205087.

Trademark[1]	App. No.	Trademark No.	Owner
	86135411	4769584	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	86532165	4888093	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	77561753	3604714	Grocery Outlet Inc.
	86032740	4479224	Grocery Outlet Inc.
	87108931	N/A	Grocery Outlet Inc.
GROCERY OUTLET BARGAINS ONLY!	76314254	2715156	Grocery Outlet Inc.
	78143358	2775580	Grocery Outlet Inc.
HARVEST DAY	78832121	3782829	Grocery Outlet, Inc.
HARVEST DAY	87164529	5325344	Grocery Outlet, Inc.
INDEPENDENCE FROM HUNGER	85410590	4135086	Grocery Outlet Inc.
INDEPENDENCE FROM HUNGER	85410597	4135088	Grocery Outlet Inc.
LADY LEE	78831598	3779585	Grocery Outlet, Inc.
LOIS PRICES	85597916	4249976	Grocery Outlet Inc.
NOSH	85128472	4247576	Grocery Outlet Inc.
NOSH	86780435	5067165	Grocery Outlet Inc.
	86795040	5093914	Grocery Outlet Inc.
	86795037	5093913	Grocery Outlet Inc.
OVERSHOP. UNDERSPEND.	77856328	3802978	Grocery Outlet Inc.
TAMMY UNDERSPEND	85597923	4249977	Grocery Outlet Inc.
WOW!	86573220	5306956	Grocery Outlet Inc.
	86578051	5218984	Grocery Outlet Inc.
	87206798	5372725	Grocery Outlet Inc.

Schedule 11(B)

Exclusive IP Agreements

None.

Schedule 12

Commercial Tort Claims

None.

Schedule 13

Real Property

None.

Schedule 14

Letter of Credit Rights

None.

EXHIBIT N
TO THE CREDIT AGREEMENT

FORM OF NOTICE OF PREPAYMENT

[Date]

MORGAN STANLEY SENIOR FUNDING, INC.
as Administrative Agent
1585 Broadway
New York, NY 10036
Tel: (917) 260-0588
Fax: (212) 507-6680
Electronic Mail: AGENCY.BORROWERS@morganstanley.com

Re: GOBP Holdings, Inc. – Second Lien Credit Agreement

Ladies and Gentlemen:

This Notice of Prepayment is delivered to you pursuant to Section 5.1 of the Second Lien Credit Agreement, dated as of [●], 2018 (as the same may be amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), the several Lenders from time to time party thereto and **MORGAN STANLEY SENIOR FUNDING, INC.** (the "Administrative Agent"), as the Administrative Agent and the Collateral Agent.

The undersigned Borrower hereby notifies the Administrative Agent that such Borrower shall prepay Term Loans on , 20 , in aggregate principal amount[s] of [$[ ] of Term Loans outstanding as ABR Loans] [$[ ] of Term Loans outstanding as Eurodollar Loans].

[Signature page follows]

The undersigned Borrower has caused this Notice of Prepayment to be executed and delivered by its duly authorized officer as of the date first written above.

GOBP HOLDINGS, INC.

By: _____
Name:
Title:

EXHIBIT N

Notwithstanding anything herein to the contrary, (i) the liens and security interests granted to the Collateral Agent pursuant to this Agreement are expressly subject and subordinate to the liens and security interests granted in favor of the Senior Priority Secured Parties (as defined in the First Lien/Second Lien Intercreditor Agreement referred to below), including liens and security interests granted to MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent, pursuant to or in connection with the First Lien Credit Agreement dated as of the date hereof (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), among Holdings, the Borrower, the several lenders from time to time party thereto, the letter of credit issuers from time to time party thereto, MORGAN STANLEY SENIOR FUNDING, INC., as the administrative agent, the collateral agent and the swingline lender, and the other parties thereto and (ii) the exercise of any right or remedy by the Collateral Agent or any other secured party hereunder is subject to the limitations and provisions of the First Lien/Second Lien Intercreditor Agreement, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien/Second Lien Intercreditor Agreement"), among Holdings, the Borrower, certain of its affiliated entities party thereto, MORGAN STANLEY SENIOR FUNDING, INC., as First Lien Administrative Agent, and MORGAN STANLEY SENIOR FUNDING, INC. as Second Lien Administrative Agent. In the event of any conflict between the terms of the First Lien/Second Lien Intercreditor Agreement and the terms of this Agreement, the terms of the First Lien/Second Lien Intercreditor Agreement shall govern.

SECOND LIEN SECURITY AGREEMENT

SECOND LIEN SECURITY AGREEMENT, dated as of October 22, 2018 (this "Agreement"), among **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"), **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), each of the subsidiaries of the Borrower listed on Annex A hereto or that becomes a party hereto pursuant to Section 7.13 (each such subsidiary, individually, a "Subsidiary Grantor" and, collectively, the "Subsidiary Grantors"; and, together with Holdings and the Borrower, collectively, the "Grantors"), and **MORGAN STANLEY SENIOR FUNDING, INC.**, as collateral agent for the Second Lien Secured Parties (as defined below) (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Collateral Agent").

W I T N E S S E T H:

WHEREAS, (a) Holdings and the Borrower are parties to that certain Second Lien Credit Agreement, dated as of the date hereof (the "Second Lien Credit Agreement"), with the several Lenders from time to time party thereto and MORGAN STANLEY SENIOR FUNDING, INC., as the Administrative Agent and the Collateral Agent, pursuant to which the Lenders have severally agreed to make Loans to the Borrower upon the terms and subject to the conditions set forth therein, (b) one or more Hedge Banks may from time to time enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary, (c) one or more Cash Management Banks may from time to time provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary and (d) the Credit Parties may incur Additional Second Lien Obligations (as defined below) from time to time to the extent permitted by the Second Lien Credit Agreement and each Additional Second Lien Agreement (as defined below) (clauses (a), (b), (c) and (d), collectively, the "Extensions of Credit");

WHEREAS, pursuant to the Second Lien Guarantee, dated as of the date hereof (the "Second Lien Guarantee"), each Grantor (other than the Borrower in respect of its own obligations) has agreed to guarantee to the Collateral Agent, for the benefit of the Second Lien Secured Parties, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Second Lien Obligations;

WHEREAS, Holdings, the Borrower (other than in respect of its own obligations) and each of the Subsidiary Grantors may also unconditionally and irrevocably guaranty, as primary obligors and not merely as sureties, for the benefit of the Second Lien Secured Parties under any Additional Second Lien Agreements, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Additional Second Lien Obligations;

WHEREAS, Holdings is an affiliate of the Borrower and each Subsidiary Grantor is a Subsidiary of the Borrower;

WHEREAS, the proceeds of the Extensions of Credit will be used in part to pay the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and for other general corporate purposes of the Borrower and its subsidiaries;

WHEREAS, it is a condition precedent to the obligations of the Lenders to make their respective Extensions of Credit to the Borrower under the Second Lien Credit Agreement that the Grantors shall have executed and delivered this Agreement to the Collateral Agent, for the benefit of the Second Lien Secured Parties; and

WHEREAS, the Grantors acknowledge that they will derive substantial direct and indirect benefit from the Extensions of Credit and have agreed to secure their obligations with respect thereto pursuant to this Agreement, on a second priority basis (subject to Liens permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreement).

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and to induce the Agents and the Lenders to enter into the Second Lien Credit Agreement and to induce the Lenders to make their respective Extensions of Credit to the Borrower under the Second Lien Credit Agreement, to induce the holders of any Additional Second Lien Obligations to make their advances under the applicable Additional Second Lien Agreement, to induce one or more Hedge Banks to enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary and to induce one or more Cash Management Banks to provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary, the Grantors hereby agree with the Collateral Agent, for the benefit of the Second Lien Secured Parties, as follows:

1. Defined Terms.

(a) (i) Unless otherwise defined herein, terms defined in the Second Lien Credit Agreement and used herein (including terms used in the preamble and the recitals) shall have the meanings given to them in the Second Lien Credit Agreement and (ii) all terms defined in the Uniform Commercial Code from time to time in effect in the State of New York (the "NY UCC") and used but not defined herein or in the Second Lien Credit Agreement shall have the meanings specified therein (and if defined in more than one article of the NY UCC, shall have the meaning specified in Article 9 thereof).

(b) The rules of construction and other interpretive provisions specified in Sections 1.2, 1.5, 1.6, 1.7, 1.8 and 1.11 of the Second Lien Credit Agreement shall apply to this Agreement, including terms defined in the preamble and recitals to this Agreement.

(c) The following terms shall have the following meanings:

"Additional Second Lien Agreement" shall mean any indenture, credit agreement, loan agreement, note purchase agreement or other document, instrument or agreement, if any, pursuant to which any Grantor has or will Incur Additional Second Lien Obligations as permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreement then in effect; provided that, in each case, the Indebtedness thereunder has been designated as Additional Second Lien Obligations pursuant to and in accordance with Section 7.16.

"Additional Second Lien Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Grantor arising under any Additional Second Lien Agreement relating to Indebtedness Incurred by, or provided to, the Borrower and/or any other Credit Party including, without limitation, Permitted Additional Debt Obligations and Permitted Equal Priority Refinancing Debt in respect of the Obligations, 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 Grantor of any proceeding under any Debtor Relief Law naming such Person as the debtor in such proceeding (or that would accrue but for the operation of applicable Debtor Relief Law), regardless of whether such interest and fees are allowed claims in such proceeding, in each case, that have been designated as Additional Second Lien Obligations pursuant to and in accordance with Section 7.16.

"Additional Secured Party Consent" shall mean a consent in the form of Exhibit 3 to this Agreement.

"After-Acquired Intellectual Property Collateral" shall have the meaning assigned to such term in Section 4.1(c).

"Agreement" shall have the meaning assigned to such term in the preamble to this Agreement.

"Authorized Representative" shall mean (a) the Administrative Agent with respect to the Second Lien Credit Agreement and (b) any duly authorized agent, trustee or representative of any other Second Lien Secured Party under Additional Second Lien Agreements designated as "Authorized Representative" for any Second Lien Secured Party in an Additional Secured Party Consent delivered to the Collateral Agent.

"Collateral" shall have the meaning assigned to such term in Section 2.

"Collateral Account" shall mean any collateral account established by the Collateral Agent as provided in Section 5.1(b).

"Collateral Agent" shall have the meaning assigned to such term in the preamble to this Agreement.

"Control" shall mean in the case of any Deposit Account, "control," as such term is defined in Section 9-104 of the NY UCC.

"Copyrights" shall mean all (a) copyrights, rights in works of authorship, mask works and integrated circuit designs and other rights subject to the copyright laws of the United States, or of any other country or any group of countries, including copyrights and other rights in Software, data, databases, Internet web sites and the proprietary content thereof, (b) registrations, renewals, rights of reversion, extensions, supplemental registrations, recordings and applications

for registration of any of the foregoing in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, and (c) rights to obtain all renewals, reversions and extensions thereof.

"Credit Party" shall mean the Borrower, Holdings, the Subsidiary Grantors and each other Subsidiary of the Borrower that is a party to the Second Lien Credit Agreement, any other Credit Document or any Additional Second Lien Agreement.

"Default" or "Event of Default" shall mean a "default" or "event of default" under the Second Lien Credit Agreement or under any Additional Second Lien Agreement.

"Equipment" shall mean all "equipment," as such term is defined in Article 9 of the NY UCC, now or hereafter owned by any Grantor or to which any Grantor has rights and, in any event, shall include all machinery, equipment, furnishings, movable trade fixtures and vehicles now or hereafter owned by any Grantor or to which any Grantor has rights and any and all additions, substitutions and replacements of any of the foregoing, wherever located, together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto.

"Excluded Property" shall mean (a) (i) any fee owned real property that is not Material Real Property and (ii) all real property leasehold interests (including requirements to deliver landlord lien waivers, estoppels and collateral access letters), (b) any Subject Property, (c) any property included in the definition of "Collateral" in the Second Lien Pledge Agreement, (d) any Excluded Capital Stock, (e) any property with respect to which the Collateral Agent and the Borrower reasonably agree in writing that the costs or other consequences of granting or perfecting a security interest therein is excessive in view of the benefits to be obtained by the Second Lien Secured Parties therefrom (it being understood that prior to the First Lien Termination Date, the judgment of the First Lien Collateral Agent in respect of the matters described in this clause (e) shall be deemed to be the judgment of the Collateral Agent with respect to such matters), (f) any "intent-to-use" trademark application filed with the United States Patent and Trademark Office prior to the filing and acceptance of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, (g) any cash, Cash Equivalents, Deposit Accounts, Securities Accounts (including securities entitlements and related assets) or Commodity Accounts (but, in each case, not including cash or Cash Equivalents representing the proceeds of assets otherwise constituting Collateral), in each case, other than any Collateral Account, (h) any Capital Stock of any Immaterial Subsidiary or Special Purpose Subsidiary, (i) any motor vehicles, aircraft, aircraft engines and other assets subject to certificates of title where perfection may not be obtained solely by the filing of a UCC financing statement and (j) and any property to the extent a security interest in such property would result in material adverse tax consequences to the Borrower or any Subsidiary of the Borrower as reasonably determined by the Borrower in consultation with (but without requiring the consent of) the Collateral Agent; provided, however, that Excluded Property shall not include any Proceeds, substitutions or replacements of any property referred to in clauses (a) through (j) above (unless such Proceeds, substitutions or replacements would constitute Excluded Property referred to in clauses (a) through (j) above).

"Extensions of Credit" shall have the meaning assigned to such term in the recitals to this Agreement.

"First Lien Collateral Agent" shall mean the "Collateral Agent" as defined in the First Lien Credit Agreement.

"First Lien Security Agreement" shall mean the "Security Agreement" as defined in the First Lien Credit Agreement.

"First Lien Termination Date" shall mean the "Termination Date" as defined in the First Lien Security Agreement.

"General Intangibles" shall mean all "general intangibles" as such term is defined in Article 9 of the NY UCC and, in any event, including with respect to any Grantor, all contracts, agreements, instruments and indentures in any form, and portions thereof, to which such Grantor is a party or under which such Grantor has any right, title or interest or to which such Grantor or any property of such Grantor is subject, as the same may from time to time be amended, restated, supplemented, amended and restated or otherwise modified, including (a) all rights of such Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (b) all rights of such Grantor to receive proceeds of any insurance, indemnity, warranty or guarantee with respect thereto, (c) all claims of such Grantor for damages arising out of any breach of or default thereunder and (d) all rights of such Grantor to terminate, amend, supplement, modify or exercise rights or options thereunder, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder.

"Grantors" shall have the meaning assigned to such term in the preamble to this Agreement.

"Intellectual Property" shall mean any and all intellectual property and all rights therein, including Trade Secrets, Copyrights, Patents, Trademarks and IP Agreements, and all rights to sue at law or in equity for any past, present, or future infringement, misappropriation, dilution, violation, misuse or other impairment thereof or unfair competition therewith, including the right to receive and collect injunctive or other equitable relief and damages and compensation, and all rights to receive and collect Proceeds therefrom.

"Intellectual Property Collateral" shall mean the Collateral constituting Intellectual Property, including the U.S. Recordable Intellectual Property set forth in Schedule 1 hereto.

"Intellectual Property Security Agreement" shall have the meaning assigned to such term in Section 4.4(e).

"IP Agreements" shall mean any and all written agreements, contracts, permits, consents, orders and franchises, now or hereafter in effect, to which any Grantor, now or hereafter, is a party, relating to the license, sublicense, development, use, manufacture, disclosure, or distribution of any Intellectual Property.

"NY UCC" shall have the meaning assigned to such term in Section 1(a)(ii).

"Patents" shall mean all (a) patents, statutory invention registrations, certificates of invention, industrial designs and utility models, and all pending applications of the foregoing, (b) provisionals, reissues, reexaminations, continuations, divisionals, continuations-in-part, renewals or extensions thereof and (c) the inventions, discoveries and designs disclosed or claimed therein and all improvements thereto, including the right to make, use and/or sell the inventions, discoveries and designs disclosed or claimed therein.

"Proceeds" shall mean all "proceeds" as such term is defined in Article 9 of the NY UCC and, in any event, shall include with respect to any Grantor, any consideration received from the sale, exchange, license, lease or other Disposition of any asset or property that constitutes Collateral, any value received as a consequence of the possession of any Collateral and any payment received from any insurer or other Person as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property that constitutes Collateral, and shall include (a) all cash and negotiable instruments received by or held on behalf of the Collateral Agent, (b) any claim of any Grantor against any third party for (and the right to sue and recover for and the rights to damages or profits due or accrued arising out of or in connection with) (i) past, present or future infringement, misappropriation, dilution, violation, misuse or other impairment or unfair competition, where applicable, of any Patent, Trademark, Copyright or Trade Secret, now or hereafter owned by any Grantor, or licensed to any Grantor under an IP Agreement or injury to the goodwill associated with or symbolized by any Trademark now or hereafter owned by any Grantor, and (ii) past, present or future breach of any IP Agreement and (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Second Lien Credit Agreement" shall have the meaning assigned to such term in the recitals to this Agreement.

"Second Lien Guarantee" shall have the meaning assigned to such term in the recitals to this Agreement.

"Second Lien Secured Parties" shall mean, collectively, the Secured Parties (as defined in the Second Lien Credit Agreement) and, if any, the holders of Additional Second Lien Obligations and any Authorized Representative with respect thereto.

"Second Lien Obligations" shall mean, collectively, the Obligations and any Additional Second Lien Obligations.

"Secured Debt Documents" shall mean, collectively, the Credit Documents, each Secured Hedging Agreement entered into with a Hedge Bank and each Secured Cash Management Agreement entered into with a Cash Management Bank.

"Securities Account" shall mean all "securities accounts," as such term is defined in Article 8 of the NY UCC.

"Security Interest" shall have the meaning assigned to such term in Section 2(a).

"Software" shall mean all "software," as such term is defined in Article 9 of the NY UCC, and shall further include all source code, object code, processes, algorithms, methods, data structures, interfaces and documentation related thereto.

"Subject Property" shall have the meaning assigned to such term in the proviso to Section 2(a).

"Subsidiary Grantor" shall have the meaning assigned to such term in the preamble to this Agreement.

"Termination Date" shall mean the date on which all Second Lien Obligations (other than (i) Hedging Obligations in respect of any Secured Hedging Agreements, (ii) Cash

Management Obligations in respect of any Secured Cash Management Agreements and (iii) any contingent obligations or other contingent indemnification obligations not then due and payable) have been paid in full and all Commitments have terminated or expired.

"Trademarks" shall mean all United States (a) trademarks, service marks, domain names, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, slogans, other source or business identifiers, now existing or hereafter adopted or acquired, whether registered or unregistered, and all registrations, recordings and applications for registration filed in connection with the foregoing, including registrations, recordings and applications for registration in the United States Patent and Trademark Office or any similar offices in any State of the United States or any political subdivision thereof, and all common-law rights related thereto, (b) all goodwill associated therewith or symbolized thereby and (c) all extensions or renewals thereof.

"Trade Secrets" shall mean all confidential and proprietary information, including technology, know-how, trade secrets, manufacturing and production processes and techniques, inventions, research and development information, databases and data, including, without limitation, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information, in each case, to the extent arising under applicable Law.

"Uniform Commercial Code" shall mean the Uniform Commercial Code as in effect from time to time (except as otherwise specified) in any applicable state or jurisdiction.

"U.S. Recordable Intellectual Property" shall have the meaning set forth in Section 3.2.

"U.S. Registered Intellectual Property" shall have the meaning set forth in Section 3.2.

"Vehicles" shall mean all cars, trucks, trailers, and other vehicles covered by a certificate of title law of any state or other jurisdiction and all tires and other appurtenances to any of the foregoing.

(d) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant part thereof.

2. Grant of Security Interest.

(a) As security for the prompt and complete payment when due (whether at the stated maturity, by acceleration or otherwise) of the Second Lien Obligations, each Grantor hereby transfers, assigns and pledges to the Collateral Agent, for the benefit of the Second Lien Secured Parties, and hereby grants to the Collateral Agent, for the benefit of the Second Lien Secured Parties, a security interest in and continuing lien on (the "Security Interest") all of such Grantor's right, title and interest in (subject only to Liens permitted under each of the Second Lien Credit Agreement and any Additional Second Lien Agreement) and to all of the following assets and properties, whether now owned or existing or hereafter acquired or existing or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"):

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Commercial Tort Claims described in Schedule 2 to this Agreement;

(iv) all Documents;

(v) all Equipment;

(vi) all Fixtures;

(vii) all General Intangibles;

(viii) all Goods;

(ix) all Instruments;

(x) all Intellectual Property;

(xi) all Inventory;

(xii) all Investment Property;

(xiii) all letters of credit and Letter-of-Credit Rights;

(xiv) all Supporting Obligations;

(xv) such Grantor's ownership interest in (1) any Collateral Account, (2) all cash held in a Collateral Account and (3) all money that was withdrawn by the Collateral Agent from the Collateral Account or deposited by the Borrower with the Collateral Agent, in each case, pending prompt payment to Lenders;

(xvi) all books and records pertaining to the Collateral; and

(xvii) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to the foregoing;

provided, however, that notwithstanding any other provision of this Agreement:

(A) this Agreement shall not constitute a grant of a security interest in or Lien on (1) any property to the extent that such grant of a security interest in or Lien on such property is prohibited by any Applicable Law or requires a consent not obtained of any Governmental Authority pursuant to any Applicable Law, (2) any contract, license, lease, agreement, permit, instrument, security or franchise agreement or other document (a "Contract") to which any Grantor is a party or any asset, right or property (including any property that is subject to a Lien permitted pursuant to the following clauses of Section 10.2 of the Second Lien Credit Agreement: (c), (d), (e) (but only as it relates to clauses (c), (d) or (f) of Section 10.2 of the Second Lien Credit Agreement), (f), (p), or (ff)) (and accessions and additions to such assets, rights or property, replacements and products thereof and customary security deposits, related contract rights and payment intangibles) of a Grantor that is subject to a purchase money security interest, Financing Lease Obligation, similar arrangement or Contract and any of its rights or interests thereunder, in each case only to the extent and for so long as the grant of such security interest or Lien in such Contract or such asset, right or property is prohibited by or

constitutes or results or would constitute or result in the invalidation, violation, breach, default, forfeiture or unenforceability of any right, title or interest of such Grantor under such Contract or purchase money, capital lease or similar arrangement or Contract or creates or would create a right of termination in favor of any other party thereto (other than Holdings, the Borrower or any wholly owned Restricted Subsidiary of the Borrower), or requires consent not obtained of any third party (it being understood and agreed that no Grantor or Restricted Subsidiary shall be required to seek any such consent), after giving effect to the applicable anti-assignment clauses of the Uniform Commercial Code and Applicable Laws, other than the Proceeds thereof the assignment of which is expressly deemed effective under the Uniform Commercial Code or any similar Applicable Laws notwithstanding such prohibition, (3) any Governmental Authority licenses or state or local Governmental Authority franchises, charters or authorizations, to the extent the grant of a security interest in any such licenses, franchise, charter or authorization would be prohibited or restricted by such license, franchise, charter or authorization or (4) any property to the extent that such grant of a security interest would result in the forfeiture of the Grantor's rights in the property (including any legally effective prohibition or restriction) (the property described in any of clauses (1), (2), (3) or (4), collectively the "Subject Property"); provided, however, that the foregoing exclusions shall not apply to the extent that any such prohibition, default or other term would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code of any relevant jurisdiction, or any other Applicable Law or principles of equity; and provided, further, that the Security Interest shall attach immediately to any property (or any portion thereof) that would otherwise constitute Collateral but for the operation of clauses (1), (2), (3) or (4) above upon such property (or any portion thereof) ceasing to constitute Subject Property;

(B) the Collateral shall not include any Excluded Property and no Grantor shall be deemed to have granted a Security Interest in any of such Grantor's rights or interests in any Excluded Property; and

(C) notwithstanding anything herein to the contrary, the Grantors shall not be required to take any action intended to cause "Excluded Property" to constitute Collateral (but without limitation of any requirements set forth in clause (i) of the definition of "Excluded Subsidiary").

(b) Each Grantor hereby irrevocably authorizes the Collateral Agent at any time and from time to time to file in any relevant jurisdiction any initial financing statements (including fixture filings) with respect to the Collateral or any part thereof and amendments thereto and continuations thereof that contain the information required by Article 9 of the Uniform Commercial Code of each applicable jurisdiction for the filing of any financing statement or amendment or continuation, including whether such Grantor is an organization, the type of organization and any organizational identification number issued to such Grantor. Such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner such as "all assets" or "all personal property, whether now owned or hereafter acquired" of such Grantor or words of similar effect as being of an equal or lesser scope or with greater detail and in the case of a financing statement filed as a fixture filing or covering the Collateral constituting minerals or the like to be extracted or timber to be cut, a sufficient description of the real property to which such Collateral relates. Each Grantor agrees to provide such information to the Collateral Agent promptly upon request.

Each Grantor also ratifies any authorization previously given in writing to the Collateral Agent to file in any relevant jurisdiction any initial financing statements or amendments thereto or continuations thereof if filed prior to the date hereof.

The Collateral Agent is further authorized to file with the United States Patent and Trademark Office or United States Copyright Office (or any successor office) such documents executed by any Grantor as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing, protecting or providing notice of the Security Interests granted by such Grantor in respect of U.S. Recordable Intellectual Property, executed by such Grantor, and naming the applicable Grantor or the Grantors as debtors and the Collateral Agent as secured party.

This Agreement secures the payment of all the Second Lien Obligations. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts that constitute part of the Second Lien Obligations and would be owed to the Collateral Agent or the Second Lien Secured Parties but for the fact that they are unenforceable or not allowable due to the existence of a proceeding under any Debtor Relief Law involving any Grantor.

The Security Interests created hereby are granted as security only and shall not subject the Collateral Agent or any other Second Lien Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Collateral.

3. Representations and Warranties.

Each Grantor hereby represents and warrants to the Collateral Agent and each other Second Lien Secured Party that:

3.1. Title; No Other Liens. Except for (a) the Security Interest granted to the Collateral Agent, for the benefit of the Second Lien Secured Parties, pursuant to this Agreement and (b) Liens permitted under each of the Second Lien Credit Agreement and any Additional Second Lien Agreements, such Grantor owns each item of the Collateral free and clear of any and all Liens or claims of others and has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of this Agreement and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of this Agreement. To the knowledge of such Grantor, no action or proceeding seeking to limit, cancel or question the validity of such Grantor's ownership interest in the Collateral, that would reasonably be expected to result in a Material Adverse Effect, is pending or threatened. None of the Grantors has filed or consented to the filing of any (x) security agreement, financing statement or analogous document under the Uniform Commercial Code or any other Applicable Laws covering any Collateral, (y) assignment for security in which any Grantor assigns any U.S. Recordable Intellectual Property or any security agreement or similar instrument covering any U.S. Recordable Intellectual Property that is part of the Intellectual Property Collateral with the United States Patent and Trademark Office or the United States Copyright Office, which security agreement, financing statement or similar instrument or assignment is still in effect or (z) assignment for security in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with any foreign governmental, municipal or other office, which financing statement or analogous document, assignment, security agreement or similar instrument is still in effect, except in the case of each of clauses (x), (y) and (z) above, such as (i) have been filed in favor of the Collateral Agent for the benefit of the Second Lien Secured Parties pursuant to this Agreement and the other Credit Documents or (ii) are filed in respect of Liens permitted under each of the Second Lien Credit Agreement and any Additional Second Lien Agreements. For the avoidance of doubt, any reference herein to Liens permitted under each of the Second Lien Credit Agreement and any Additional Second Lien Agreements shall mean only Liens permitted to be outstanding under both the Second Lien Credit Agreement (so long as it is in effect) and any Additional Second Lien Agreement (but only to the extent such agreement exists and is in effect).

3.2. Intellectual Property.

(a) As of the Closing Date, Schedule 1 hereto contains a true and correct list of all (i) United States federal issued patents, pending patent applications, trademark registrations, pending trademark applications and copyright registrations (collectively, the "U.S. Registered Intellectual Property"), owned by each Grantor, and indicating for each such item, as applicable, the application and/or registration number and the identity of the current applicant or registered owner, and (ii) exclusive licenses of third party U.S. Registered Intellectual Property to which a Grantor is an exclusive licensee (together with the U.S. Registered Intellectual Property, the "U.S. Recordable Intellectual Property"), and indicating for each item the name of the agreement, the parties, the date, and a list of any U.S. Registered Intellectual Property exclusively licensed pursuant thereto. Except as set forth on Schedule 1, each Grantor exclusively owns all right, title and interest in and to the U.S. Registered Intellectual Property identified on Schedule 1.

(b) Except as would not reasonably be expected to result in a Material Adverse Effect:

(i) the Intellectual Property Collateral is subsisting, and to such Grantor's knowledge, valid and enforceable and there are no pending or, to such Grantor's knowledge, threatened (in writing) claims challenging the ownership, right to use, validity or enforceability of the Intellectual Property Collateral owned by each Grantor; and

(ii) to such Grantor's knowledge, no Person is engaging in any activity that infringes, misappropriates, dilutes or otherwise violates the Intellectual Property Collateral owned by each Grantor or the Grantor's rights in or use thereof.

3.3. Perfected Security Interests.

(a) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement and the limitations set forth in clause (b) of this Section 3.3, the Second Lien Pledge Agreement and Section 9.11 of the Second Lien Credit Agreement, the Security Interests granted pursuant to this Agreement (i) will constitute legal and valid perfected security interests in the Collateral in favor of the Collateral Agent, for the benefit of the Second Lien Secured Parties, as collateral security for the Second Lien Obligations, upon (A) in the case of Collateral in which a security interest may be perfected by filing a financing statement under the Uniform Commercial Code of any jurisdiction, the filing of financing statements naming each Grantor as "debtor" and the Collateral Agent as "secured party" and describing the Collateral in the applicable filing offices, (B) in the case of Instruments, Tangible Chattel Paper, negotiable Documents and Certificated Securities, the earlier of the delivery thereof to the Collateral Agent (or its agent, designee or bailee) and the filing of the financing statements referred to in clause (A), and/or (C) in the case of U.S. Recordable Intellectual Property that is part of the Intellectual Property Collateral in which a security interest may be perfected by such filings, the filing of the financing statements referred to in clause (A) and the completion of the filing and recordation of fully executed agreements in the form of the Intellectual Property Security Agreement set forth in Exhibit 2 hereto with, as applicable, (x) the United States Patent and Trademark Office or (y) the United States Copyright Office and (ii) are prior to all other Liens on the Collateral other than Liens permitted by each of the First Lien Credit Agreement and any Additional First Lien Agreements or Liens having priority over the Collateral Agent's Lien by operation of Applicable Law. No Grantor shall be required to complete any filings or otherwise take any action with respect to the perfection of the Security Interests created hereby in any jurisdiction outside of the United States or incur or reimburse any expense in connection therewith.

(b) Notwithstanding anything to the contrary herein, no Grantor shall be required to perfect the Security Interests created hereby by any means other than (i) filings pursuant to the Uniform Commercial Code, (ii) filings with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, with respect to U.S. Recordable Intellectual Property, (iii) in the case of Collateral that constitutes Tangible Chattel Paper, Instruments, negotiable Documents or Certificated Securities, in each case, to the extent included in the Collateral and required by Section 4.5, delivery to the Collateral Agent (or its agent, designee or bailee) to be held in its possession in the United States and (iv) in the case of Collateral that constitutes Commercial Tort Claims taking the actions specified by Section 4.1(d). No Grantor shall be required to (1) (x) enter into any security agreements governed under foreign law or (y) complete any filings or take any other actions in any foreign jurisdiction or required by foreign law to create any security interest in Collateral located or titled outside the United States or to perfect or make enforceable any Security Interest in any foreign jurisdiction or required by foreign law, (2) except as described in clauses (iii) and (iv) above, take actions to perfect by Control, including delivering control agreements with respect to Deposit Accounts, Securities Accounts or Commodity Accounts, (3) take any perfection actions with respect to (x) Letter of Credit Rights, except to the extent constituting Supporting Obligations of other Collateral as to which perfection is accomplished by the filing of a Uniform Commercial Code financing statement or equivalent (it being understood that no actions shall be required to perfect a security interest in Letter of Credit Rights, other than the filing of a Uniform Commercial Code financing statement or equivalent) and (y) Vehicles and other assets subject to certificates of title or (4) deliver Certificated Securities, if any, representing or evidencing the Securities of an Immaterial Subsidiary or Special Purpose Subsidiary or of any Person that is not a Subsidiary.

(c) It is understood and agreed that the Security Interests created hereby shall not prevent the Grantors from using the Collateral in the ordinary course of their respective businesses or as otherwise permitted by the Second Lien Credit Agreement and any Additional Second Lien Agreements.

(d) The Perfection Certificate has been duly prepared, completed and executed and the information set forth therein (including, without limitation, (i) the exact legal name of each Grantor and (ii) the jurisdiction of organization of each Grantor) is correct and complete in all material respects as of the Closing Date.

4. Covenants.

Each Grantor hereby covenants and agrees with the Collateral Agent and the other Second Lien Secured Parties that, from and after the date of this Agreement until the Termination Date:

4.1. Maintenance of Perfected Security Interest; Further Documentation.

(a) Such Grantor shall (i) maintain the Security Interests created hereby as perfected second priority security interests (subject to Section 3.3(b) and to any Lien permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreements) unless such Security Interests cease to be perfected second priority security interests (x) as a result of a release of Collateral permitted under Section 13.17 of the Second Lien Credit Agreement or (y) as a result of the Collateral Agent's (or its agent's, designee's or bailee's) failure to (1) maintain possession of any Tangible Chattel Paper, Instruments or Certificated Securities delivered to it under the Security Documents or (2) file and maintain proper Uniform Commercial Code statements (including continuation statements) and (ii) subject to Section 3.3(b), take any such actions as may be required under Applicable Law or which the Collateral Agent or the Required Lenders may reasonably request to defend the Security Interests created hereby and the priority thereof against the claims and demands not expressly permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreements of all Persons whomsoever.

(b) Such Grantor will furnish to the Collateral Agent from time to time statements, at such Grantor's sole cost and expense, and schedules further identifying and describing the assets and property of such Grantor and such other reports in connection therewith as the Collateral Agent may reasonably request, all in such detail as the Collateral Agent may reasonably request.

(c) Each Grantor agrees that should it, after the Closing Date, (i) obtain an ownership interest in or become a party to any U.S. Recordable Intellectual Property or (ii) obtain an ownership interest in any United States "intent-to-use" trademark application for which an "Amendment to Allege Use" or a verified "Statement of Use" has been filed and accepted by the United States Patent and Trademark Office that would, in each case, had it been owned on the Closing Date, be considered a part of the Intellectual Property Collateral (collectively, "After-Acquired Intellectual Property Collateral"), such After-Acquired Intellectual Property Collateral shall automatically become part of the Intellectual Property Collateral, subject to the terms and conditions of this Agreement with respect thereto. In addition, such Grantor shall, on the date the Borrower is required to deliver the Section 9.1 Financials for the immediately succeeding fiscal period of the Borrower occurring after the acquisition of such After-Acquired Intellectual Property Collateral, execute and deliver to the Collateral Agent agreements substantially in the form of Exhibit 2 hereto (an "Intellectual Property Security Agreement") covering such After-Acquired Intellectual Property Collateral to be recorded with the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

(d) As of the Closing Date, each Grantor hereby represents and warrants that it holds no individual Commercial Tort Claim with a value in excess of $10,000,000 other than those listed in Schedule 2. If any Grantor shall at any time hold or acquire a Commercial Tort Claim for which a claim or counterclaim has been filed and is known to an Authorized Officer of the applicable Grantor, such Grantor shall, on each date that the Borrower is required to deliver Section 9.1 Financials for the next fiscal period of the Borrower to occur after first holding or acquiring such Commercial Tort Claim, notify the Collateral Agent in writing signed by such Grantor setting forth in reasonable detail the basis for and nature of such Commercial Tort Claim and promptly thereafter grant to the Collateral Agent a Security Interest therein and in the Proceeds thereof, all upon the terms of this Agreement. The requirement in the preceding sentence shall not apply to the extent that the amount of any such individual Commercial Tort Claim does not exceed $10,000,000 or the extent that such Grantor shall have previously notified the Collateral Agent with respect to any previously held or acquired Commercial Tort Claim.

(e) Subject to Section 3.3(b), each Grantor agrees that at any time and from time to time, at the expense of such Grantor, it will 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 and other documents or authorizing the Collateral Agent or its designees or sub-agents to do so), which may be required under any Applicable Law or which the Collateral Agent or the Required Lenders (or if there are any Additional Second Lien Obligations outstanding, subject to the terms of any intercreditor agreement among the holders of Second Lien Obligations, the requisite holders or lenders of such Additional Second Lien Obligations) may reasonably request, in order (x) to grant, preserve, protect and perfect the validity and priority of the Security Interests created or intended to be created hereby or (y) to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral, including the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the Security Interests created hereby, all at the expense of such Grantor. Without limiting the generality of the foregoing, such Grantor shall comply with Section 9.14 of the Second Lien Credit Agreement and any equivalent provision of any Additional Second Lien Agreement.

4.2. Changes in Locations, Name, etc. Each Grantor will furnish to the Collateral Agent prompt written notice (which shall in any event be provided within 60 days of such change or such longer period as the Collateral Agent may agree) of any change (i) in its legal name, (ii) in its jurisdiction of incorporation or organization, (iii) in its identity or type of organization or corporate structure or (iv) in its Federal Taxpayer Identification Number or organizational identification number, if any, to the extent such Federal Taxpayer Identification Number or organizational identification number is required to be listed on Uniform Commercial Code financing statements for purposes of perfecting any Security Interest, in each case to the extent required in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected Security Interest in the Collateral for the benefit of the Second Lien Secured Parties. Each Grantor agrees promptly to provide the Collateral Agent with certified Organizational Documents reflecting any of the changes described in the first sentence of this paragraph.

4.3. Notices.

(a) Each Grantor will advise the Collateral Agent in reasonable detail, of any Lien of which it has knowledge (other than the Security Interests created hereby and other Liens permitted under each of the Second Lien Credit Agreement and any Additional Second Lien Agreements) on any of the Collateral which would adversely affect, in any material respect, the ability of the Collateral Agent to exercise any of its remedies hereunder.

(b) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, upon the occurrence and during the continuation of any Event of Default, and after written notice is delivered to the applicable Grantor, (i) the Collateral Agent may adjust settlement for any insurance policy covering the Collateral in the event of any loss thereunder and/or approve any award granted in any condemnation or similar proceeding affecting the Collateral and (ii) all insurance payments or condemnation awards in respect of any Collateral shall be paid to and applied by the Collateral Agent as specified in Section 5.4.

4.4. Intellectual Property.

(a) With respect to each item of Intellectual Property Collateral owned by each Grantor, each Grantor agrees to take, at its expense, all commercially reasonable steps, including, as applicable, in the United States Patent and Trademark Office, the United States Copyright Office and any other Governmental Authority located in the United States, to (i) maintain the validity and enforceability of such Intellectual Property Collateral and maintain such Intellectual Property Collateral in full force and effect, and (ii) pursue the registration and maintenance of each Patent, Trademark, or Copyright registration or application for registration, now or hereafter included in such Intellectual Property Collateral of such Grantor, in each case except to the extent otherwise permitted by the Second Lien Credit Agreement or to the extent failure to do any of the foregoing would not reasonably be expected to result in a Material Adverse Effect.

(b) Such Grantor shall (and shall take reasonable efforts to cause all its licensees to), in such Grantor's reasonable business judgment (i) (1) continue to use each Trademark included in the Intellectual Property Collateral in order to maintain such Trademark in full force and effect with respect to each class of goods or services for which such Trademark is currently used, free from any claim of abandonment for non-use, (2) maintain at least the same standards of quality of products and services offered under such Trademark as are currently maintained, (3) use such Trademark with the appropriate notice of registration and all other notices and legends required by Applicable Law and (ii) not do any act or omit to do any act whereby (w) such Trademark (or any goodwill associated therewith) may become destroyed, invalidated, impaired or harmed in any way, (x) any Patent included in the Intellectual Property Collateral may become forfeited, misused, unenforceable, abandoned or dedicated to the public or (y) any portion of the Copyrights included in the Intellectual Property Collateral may become

invalidated, otherwise impaired or fall into the public domain, in each case except to the extent otherwise permitted by the Second Lien Credit Agreement or to the extent failure to do any of the foregoing would not reasonably be expected to result in a Material Adverse Effect.

(c) Except as permitted by the Second Lien Credit Agreement or except to the extent any of the following actions would not reasonably be expected to result in a Material Adverse Effect, no Grantor shall abandon or allow to lapse any owned Intellectual Property Collateral unless such Grantor shall have determined that the pursuit or maintenance of such Intellectual Property Collateral is no longer desirable in the conduct of such Grantor's business.

(d) In the event that any Grantor becomes aware after the Closing Date that any item of its material Intellectual Property Collateral is being infringed, diluted, violated or misappropriated by a third party in any way that would reasonably be expected to have a Material Adverse Effect, such Grantor shall promptly notify the Collateral Agent and take such actions, at its expense, as such Grantor deems to be reasonable and appropriate under the circumstances to protect or enforce such Intellectual Property Collateral, including, if such Grantor deems it necessary, suing for infringement, dilution, violation or misappropriation and for an injunction against such infringement, dilution, violation or misappropriation.

(e) With respect to its U.S. Recordable Intellectual Property owned by such Grantor in its own name or to which such Grantor is a party on the Closing Date, as and when required by Section 4.1(c), each Grantor agrees to execute and deliver an Intellectual Property Security Agreement, to the Collateral Agent covering such U.S. Recordable Intellectual Property to be recorded with, as applicable, the United States Patent and Trademark Office or the United States Copyright Office.

(f) Notwithstanding anything to the contrary, nothing in this Agreement prevents any Grantor from disposing of, discontinuing the use or maintenance of, failing to pursue, or otherwise allowing to lapse, terminate or put into the public domain any of its Intellectual Property Collateral to the extent determined in its reasonable business judgment or as permitted by the Second Lien Credit Agreement.

4.5. Investment Property. Subject to Section 3.3(b) and the Second Lien Pledge Agreement, and limited to the requirements of Section 9.11 of the Second Lien Credit Agreement, if any of the Collateral (other than any property included in the definition of "Collateral" in the Second Lien Pledge Agreement) is or shall become evidenced or represented by any Instrument, negotiable Document, Certificated Security or Tangible Chattel Paper, such Instrument (other than checks received in the ordinary course of business), negotiable Document, Certificated Security or Tangible Chattel Paper shall, in each case, be promptly delivered to the Collateral Agent (or its agent, designee or bailee) on each date that the Borrower is required to deliver Section 9.1 Financials for the next fiscal period of the Borrower to occur after such Collateral first is or becomes evidenced or represented by any Instrument, negotiable Document, Certificated Security or Tangible Chattel Paper, duly endorsed in a manner reasonably satisfactory to the Collateral Agent (or its agent, designee or bailee), to be held as Collateral pursuant to this Agreement, if the Fair Market Value of any such individual Instrument, negotiable Document or Tangible Chattel Paper exceeds $10,000,000, in each case except to the extent constituting Excluded Capital Stock, Capital Stock of an Immaterial Subsidiary or Special Purpose Subsidiary or Capital Stock of a Minority Investment.

5. Remedial Provisions.

5.1. Certain Matters Relating to Accounts.

(a) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, at any time after the occurrence and during the continuation of an Event of Default, and after prior written notice is delivered to the Grantor, the Collateral Agent shall have the right to make test verifications of the Accounts in any manner and through any medium that it reasonably considers advisable, and each Grantor shall furnish all such assistance and information as the Collateral Agent may reasonably require in connection with such test verifications. The Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any Second Lien Secured Party; provided that the provisions of Section 13.16 of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement shall apply to such information.

(b) The Collateral Agent hereby authorizes each Grantor to collect such Grantor's Accounts and, subject to the terms of the First Lien/Second Lien Intercreditor Agreement, the Collateral Agent may curtail or terminate said authority at any time upon three Business Days' prior written notice after the occurrence and during the continuation of an Event of Default. If required in writing by the Collateral Agent at any time after the occurrence and during the continuation of an Event of Default, any payments of Accounts, when collected by any Grantor, (i) shall be forthwith (and, in any event, within three Business Days) deposited by such Grantor in the exact form received, duly endorsed by such Grantor to the Collateral Agent if required, in a Deposit Account maintained under the sole dominion and control of and on terms and conditions reasonably satisfactory to the Collateral Agent (the "Collateral Account"), subject to withdrawal by the Collateral Agent for the account of the Second Lien Secured Parties only as provided in Sections 5.4 and 5.5, and (ii) until so turned over, shall be held by such Grantor in trust for the Collateral Agent and the other Second Lien Secured Parties, segregated from other funds of such Grantor. Each such deposit of Proceeds of Accounts shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(c) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, at the Collateral Agent's written request at any time after the occurrence and during the continuation of an Event of Default, each Grantor shall deliver to the Collateral Agent all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to the Accounts, including all original orders, invoices and shipping receipts.

(d) Upon the occurrence and during the continuation of an Event of Default, and after prior written notice thereof is delivered to the Grantor, a Grantor shall not grant any extension of the time of payment of any of the Accounts, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any person liable for the payment thereof, or allow any credit or discount whatsoever thereon if the Collateral Agent shall have instructed such Grantor in writing not to grant or make any such extension, credit, discount, compromise, or settlement under any circumstances during the continuation of such Event of Default.

(e) Except as otherwise provided in this Section 5.1, each Grantor may continue to collect, at its own expense, all amounts due or to become due to such Grantor under the Accounts. In connection with such collections, each Grantor may take such action as such Grantor may deem necessary or advisable to enforce collection of amounts due or to become due under the Accounts.

5.2. Communications with Obligors; Grantors Remain Liable.

(a) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, the Collateral Agent in its own name or in the name of others may at any time after the occurrence and during the continuation of an Event of Default, after giving reasonable prior written notice to the relevant Grantor of its intent to do so, communicate with obligors under the Accounts to verify with them to the Collateral Agent's satisfaction the existence, amount and terms of any Accounts. The Collateral Agent

shall have the absolute right to share any information it gains from such inspection or verification with any Second Lien Secured Party; provided, that the provisions of Section 13.16 of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement shall apply to such information.

(b) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, upon the prior written request of the Collateral Agent at any time after the occurrence and during the continuation of an Event of Default (it being understood that the exercise of remedies by the Second Lien Secured Parties in connection with an Event of Default under Section 11.5 of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement shall be deemed to constitute a request by the Collateral Agent for the purposes of this sentence and in such circumstances, no such written notice shall be required), each Grantor shall notify obligors on the Accounts that the Accounts have been assigned to the Collateral Agent, for the benefit of the Second Lien Secured Parties, and that payments in respect thereof shall be made directly to the Collateral Agent and that the Collateral Agent may enforce such Grantor's rights against such obligors.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Accounts to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Neither the Collateral Agent nor any Second Lien Secured Party shall have any obligation or liability under any Account (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Collateral Agent or any Second Lien Secured Party of any payment relating thereto, nor shall the Collateral Agent or any Second Lien Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Account (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

5.3. Proceeds to be Turned Over To Collateral Agent. Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, in addition to the rights of the Collateral Agent and the other Second Lien Secured Parties specified in Section 5.1 with respect to payments of Accounts, if an Event of Default shall occur and be continuing and the Collateral Agent gives prior notice in writing to the relevant Grantor (it being understood that the exercise of remedies by the Second Lien Secured Parties in connection with an Event of Default under Section 11.5 of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement shall be deemed to constitute a request by the Collateral Agent for the purposes of this sentence and in such circumstances, no such written notice shall be required), all Proceeds received by any Grantor consisting of cash, checks and other near-cash items shall be held by such Grantor in trust for the Collateral Agent and the other Second Lien Secured Parties, segregated from other funds of such Grantor, and shall, forthwith upon receipt by such Grantor, be turned over to the Collateral Agent in the exact form received by such Grantor (duly endorsed by such Grantor to the Collateral Agent, if required). All Proceeds received by the Collateral Agent under this Section 5.3 shall be held by the Collateral Agent in a Collateral Account maintained under its sole dominion and control and on terms and conditions reasonably satisfactory to the Collateral Agent. All Proceeds while held by the Collateral Agent in a Collateral Account (or by such Grantor in trust for the Collateral Agent and the other Second Lien Secured Parties) shall continue to be held as collateral security for all the Second Lien Obligations and shall not constitute payment thereof until applied as provided in Section 5.4.

5.4. Application of Proceeds.

(a) Except as expressly provided elsewhere in this Agreement or any other Credit Document and to the extent required pursuant to the First Lien/Second Lien Intercreditor Agreement to be applied to the Second Priority Debt Obligations (as defined in the First Lien/Second Lien Intercreditor Agreement), all proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral (including, for the avoidance of doubt, all amounts on deposit in the Collateral Account) shall be applied as follows:

(i) FIRST, to the payment of all reasonable and documented out-of-pocket costs and expenses incurred by the Collateral Agent in connection with such sale, collection or realization or otherwise in connection with this Agreement, the other Credit Documents, any Additional Second Lien Agreement or any of the Second Lien Obligations, including all court costs and the reasonable and documented fees and expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent hereunder or under any other Credit Document on behalf of any Grantor and any other reasonable and documented out-of-pocket costs or expenses incurred in connection with the exercise of any right or remedy hereunder, under any other Credit Document or under any Additional Second Lien Agreement;

(ii) SECOND, to the Second Lien Secured Parties, an amount equal to all Second Lien Obligations owing to them on the date of any such distribution, and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such Second Lien Secured Parties in proportion to the unpaid amounts thereof; and

(iii) THIRD, any surplus then remaining shall be paid to the Grantors 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.

Notwithstanding the foregoing, (i) no amounts received from any Grantor shall be applied to any Excluded Swap Obligation of such Grantor and (ii) after the payments pursuant to clause FIRST above, if an intercreditor agreement (including an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) has been entered into among the holders of Second Lien Obligations which provides for the application of proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral, then such proceeds shall be applied pursuant to the terms of such intercreditor agreement (including an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) and in making the determination and allocations required in any intercreditor agreement the Collateral Agent may conclusively rely upon information supplied by the applicable Authorized Representatives as to the amounts of unpaid principal and interest and other amounts outstanding with respect to such Second Lien Obligations and the Collateral Agent shall have no liability to any of the Second Lien Secured Parties for actions taken in reliance on such information.

(b) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, the Collateral Agent shall have absolute discretion as to the time of the application of any such proceeds in accordance with this Section 5.4. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

5.5. Code and Other Remedies. Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, if an Event of Default shall occur and be continuing, the Collateral Agent may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party upon default under the NY UCC or any other Applicable Law or in equity and also may without demand of performance or other demand, presentment, protest, advertisement or notice of any kind except as specified below, withdraw all amounts held in the Collateral Account and sell the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange broker's board or at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, at such price or prices and upon such other terms as are commercially reasonable irrespective of the impact of any such sales on the market price of the Collateral. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers of Collateral to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and, upon consummation of any such sale, the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by Applicable Law) all rights of redemption, stay and/or appraisal that it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent or any Second Lien Secured Party shall have the right upon any such public sale, and, to the extent permitted by Applicable Law, upon any such private sale, to purchase the whole or any part of the Collateral so sold and the Collateral Agent or such Second Lien Secured Party may, subject to (x) the satisfaction in full in cash of all payments due pursuant to Section 5.4(a)(i) hereof and (y) the satisfaction of the Second Lien Obligations in accordance with the priorities set forth in Section 5.4(a) hereof, pay the purchase price by crediting the amount thereof against the Second Lien Obligations. Each Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to such Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. To the extent permitted by Applicable Law, each Grantor hereby waives any claim against the Collateral Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree. Each Grantor further agrees, at the Collateral Agent's request, to assemble the Collateral and make it available to the Collateral Agent at places which the Collateral Agent shall reasonably select, whether at such Grantor's premises or elsewhere. The Collateral Agent shall apply the net proceeds of any action taken by it pursuant to this Section 5.5 in accordance with the provisions of Section 5.4 hereof. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 5.5 shall be deemed to conform to the commercially reasonable standards as provided in Section 9-610(b) of the NY UCC or its equivalent in other jurisdictions.

5.6. Deficiency. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Second Lien Obligations and the fees and disbursements of any attorneys employed by the Collateral Agent or any Secured Party to collect such deficiency.

5.7. Amendments, etc. with Respect to the Second Lien Obligations; Waiver of Rights. Except for the termination of a Grantor's Second Lien Obligations hereunder as provided in Section 6.5, each Grantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Grantor and without notice to or further assent by any Grantor, (a) any demand for payment of any of the Second Lien Obligations made by the Collateral Agent or any other Second Lien Secured Party may be rescinded by such party and any of the Second Lien Obligations continued, (b) the Second Lien Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Collateral Agent or any other Second Lien Secured Party, (c) the Secured Debt Documents, any Additional Second Lien Agreement and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, in accordance with the terms of the applicable Secured Debt Document or Additional Second Lien Agreement and (d) any collateral security, guarantee or right of offset at any time held by the Collateral Agent or any other Second Lien Secured Party for the payment of the Second Lien Obligations may be sold, exchanged, waived, surrendered or released. Neither the Collateral Agent nor any other Second Lien Secured Party shall have any obligation to protect, perfect or insure any Lien at any time held by it as security for the Second Lien Obligations or for this Agreement or any property subject thereto. When making any demand hereunder against any Grantor, the Collateral Agent or any other Second Lien Secured Party may, but shall be under no obligation to, make a similar demand on the Borrower or any other Grantor, and any failure by the Collateral Agent or any other Second Lien Secured Party to make any such demand or to collect any payments from the Borrower or any other Grantor or any release of the Borrower or any other Grantor shall not relieve any Grantor in respect of which a demand or collection is not made or any Grantor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Collateral Agent or any other Second Lien Secured Party against any Grantor. For the purpose hereof "demand" shall include the commencement and continuance of any legal proceedings.

5.8. Conflict with Second Lien Credit Agreement and Intercreditor Agreements. In the event of any conflict between the terms of this Section 5 and the Second Lien Credit Agreement, any Equal Priority Intercreditor Agreement or any Customary Intercreditor Agreement, the Second Lien Credit Agreement, such Equal Priority Intercreditor Agreement or such Customary Intercreditor Agreement, as applicable, shall prevail.

5.9. Intellectual Property. Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, each Grantor hereby grants to the Collateral Agent, for use solely upon the occurrence and during the continuance of an Event of Default and after prior written notice from the Collateral Agent to the Grantors, a non-exclusive, irrevocable, fully paid-up, royalty-free, worldwide license to use, assign, or license or sublicense the rights to use, copy, display, perform, distribute and/or make derivative works of the Intellectual Property Collateral now owned or hereafter acquired by such Grantor. Such license shall include reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs and equipment used for the compilation or printout thereof, in each case, subject to Applicable Law and any Grantor's reasonable security policies and obligations of confidentiality; provided, however, that nothing in this Section 5.9 shall require any Grantor to grant any license, sublicense or assignment that is prohibited by any Applicable Law or is prohibited by, or constitutes a breach of default under or results in the termination of or gives rise to any right of acceleration, modification or cancellation under any contract, license, agreement, instrument or other document evidencing, giving rise to a right to use or theretofore granted with respect to such Intellectual Property Collateral, provided, further, that such licenses to be granted hereunder with respect to Trademarks shall be subject to the quality control standards applicable to each such Trademark as in effect as of the date such licenses hereunder are granted; provided, further, that any licenses granted hereunder by the Collateral Agent shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default.

6. The Collateral Agent.

6.1. Collateral Agent's Appointment as Attorney-in-Fact, etc.

(a) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, each Grantor hereby appoints, which appointment is irrevocable and coupled with an interest, effective upon the occurrence and during the continuation of an Event of Default, the Collateral Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, for the purpose of carrying out the terms of this Agreement, the other Credit Documents and any Additional Second Lien Agreement, subject to the terms of the First Lien/Second Lien Intercreditor Agreement, to take any and all appropriate action and to execute any and all documents and instruments which the Collateral Agent may deem necessary or desirable to accomplish the purposes of this Agreement, the other Credit Documents and any Additional Second Lien Agreement and, without limiting the generality of the foregoing, each Grantor hereby gives the Collateral Agent the power and right, on behalf of such Grantor, either in the Collateral Agent's name or in the name of such Grantor or otherwise, without assent by such Grantor, to do any or all of the following at the same time or at different times, in each case after the occurrence and during the continuation of an Event of Default and after written notice by the Collateral Agent of its intent to do so:

(i) take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Account or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Collateral Agent for the purpose of collecting any and all such moneys due under any Account or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property Collateral, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Agent may reasonably request to evidence the Collateral Agent's and the Second Lien Secured Parties' Security Interest in such Intellectual Property Collateral and the goodwill and general intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against any Collateral;

(iv) execute, in connection with any sale provided for in Section 5.5, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral;

(v) obtain, pay and adjust insurance required to be maintained by such Grantor or paid to the Collateral Agent pursuant to the Second Lien Credit Agreement or any Additional Second Lien Agreement;

(vi) send verifications of Accounts to any Person who is or who may become obligated to any Grantor under, with respect to or on account of an Account;

(vii) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Collateral Agent or as the Collateral Agent shall direct;

(viii) ask or demand for, collect and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral;

(ix) sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral;

(x) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral;

(xi) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral (with such Grantor's consent (not to be unreasonably withheld or delayed) to the extent such action or its resolution could materially affect such Grantor or any of its Affiliates in any manner other than with respect to its continuing rights in such Collateral; provided that such consent right shall not limit any other rights or remedies available to the Collateral Agent at law);

(xii) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Collateral Agent may deem appropriate (with such Grantor's consent (not to be unreasonably withheld or delayed) to the extent such action or its resolution could materially affect such Grantor or any of its Affiliates in any manner other than with respect to its continuing rights in such Collateral; provided that such consent right shall not limit any other rights or remedies available to the Collateral Agent at law);

(xiii) assign, license, prosecute or maintain any Intellectual Property Collateral throughout the world for such term or terms, on such conditions, and in such manner, as the Collateral Agent shall in its reasonable business discretion determine; and

(xiv) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Collateral Agent were the absolute owner thereof for all purposes, and do, at the Collateral Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things that the Collateral Agent deems necessary to protect, preserve or realize upon the Collateral and the Collateral Agent's and the Second Lien Secured Parties' Security Interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

Anything in this Section 6.1(a) to the contrary notwithstanding, the Collateral Agent agrees that it will not exercise any rights under the power of attorney provided for in this Section 6.1(a) unless an Event of Default shall have occurred and be continuing.

(b) If any Grantor fails to perform or comply with any of its agreements contained herein, the Collateral Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) Each Grantor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created hereby are released.

6.2. Duty of Collateral Agent. The Collateral Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the NY UCC or otherwise, shall be to deal with it in the same manner as the Collateral Agent deals with similar property for its own account. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property. Neither the Collateral Agent, any other Second Lien Secured Party nor any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Collateral Agent and the other Second Lien Secured Parties hereunder are solely to protect the Collateral Agent's and the other Second Lien Secured Parties' interests in the Collateral and shall not impose any duty upon the Collateral Agent or any other Second Lien Secured Party to exercise any such powers. The Collateral Agent and the other Second Lien Secured Parties shall be accountable only for the safe custody of any Collateral in its possession and for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

6.3. Authority of Collateral Agent. Each Grantor acknowledges that the rights and responsibilities of the Collateral Agent under this Agreement with respect to any action taken by the Collateral Agent or the exercise or non-exercise by the Collateral Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Collateral Agent and the other Second Lien Secured Parties, be governed by this Agreement or, if there are any Additional Second Lien Obligations, by this Agreement, an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement with respect thereto and such other agreements with respect thereto as may exist from time to time among them, but, as between the Collateral Agent and the Grantors, the Collateral Agent shall be conclusively presumed to be acting as agent for the applicable Second Lien Secured Parties with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

6.4. Security Interest Absolute. All rights of the Collateral Agent hereunder, the Security Interests created hereby and all obligations of the Grantors hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Second Lien Credit Agreement, any other Credit Document, any Additional Second Lien Agreement, any agreement with respect to any of the Second Lien Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Second Lien Obligations, or any other amendment or waiver of or any consent to any departure from the Second Lien Credit Agreement, any other Credit Document, any Additional Second Lien Agreement or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the Second Lien Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the Second Lien Obligations or this Agreement.

6.5. Continuing Security Interest; Assignments Under the Secured Debt Documents or any Additional Second Lien Agreement; Release.

(a) This Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Grantor and the successors and assigns thereof and shall inure to the benefit of the Collateral Agent and the other Second Lien Secured Parties and their respective successors, indorsees, transferees and assigns until the Termination Date.

(b) (i) A Subsidiary Grantor shall automatically be released from its obligations hereunder and the Security Interests in the Collateral of such Subsidiary Grantor created hereby shall be automatically released (x) as it relates to the Obligations, upon the consummation of any transaction permitted by the Second Lien Credit Agreement, as a result of which such Subsidiary Grantor ceases to be a Restricted Subsidiary of the Borrower or otherwise becomes an Excluded Subsidiary, (y) as it relates to any Additional Second Lien Obligations under any Additional Second Lien Agreement, upon the consummation of any transaction permitted by such Additional Second Lien Agreement, as a result of which such Subsidiary Grantor ceases to be a guarantor thereunder and (z) upon the effectiveness of any release (including any written consent to such release) of a Subsidiary Grantor in accordance with Section 13.17 of the Second Lien Credit Agreement and any applicable provision in each Additional Second Lien Agreement; and (ii) Holdings (or Previous Holdings, as the case may be) shall automatically be released from its obligations hereunder and the Security Interests in the Collateral of Holdings (or Previous Holdings, as the case may be) created hereby shall be automatically released upon a Holdings Termination Event and/or in accordance with the formation or acquisition of a New Holdings that satisfies the conditions set forth in (x) as it relates to the Obligations, the Second Lien Credit Agreement and (y) as it relates to any Additional Second Lien Obligations under any Additional Second Lien Agreement, such Additional Second Lien Agreement.

(c) The Security Interests created hereby in any Collateral shall be automatically released and such Collateral sold free and clear of the Lien and Security Interests created hereby (i) to the extent such Collateral is comprised of property leased to a Grantor by a Person that is not a Grantor, upon termination or expiration of such lease, (ii) as required by the Collateral Agent to effect any sale, transfer or other Disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to this Agreement, (iii) upon any sale, transfer or other Disposition by any Grantor of any Collateral that is permitted under the Second Lien Credit Agreement and each Additional Second Lien Agreement (other than to another Grantor), (iv) upon the effectiveness of any release (including any written consent to such release) of the Lien and Security Interests created hereby in any Collateral in accordance with Section 13.17 of the Second Lien Credit Agreement and any applicable provision in each Additional Second Lien Agreement, (v) upon such Collateral becoming Excluded Capital Stock or Excluded Property, (vi) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the Second Lien Guarantee (in accordance with Section 13.17 of the Second Lien Credit Agreement and the Second Lien Guarantee) or (vii) as otherwise provided in any applicable intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) among holders of Second Lien Obligations.

(d) In connection with any termination or release pursuant to paragraph (a), (b) or (c), the Collateral Agent shall execute and deliver to any Grantor or authorize the filing of, at such Grantor's expense, all documents that such Grantor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 6.5 shall be without recourse to or warranty by the Collateral Agent.

6.6. Reinstatement. This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Second Lien Obligations is

rescinded or must otherwise be restored or returned by the Collateral Agent or any other Second Lien Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any other Grantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any other Grantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

7. Miscellaneous.

7.1. Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Grantors and the Collateral Agent in accordance with Section 13.1 of the Second Lien Credit Agreement; provided, however, that this Agreement may be supplemented (but no existing provisions may be modified and no Collateral may be released) through agreements substantially in the form of Exhibit 1, in each case duly executed by each Grantor directly affected thereby.

The Collateral Agent may, without the consent of any Lender, enter into any amendments to this Agreement (including modifications of the terms "Additional Second Lien Agreement" and "Additional Second Lien Obligations" and any provisions of this Agreement referencing such terms) to reflect the Incurrence of any Indebtedness secured by a Lien permitted by Section 10.2(a) of the Second Lien Credit Agreement that is not secured by Liens granted under this Agreement.

7.2. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 13.2 of the Second Lien Credit Agreement (whether or not then in effect). All communications and notices hereunder to any Subsidiary Grantor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the Second Lien Credit Agreement (whether or not then in effect). All notices to any holder of Additional Second Lien Obligations shall be given to it in care of the applicable Authorized Representative at such Authorized Representative's address set forth in the applicable Additional Secured Party Consent or Additional Second Lien Agreement, as the case may be, as such address may be changed by written notice to the Collateral Agent and the Borrower.

7.3. No Waiver by Course of Conduct; Cumulative Remedies. Neither the Collateral Agent nor any other Second Lien Secured Party shall by any act (except by a written instrument pursuant to Section 7.1 hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof or of any other applicable Secured Debt Document or of any Additional Second Lien Agreement. No failure to exercise, nor any delay in exercising, on the part of the Collateral Agent or any other Second Lien Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Agent or any other Second Lien Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Collateral Agent or such other Second Lien Secured Party would otherwise have on any other occasion. The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

7.4. Enforcement Expenses; Indemnification.

(a) Each Grantor agrees to pay any and all reasonable and documented expenses (including all reasonable fees, expenses, disbursements and other charges of counsel) that may be paid or incurred by the Collateral Agent in enforcing, or obtaining advice of counsel in respect of, any rights with

respect to, or collecting, any or all of the Second Lien Obligations and/or enforcing any rights with respect to, or collecting against, such Grantor under this Agreement to the extent the Borrower would be required to do so pursuant to Section 13.5 of the Second Lien Credit Agreement.

(b) Without limitation of its indemnification obligations under the other Credit Documents or any Additional Second Lien Agreements, each Grantor agrees to pay, indemnify and to hold harmless the Collateral Agent and the other Second Lien Secured Parties (each, an "Indemnified Party") from and against any and all losses, claims, damages, liabilities or penalties (collectively, "Losses") of any kind or nature whatsoever and the reasonable and documented or invoiced out of pocket expenses, joint or several, to which any such Indemnified Party may become subject, in each case to the extent any such Losses and related expenses arise out of, result from, or are in connection with any action, claim, litigation, investigation or other proceeding (including any inquiry or investigation of the foregoing) (any of the foregoing, a "Proceeding") (regardless of whether such Indemnified Party is a party thereto or whether or not such Proceeding was brought by such Grantor, its equity holders, affiliates or creditors or any other third person), and, subject to Section 13.5(e) of the Second Lien Credit Agreement, to reimburse each such Indemnified Party promptly for any reasonable and documented or invoiced out of pocket fees and expenses incurred in connection with investigating, responding to or defending any of the foregoing, in each case to the extent the Borrower would be required to do so pursuant to Section 13.5 of the Second Lien Credit Agreement (whether or not then in effect) or any comparable provision of any Additional Second Lien Agreement.

(c) Any such amounts payable as provided hereunder shall be Additional Second Lien Obligations secured hereby and by the other Security Documents and any Additional Second Lien Agreements. The agreements in this Section 7.4 shall survive termination of this Agreement, any other Credit Document or any Additional Second Lien Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Second Lien Obligations, the invalidity or unenforceability of any term or provision of this Agreement, any other Credit Document or any Additional Second Lien Agreement or any investigation made by or on behalf of the Collateral Agent or any other Second Lien Secured Party. All amounts due under this Section 7.4 shall be payable on written demand therefor.

7.5. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective designees, sub-agents, successors and assigns permitted hereby, except that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Agent, except pursuant to a transaction permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreements.

7.6. 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 (i.e. a "pdf" or "tif')), 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 Collateral Agent and the Borrower.

7.7. 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. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

7.8. Section Headings. The section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

7.9. Integration. This Agreement, together with the other Credit Documents and each Additional Second Lien Agreement, represents the agreement of each of the Grantors with respect to the subject matter hereof and there are no promises, undertakings, representations or warranties by the Collateral Agent or any other Second Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Secured Debt Documents or any Additional Second Lien Agreement (and each other agreement or instrument executed or issued in connection therewith).

7.10. **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.**

7.11. Submission to Jurisdiction Waivers. Each Grantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement, the other Credit Documents to which it is a party and any Additional Second Lien Agreement to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the County of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 Grantor at its address referred to in Section 7.2 or at such other address of which the Collateral Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right of the Collateral Agent or any other Second Lien Secured Party to effect service of process in any other manner permitted by law or shall limit the right of the Collateral Agent or any other Second Lien Secured Party to sue 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 7.11 any special, exemplary, punitive or consequential damages.

7.12. Acknowledgments. Each Grantor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Credit Documents to which it is a party;

(b) neither the Collateral Agent nor any other Second Lien Secured Party has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Agreement or any of the other Credit Documents, and the relationship between the Grantors, on the one hand, and the Collateral Agent and the other Second Lien Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor;

(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 Second Lien Secured Parties or among the Grantors and the Second Lien Secured Parties; and

(d) upon any Event of Default, the Collateral Agent may proceed against any Grantor and any Collateral to collect and recover the full amount of any Second Lien Obligation then due, without first proceeding against any other Grantor, any other Credit Party or any other Collateral and without first joining any other Grantor or any other Credit Party in any proceeding.

7.13. Additional Grantors. Each Subsidiary of the Borrower that is required to become a party to this Agreement pursuant to Section 9.10 of the Second Lien Credit Agreement and/or the equivalent provision of any Additional Second Lien Agreement and the terms hereof shall become a Grantor, with the same force and effect as if originally named as a Grantor herein, for all purposes of this Agreement upon execution and delivery by such Subsidiary of a supplement substantially in the form of Exhibit 1 hereto. The execution and delivery of any instrument adding an additional Grantor as a party to this Agreement shall not require the consent of any other Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

7.14. **WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.**

7.15. Intercreditor Agreement. Notwithstanding any other provision contained herein, this Agreement, the liens and security interests created hereby and the exercise of any rights, remedies, duties and obligations provided for herein are subject in all respects to the provisions of the First Lien/Second Lien Intercreditor Agreement. In the event of any conflict or inconsistency between the provisions of this Agreement and the First Lien/Second Lien Intercreditor Agreement that relates solely to the rights or obligations of, or relationship between, the Senior Priority Secured Parties and the Second Priority Secured Parties (as each such term is defined in the First Lien/Second Lien Intercreditor Agreement), the provisions of the First Lien/Second Lien Intercreditor Agreement shall control. In the event of any conflict or inconsistency between the provisions of this Agreement and any intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) among the holders of Second Lien Obligations that relates solely to the rights or obligations of, or relationship between, the Second Lien Secured Parties under the Second Lien Credit Agreement and the Second Lien Secured Parties under any Additional Second Lien Agreement, the provisions of such intercreditor agreement shall control.

7.16. Additional Second Lien Obligations. On or after the date hereof and so long as permitted by the Second Lien Credit Agreement and each Additional Second Lien Agreement then outstanding, the Borrower may from time to time designate Indebtedness at the time of Incurrence to be secured by Liens on the Collateral on a basis that rank equal in priority to the Liens on the Collateral securing the Obligations or any other Second Lien Obligations if then in effect, as Additional Second Lien Obligations hereunder by delivering to the Collateral Agent and if any Additional Second Lien

Agreement is then in effect, each Authorized Representative (a) a certificate signed by an Authorized Officer of the Borrower (i) identifying the obligations so designated and the initial aggregate principal amount or face amount thereof, (ii) stating that such obligations are designated as Additional Second Lien Obligations for purposes hereof, (iii) representing that such designation of such obligations as Additional Second Lien Obligations complies with the terms of the Second Lien Credit Agreement and any Additional Second Lien Agreement then outstanding and (iv) specifying the name and address of the Authorized Representative for such obligations, (b) if applicable, (i) a fully executed Additional Secured Party Consent (in the form attached as Exhibit 3) or (ii) any other instruments reasonably satisfactory to the Collateral Agent setting forth such Authorized Representative's agreement, on behalf of the Second Lien Secured Parties under the Additional Second Lien Agreement, to be bound by the terms of this Agreement, the Second Lien Guarantee and the Second Lien Pledge Agreement and (c)(i) a fully executed Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement or (ii) a fully executed joinder agreement to an Equal Priority Intercreditor Agreement if such agreement is then in effect; provided, however, that notwithstanding the foregoing, if the Collateral Agent, the Borrower, and/or any Authorized Representative decide not to execute an Additional Secured Party Consent or any other instrument setting forth such Authorized Representative's agreement, on behalf of the Second Lien Secured Parties under the applicable Additional Second Lien Agreement, to be bound by the terms of this Agreement, the Second Lien Guarantee and the Second Lien Pledge Agreement, the Borrower and such Authorized Representative may execute separate security agreements, pledge agreements and/or guarantees, subject to compliance with the provisions of the Second Lien Credit Agreement. Notwithstanding any provision to the contrary in this Agreement, the Collateral Agent shall be under no obligation to serve as agent on behalf of the holders of any Additional Second Lien Obligations (or their representatives) or under any Additional Second Lien Agreement and may decide, in its sole discretion, not to serve in such role, it being understood that, in such circumstance, no provisions of this Agreement will benefit or apply to the holders of Additional Second Lien Obligations (or their representatives). It being further understood that the Collateral Agent shall serve in such role only if it has countersigned an Additional Secured Party Consent and in such case solely with respect to the New Secured Obligation under and as defined in such Additional Secured Party Consent. For the avoidance of doubt, any refusal by the Collateral Agent to serve as collateral agent on behalf of the holders of any Additional Second Lien Obligations (or their representatives) and the decision of the Collateral Agent, the Borrower and/or any Authorized Representative not to execute an Additional Secured Party Consent shall not limit the Borrower's ability to incur such obligations and secure them by Liens on the Collateral that rank equal in priority to the Liens on the Collateral securing the Obligations and any other Second Lien Obligations if then in effect to the extent permitted to do so under each of the Second Lien Credit Agreement and any Additional Second Lien Agreement, and in such case the Collateral Agent is authorized to execute an Equal Priority Intercreditor Agreement or any other Customary Intercreditor Agreement (or any joinders thereto) and any related documentation to evidence and/or acknowledge the Liens securing any such Additional Second Lien Obligations and the relationship between the Collateral Agent and the collateral agent appointed in respect of such Additional Second Lien Obligations.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

GLOBE INTERMEDIATE CORP.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP HOLDINGS, INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP MIDCO, INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GROCERY OUTLET INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

AMELIA'S, LLC

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

[Signature Page to Second Lien Security Agreement]

SUBSIDIARY GRANTORS

1. GOBP Midco, Inc., a Delaware corporation
2. Grocery Outlet Inc., a California corporation
3. Amelia's, LLC, a Delaware limited liability company

U.S. RECORDABLE INTELLECTUAL PROPERTY

A. COPYRIGHTS AND COPYRIGHT APPLICATIONS

Copyright (Work)	Reg. No.	Owner
Ben Saven (Frugal Friends)	VA0001816784	Grocery Outlet Inc.
Doug (Frugal Friends)	VA0001816783	Grocery Outlet Inc.
Lois Prices (Frugal Friends)	VA0001816782	Grocery Outlet Inc.
Tammy Underspend (Frugal Friends)	VA0001816786	Grocery Outlet Inc.
WOW! Bottlenecker.	VA0001795425	Grocery Outlet Inc.

B. PATENTS AND PATENT APPLICATIONS

None.

C. TRADEMARKS AND TRADEMARK APPLICATIONS

Trademark[1]	App. No.	Trademark No.	Owner
AMELIA'S	85509370	4190703	Grocery Outlet Inc.
AMELIA'S GROCERY OUTLET	85509375	4205087	Grocery Outlet Inc.
BARGAIN MINUTE	85808393	4518765	Grocery Outlet Inc.
BARGAINOMICS	87213160	5313378	Grocery Outlet, Inc.
BARGAINS ON BRANDS YOU TRUST!	78424125	2964247	Grocery Outlet Inc.
BEN SAVEN	85597891	4249974	Grocery Outlet Inc.
BIG BRANDS. LITTLE PRICES.	85505693	4190431	Grocery Outlet Inc.
CANNED FOODS GROCERY OUTLETS	77699947	3701241	Grocery Outlet Inc.
DOUG	85597895	4249975	Grocery Outlet Inc.
ECO-FRUGAL	77867458	4112260	Grocery Outlet Inc.
FRUGAL FRIENDS	85597910	4245918	Grocery Outlet Inc.
	86135411	4769584	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	86532165	4888093	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	77561753	3604714	Grocery Outlet Inc.
	86032740	4479224	Grocery Outlet Inc.

1 Grantors have abandoned the following trademark registrations and make no representations, warranties, or covenants under the First Lien Security Agreement, First Lien Credit Agreement, Second Lien Security Agreement or the Second Lien Credit Agreement with respect to such trademark registrations: Registration No. 4190703 and Registration No. 4205087.

Trademark[1]	App. No.	Trademark No.	Owner
	87108931	N/A	Grocery Outlet Inc.
GROCERY OUTLET BARGAINS ONLY!	76314254	2715156	Grocery Outlet Inc.
	78143358	2775580	Grocery Outlet Inc.
HARVEST DAY	78832121	3782829	Grocery Outlet, Inc.
HARVEST DAY	87164529	5325344	Grocery Outlet, Inc.
INDEPENDENCE FROM HUNGER	85410590	4135086	Grocery Outlet Inc.
INDEPENDENCE FROM HUNGER	85410597	4135088	Grocery Outlet Inc.
LADY LEE	78831598	3779585	Grocery Outlet, Inc.
LOIS PRICES	85597916	4249976	Grocery Outlet Inc.
NOSH	85128472	4247576	Grocery Outlet Inc.
NOSH	86780435	5067165	Grocery Outlet Inc.
	86795040	5093914	Grocery Outlet Inc.
	86795037	5093913	Grocery Outlet Inc.
OVERSHOP. UNDERSPEND.	77856328	3802978	Grocery Outlet Inc.
TAMMY UNDERSPEND	85597923	4249977	Grocery Outlet Inc.
WOW!	86573220	5306956	Grocery Outlet Inc.
	86578051	5218984	Grocery Outlet Inc.
	87206798	5372725	Grocery Outlet Inc.

D. EXCLUSIVE LICENSES

None.

COMMERCIAL TORT CLAIMS

None.

Exhibit 10.9

Execution Version

SECOND LIEN PLEDGE AGREEMENT

SECOND LIEN PLEDGE AGREEMENT, dated as of October 22, 2018 (this "Agreement"), among **GLOBE INTERMEDIATE CORP.**, a Delaware corporation ("Holdings"; as further defined in the Credit Agreement), **GOBP HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), each of the subsidiaries of the Borrower listed on Schedule 1 hereto or that becomes a party hereto pursuant to Section 9(b) (each such subsidiary, individually, a "Subsidiary Pledgor" and, collectively, the "Subsidiary Pledgors"; and, together with Holdings and the Borrower, collectively, the "Pledgors"), and **MORGAN STANLEY SENIOR FUNDING, INC.**, as collateral agent for the Second Lien Secured Parties (as defined below) (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Collateral Agent").

W I T N E S S E T H:

WHEREAS, (a) Holdings and the Borrower are parties to that certain Second Lien Credit Agreement, dated as of the date hereof (the "Second Lien Credit Agreement"), with the several Lenders from time to time party thereto, MORGAN STANLEY SENIOR FUNDING, INC., as the Administrative Agent and the Collateral Agent, and the other parties thereto, pursuant to which the Lenders have severally agreed to make Loans to the Borrower upon the terms and subject to the conditions set forth therein, (b) one or more Hedge Banks may from time to time enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary, (c) one or more Cash Management Banks may from time to time provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary and (d) the Credit Parties may incur Additional Second Lien Obligations (as defined below) from time to time to the extent permitted by the Second Lien Credit Agreement and each Additional Second Lien Agreement (as defined below) (clauses (a), (b), (c) and (d), collectively, the "Extensions of Credit");

WHEREAS, each Subsidiary Pledgor is a Subsidiary of the Borrower or other Subsidiary Pledgor;

WHEREAS, the Pledgors are party to the Second Lien Security Agreement dated as of the date hereof (the "Second Lien Security Agreement"), among the Pledgors and the Collateral Agent;

WHEREAS, pursuant to the Second Lien Guarantee, dated as of the date hereof (the "Second Lien Guarantee"), among Holdings, the Borrower (other than with respect to its own obligations), each Subsidiary Pledgor and the Collateral Agent, Holdings, the Borrower and each of the Subsidiary Pledgors have agreed to guarantee, for the benefit of the Second Lien Secured Parties, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Second Lien Obligations;

WHEREAS, Holdings, the Borrower (other than in respect of its own obligations) and each of the Subsidiary Pledgors may also unconditionally and irrevocably guaranty, as primary obligors and not merely as sureties, for the benefit of the Second Lien Secured Parties under any Additional Second Lien Agreements, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Additional Second Lien Obligations;

WHEREAS, Holdings is an affiliate of the Borrower and each Subsidiary Pledgor is a Subsidiary of the Borrower;

WHEREAS, the proceeds of the Extensions of Credit will be used in part to finance the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and for other general corporate purposes of the Borrower and its subsidiaries;

WHEREAS, each Pledgor acknowledges that it will derive substantial direct and indirect benefit from the making of the Extensions of Credit and have agreed to secure their obligations with respect thereto pursuant to this Agreement on a first priority basis (subject to Liens permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreement);

WHEREAS, it is a condition precedent to the obligations of the Lenders to make their respective Extensions of Credit to the Borrower under the Second Lien Credit Agreement that the Pledgors shall have executed and delivered this Agreement to the Collateral Agent for the benefit of the Second Lien Secured Parties; and

WHEREAS, (a) the Pledgors are the legal and beneficial owners of the Capital Stock described in Schedule 2 and issued by the entities named therein (such Capital Stock, together with all other Capital Stock required to be pledged pursuant to Section 9.11(a) of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement (the "After-acquired Shares"), are referred to collectively herein as the "Pledged Shares"), (b) each of the Pledgors is the legal and beneficial owner of the Certificated Securities, Tangible Chattel Paper or Instruments evidencing Indebtedness owed to it described in Schedule 2 and issued by the entities named therein (such Certificated Securities, Tangible Chattel Paper or Instruments, together with any other Indebtedness owed to any Pledgor hereafter and required to be pledged pursuant to Section 9.11(a) of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement (the "After-acquired Debt"), are referred to collectively herein as the "Pledged Debt"), in each case as such schedule may be amended or supplemented pursuant to Section 9.11(a) of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement and/or Section 9(b) hereof and (c) the Pledgors are the legal and beneficial owners of the Intercompany Note described in Schedule 2 and issued by the entities named therein, evidencing all Indebtedness of Holdings, the Borrower and each of its Restricted Subsidiaries that is owing to any Credit Party and required to be pledged pursuant to Section 9.11(b) of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement, in each case as such schedule may be amended or supplemented pursuant to Section 9(b) hereof.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and to induce the Agents, the Lenders to enter into the Second Lien Credit Agreement and to induce the Lenders to make their respective Extensions of Credit to the Borrower under the Second Lien Credit Agreement, to induce the holders of any Additional Second Lien Obligations to make their advances under the applicable Additional Second Lien Agreement, to induce one or more Hedge Banks to enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary and to induce one or more Cash Management Banks to provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary, the Pledgors hereby agree with the Collateral Agent, for the benefit of the Second Lien Secured Parties, as follows:

1. Defined Terms.

(a) (i) Unless otherwise defined herein, terms defined in the Second Lien Credit Agreement and used herein (including terms used in the preamble and the recitals) shall have the meanings given to them in the Second Lien Credit Agreement and (ii) all terms defined in the Uniform Commercial Code from time to time in effect in the State of New York (the "NY UCC") and used herein

and not defined herein or in the Second Lien Credit Agreement shall have the meanings specified therein (and if defined in more than one article of the NY UCC, shall have the meaning specified in Article 9 thereof). Furthermore, unless otherwise defined herein, in the Second Lien Credit Agreement or the NY UCC, terms defined in the Second Lien Security Agreement and used herein shall have the meanings assigned to them in the Second Lien Security Agreement.

(b) The rules of construction and other interpretive provisions specified in Sections 1.2, 1.5, 1.6, 1.7, 1.8, 1.10 and 1.11 of the Second Lien Credit Agreement shall apply to this Agreement, including terms defined in the preamble and recitals to this Agreement.

(c) The following terms shall have the following meanings:

"Additional Second Lien Agreement" shall mean any indenture, credit agreement, loan agreement, note purchase agreement or other document, instrument or agreement, if any, pursuant to which any Pledgor has or will Incur Additional Second Lien Obligations as permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreement then in effect; provided that, in each case, the Indebtedness thereunder has been designated as Additional Second Lien Obligations pursuant to and in accordance with Section 7.16 of the Second Lien Security Agreement.

"Additional Second Lien Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Pledgor arising under any Additional Second Lien Agreement relating to Indebtedness Incurred by, or provided to, the Borrower and/or any other Credit Party including, without limitation, Permitted Additional Debt Obligations and Permitted Equal Priority Refinancing Debt in respect of the Obligations, 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 Pledgor or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding (or that would accrue but for the operation of applicable Debtor Relief Laws), regardless of whether such interest and fees are allowed claims in such proceeding, in each case, that have been designated as Additional Second Lien Obligations pursuant to and in accordance with Section 7.16 of the Second Lien Security Agreement.

"Additional Second Lien Secured Party Consent" shall mean a consent in the form of Exhibit 3 to the Second Lien Security Agreement.

"After-acquired Debt" shall have the meaning assigned to such term in the recitals to this Agreement.

"After-acquired Shares" shall have the meaning assigned to such term in the recitals to this Agreement.

"Agreement" shall have the meaning assigned to such term in the preamble to this Agreement.

"Authorized Representative" shall mean (a) the Administrative Agent with respect to the Second Lien Credit Agreement and (b) any duly authorized agent, trustee or representative of any other Second Lien Secured Party under Additional Second Lien Agreements designated as "Authorized Representative" for any Second Lien Secured Party in an Additional Second Lien Secured Party Consent delivered to the Collateral Agent.

"Collateral" shall have the meaning assigned to such term in Section 2.

"Collateral Agent" shall have the meaning assigned to such term in the preamble to this Agreement.

"Credit Party" shall mean the Borrower, Holdings, the Subsidiary Pledgors and each other Subsidiary of the Borrower that is a party to the Second Lien Credit Agreement, any other Credit Document or any Additional Second Lien Agreement.

"Default" or "Event of Default" shall mean a "default" or "event of default" under the Second Lien Credit Agreement or under any Additional Second Lien Agreement.

"Excluded Property" shall have the meaning assigned to such term in the Second Lien Security Agreement; provided that clause (c) of such definition of "Excluded Property" shall not apply for purposes of this Agreement.

"Extensions of Credit" shall have the meaning assigned to such term in the recitals to this Agreement.

"First Lien Credit Agreement" means the First Lien Credit Agreement, dated as of October 22, 2018 (as the same may be amended, supplemented, restated or otherwise modified from time to time), among Holdings, the Borrower, the lenders from time to time party thereto, the Letter of Credit Issuers from time to time party thereto, Morgan Stanley Senior Funding, Inc., as Administrative Agent, Collateral Agent and Swingline Lender, and other parties thereto.

"First Lien Credit Documents" shall have the meaning assigned to the term "Credit Documents" in the First Lien Credit Agreement.

"First Lien Pledge Agreement" shall have the meaning assigned to the term "Pledge Agreement" in the First Lien Credit Agreement.

"NY UCC" shall have the meaning assigned to such term in Section 1(a)(ii).

"Permitted Pledged Collateral Liens" shall have the meaning assigned to such term in Section 5(b).

"Pledged Debt" shall have the meaning assigned to such term in the recitals to this Agreement.

"Pledged Shares" shall have the meaning assigned to such term in the recitals to this Agreement.

"Pledgors" shall have the meaning assigned to such term in the preamble to this Agreement.

"Proceeds" shall mean all "proceeds" as such term is defined in Article 9 of the NY UCC and, in any event, shall include with respect to any Pledgor, any consideration received from the sale, exchange, license, lease or other Disposition of any asset or property that constitutes Collateral, any value received as a consequence of the possession of any Collateral and any payment received from any insurer or other Person as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property that constitutes Collateral, and shall include (a) all cash and negotiable instruments received by or held on behalf of the Collateral Agent and (b) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Second Lien Credit Agreement" shall have the meaning assigned to such term in the recitals to this Agreement.

"Second Lien Guarantee" shall have the meaning assigned to such term in the recitals to this Agreement.

"Second Lien Obligations" shall mean, collectively, the Obligations and any Additional Second Lien Obligations.

"Second Lien Secured Parties" shall mean, collectively, the Secured Parties (as defined in the Second Lien Credit Agreement) and, if any, the holders of Additional Second Lien Obligations and any Authorized Representative with respect thereto.

"Second Lien Security Agreement" shall have the meaning assigned to such term in the recitals to this Agreement.

"Secured Debt Documents" shall mean, collectively, the Credit Documents, each Secured Hedging Agreement entered into with a Hedge Bank and each Secured Cash Management Agreement entered into with a Cash Management Bank.

"Security Interest" shall have the meaning assigned to such term in Section 2.

"Subsidiary Pledgors" shall have the meaning assigned to such term in the preamble to this Agreement.

"Termination Date" shall mean the date on which all Second Lien Obligations (other than (i) Hedging Obligations in respect of any Secured Hedging Agreements, (ii) Cash Management Obligations in respect of any Secured Cash Management Agreements and (iii) any contingent obligations or other contingent indemnification obligations not then due and payable) have been paid in full, all Commitments have terminated or expired.

"Uniform Commercial Code" shall mean the Uniform Commercial Code as in effect from time to time (except as otherwise specified) in any applicable state or jurisdiction.

(d) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Pledgor, shall refer to such Pledgor's Collateral or the relevant part thereof.

2. Grant of Security. As security for the prompt and complete payment when due (whether at the stated maturity, by acceleration or otherwise) of the Second Lien Obligations, each Pledgor hereby transfers, assigns and pledges to the Collateral Agent (or its agent, designee or bailee), for the benefit of the Second Lien Secured Parties, and hereby grants to the Collateral Agent, for the benefit of the Second Lien Secured Parties, a security interest in and continuing lien on (the "Security Interest") all of such Pledgor's right, title and interest in (subject only to Liens permitted under each of the Second Lien Credit Agreement and any Additional Second Lien Agreement) and to all of the following assets and properties, whether now owned or existing or hereafter acquired or existing or in which such Pledgor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"):

(a) the Pledged Shares held by such Pledgor and the certificates, if any, representing such Pledged Shares and any interest of such Pledgor, including all interests documented in the entries on the books of the issuer of the Pledged Shares or any financial intermediary pertaining to the Pledged Shares and all dividends, cash, warrants, rights, instruments and other property or Proceeds from time to time received, receivable or otherwise distributed in respect of, or in exchange for, any or all of the Pledged Shares;

(b) the Pledged Debt and the Chattel Paper or Instruments evidencing the Pledged Debt owed to such Pledgor and all payments of principal or interest, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such Pledged Debt;

(c) all other property that may be delivered to and held by the Collateral Agent (or its agent, designee or bailee) pursuant to the terms of this Section 2;

(d) subject to Section 8, all rights and privileges of such Pledgor with respect to the securities and other property referred to in clauses (a), (b) and (c) above;

(e) the Intercompany Note; and

(f) to the extent not covered by clauses (a), (b), (c), (d) and (e) above, respectively, all Proceeds of any or all of the foregoing Collateral.

Notwithstanding the foregoing or anything to the contrary contained herein:

(1) the Collateral for the Second Lien Obligations shall not include any Excluded Capital Stock or any other Excluded Property, and no Pledgor shall be deemed to have granted a Security Interest in any of such Pledgor's rights or interests in any Excluded Capital Stock or any other Excluded Property;

(2) at the Borrower's option and if so specified by the Borrower in a writing delivered to the Collateral Agent at the time the applicable Additional Second Lien Secured Party Consent is delivered, any Collateral securing any Additional Second Lien Obligations (but not any other Obligations) shall not include, solely with respect to such Additional Second Lien Obligations, any Capital Stock and other securities of a Subsidiary to the extent that the pledge of such Capital Stock would result in the Borrower, Holdings (or any Parent Entity thereof) or any Subsidiary being required to file separate financial statements of such Subsidiary with the SEC, but only to the extent necessary to not be subject to such requirement and only for so long as such requirement is in existence and only with respect to the relevant Additional Second Lien Obligations affected; provided that neither Holdings, the Borrower nor any Subsidiary shall take any action in the form of a reorganization, merger or other restructuring a principal purpose of which is to provide for the release of the Lien on any Capital Stock pursuant to this clause (2). In addition, in any case described in clause (2) of the preceding sentence, in the event that Rule 3-16 of Regulation S-X under the Securities Act ("Rule 3-16") is amended, modified or interpreted by the SEC to require (or is replaced with another Applicable Law, or any other Applicable Law is adopted, that would require) the filing with the SEC (or any other Governmental Authority) of separate financial statements of any Subsidiary of Holdings due to the fact that such Subsidiary's Capital Stock secures the Additional Second Lien Obligations affected thereby, then the Capital Stock of such Subsidiary will automatically be deemed not to be part of the Collateral securing the relevant Additional Second Lien Obligations affected thereby but only to the extent necessary to not be subject to such requirement and only for so long as required to not be subject to such requirement. In such event, this Agreement may be amended or modified, without the consent of any Second Lien Secured Party, to the extent necessary to release

the Lien in favor of the Collateral Agent for the benefit of the holders of any such Additional Second Lien Obligations on the Capital Stock shares that are so deemed to no longer constitute part of the Collateral for the relevant Additional Second Lien Obligations only. In the event that Rule 3-16 is amended, modified or interpreted by the SEC to permit (or is replaced with another Applicable Law, or any other Applicable Law is adopted, that would permit) such Subsidiary's Capital Stock to secure the Additional Second Lien Obligations in excess of the amount then pledged without the filing with the SEC (or any other Governmental Authority) of separate financial statements of such Subsidiary, then the Capital Stock of such Subsidiary will automatically be deemed to be a part of the Collateral for the relevant Additional Second Lien Obligations. For the avoidance of doubt and notwithstanding anything to the contrary in this Agreement, nothing in this paragraph shall limit the pledge of such Capital Stock and other securities from securing the Obligations at all times or from securing any Additional Second Lien Obligations that are not in respect of securities subject to regulation by the SEC (or other Governmental Authority);

(3) Notwithstanding anything herein to the contrary, the Pledgors shall not be required to take any action intended to cause "Excluded Capital Stock" or any other "Excluded Property" to constitute Collateral (but without limitation of any requirements set forth in clause (i) of the definition of "Excluded Subsidiary").

TO HAVE AND TO HOLD the Collateral, together with all right, title, interest, powers, privileges and preferences pertaining or incidental thereto, unto the Collateral Agent, for the benefit of the Second Lien Secured Parties, forever; subject, however, to the terms, covenants and conditions hereinafter set forth.

Each Pledgor hereby irrevocably authorizes the Collateral Agent at any time and from time to time to file in any relevant jurisdiction any initial financing statements with respect to the Collateral or any part thereof and amendments thereto and continuations thereof that contain the information required by Article 9 of the Uniform Commercial Code of each applicable jurisdiction for the filing of any financing statement or amendment or continuation, including whether such Pledgor is an organization, the type of organization and any organizational identification number issued to such Pledgor. Such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner such as "all assets" or "all personal property, whether now owned or hereafter acquired" of such Pledgor or words of similar effect as being of an equal or lesser scope or with greater detail. Each Pledgor agrees to provide such information to the Collateral Agent promptly upon request. Each Pledgor also ratifies any authorization previously given in writing to the Collateral Agent to file in any relevant jurisdiction any initial financing statements or amendments thereto or continuations thereof if filed prior to the Closing Date.

3. Security for the Second Lien Obligations. This Agreement secures the payment of all the Second Lien Obligations. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts that constitute part of the Second Lien Obligations and would be owed to the Collateral Agent or the Second Lien Secured Parties under the Secured Debt Documents or any Additional Second Lien Agreement but for the fact that they are unenforceable or not allowable due to the existence of a proceeding under any Debtor Relief Law involving any Pledgor.

4. Delivery of the Collateral. All Certificated Securities, Tangible Chattel Paper or Instruments, if any, representing or evidencing the Collateral shall be promptly delivered to and held by or on behalf of the Collateral Agent (or its agent, designee or bailee) pursuant hereto to the extent

required by the Second Lien Credit Agreement or any Additional Second Lien Agreement then in effect and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Collateral Agent; provided that the foregoing shall only apply to Tangible Chattel Paper or an Instrument if the Fair Market Value of such Tangible Chattel Paper or Instrument as of the date acquired or created exceeds $10,000,000 (individually); provided, further, that the foregoing shall not apply to any Excluded Capital Stock, Capital Stock of an Immaterial Subsidiary or Special Purpose Subsidiary or Capital Stock of a Minority Investment. The Collateral Agent shall have the right, at any time after the occurrence and during the continuation of an Event of Default and upon three Business Days' prior written notice to any Pledgor (except as otherwise expressly provided herein), subject to the terms of the First Lien/Second Lien Intercreditor Agreement to transfer to or to register in the name of the Collateral Agent or any of its nominees any or all of the Pledged Shares. After the occurrence and during the continuance of an Event of Default, subject to the terms of the First Lien/Second Lien Intercreditor Agreement, each Pledgor will promptly give to the Collateral Agent (or its agent, designee or bailee) copies of any notices or other communications received by it with respect to Pledged Shares registered in the name of such Pledgor. After the occurrence and during the continuance of an Event of Default, subject to the terms of the First Lien/Second Lien Intercreditor Agreement, the Collateral Agent (or its agent, designee or bailee) shall have the right to exchange the certificates representing Pledged Shares for certificates of smaller or larger denominations for any purpose consistent with this Agreement. Each delivery of Collateral (including any After-acquired Shares and After-acquired Debt) shall be accompanied by a schedule describing the securities and Indebtedness then being pledged hereunder, which shall be attached hereto as part of Schedule 2 and made a part hereof; provided that the failure to attach any such schedule hereto shall not affect the validity of such pledge of such securities and Indebtedness. Each schedule so delivered shall supplement any prior schedules so delivered.

5. Representations and Warranties. Each Pledgor represents and warrants to the Collateral Agent and each other Second Lien Secured Party that:

(a) Schedule 2 hereto (i) correctly represents as of the Closing Date (A) the issuer, the issuer's jurisdiction of formation, the certificate number, if any, the Pledgor and the record owner, the number and class and the percentage of the issued and outstanding Capital Stock of such class of all Pledged Shares and (B) the issuer, the initial principal amount, the Pledgor and holder, date of issuance and maturity date (if applicable) of all Pledged Debt and (ii) together with the comparable schedule to each supplement hereto, includes, all Capital Stock, debt securities and promissory notes held by such Pledgor on the Closing Date and required to be pledged pursuant to Section 6.2(a) and 6.2(b) of the Second Lien Credit Agreement or required to be pledged pursuant to Section 9.11(a) of the Second Lien Credit Agreement, pursuant to any equivalent provision of any Additional Second Lien Agreement and pursuant to Section 9(b) hereof, except in each case to the extent constituting (x) debt securities and promissory notes not required to be delivered hereunder pursuant to Section 4, (y) Excluded Capital Stock or (z) Excluded Property. Except as set forth on Schedule 2, the Pledged Shares represent all of the issued and outstanding Capital Stock of each class of Capital Stock (or 65% of all of the issued and outstanding voting Capital Stock and 100% of all issued and outstanding non-voting Capital Stock in the case of pledges of Capital Stock in Foreign Subsidiaries or FSHCOs) in the issuer on the Closing Date.

(b) Such Pledgor is the legal and beneficial owner of the Collateral pledged or assigned by such Pledgor hereunder free and clear of any Lien, except for (1) the Liens created by this Agreement and by any Additional Second Lien Agreement, (2) the Liens created by the First Lien Credit Documents and permitted under each of the First Lien Credit Agreement and any Additional Second Lien Agreement, (3) any Liens on the Collateral that rank senior in priority to the Liens on the Collateral described in subclause (1) and permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreement (including, for the avoidance of doubt, the Liens created by the First

Lien Credit Documents and any Additional First Lien Agreement (as defined in the "Security Agreement" (as defined in the First Lien Credit Agreement)) and (4) any consensual Liens permitted by Section 10.2 of the Second Lien Credit Agreement to secure such Collateral (the Liens described in clauses (1), (2), (3) and (4), collectively the "Permitted Pledged Collateral Liens").

(c) As of the Closing Date, the Pledged Shares pledged by such Pledgor hereunder have been duly authorized and validly issued and, in the case of Pledged Shares issued by a corporation, are fully paid and non-assessable.

(d) Except for restrictions and limitations imposed by (x) the Permitted Pledged Collateral Liens and the underlying documents thereof or securities laws generally, (y) Applicable Law or (z) agreements relating to Dispositions of Collateral permitted by the Second Lien Credit Agreement, the Collateral is freely transferable and assignable, and none of the Collateral is subject to any option, right of first refusal, shareholders agreement, charter or bylaw provisions or contractual restriction of any nature that might prohibit, impair, delay or otherwise affect the pledge of such Collateral hereunder, the sale or Disposition thereof pursuant hereto or the exercise by the Collateral Agent of rights and remedies hereunder.

(e) No consent or approval of any Governmental Authority, any securities exchange or any other Person was or is necessary to the validity of the pledge effected hereby (other than such as have been obtained and are in full force and effect).

(f) The execution and delivery by such Pledgor of this Agreement and the pledge of the Collateral pledged by such Pledgor hereunder pursuant hereto create a legal, valid and enforceable security interest in such Collateral (in the case of the Capital Stock of Foreign Subsidiaries, to the extent the creation of such security interest in the Capital Stock of Foreign Subsidiaries is governed by the NY UCC) and (i) in the case of Certificated Securities, Tangible Chattel Paper or Instruments representing or evidencing the Collateral, upon the earlier of (x) delivery of such Collateral to the Collateral Agent (or its agent, designee or bailee) in accordance with this Agreement and (y) the filing of the applicable Uniform Commercial Code financing statements described in Section 3.3(a) of the Second Lien Security Agreement and (ii) in the case of all other Collateral in which a security interest may be perfected by filing a financing statement under the Uniform Commercial Code of any jurisdiction, upon the filing of the applicable Uniform Commercial Code financing statements described in Section 3.3(a) of the Second Lien Security Agreement, shall create a perfected security interest in such Collateral (in the case of the Capital Stock of Foreign Subsidiaries, to the extent the creation of such security interest in the Capital Stock of Foreign Subsidiaries is governed by the NY UCC), securing the payment of the Second Lien Obligations, in favor of the Collateral Agent, for the benefit of the Second Lien Secured Parties, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

(g) The pledge effected hereby is effective to vest in the Collateral Agent, for the benefit of the Second Lien Secured Parties, the rights of the Collateral Agent in the Collateral as set forth herein.

(h) Such Pledgor has full power, authority and legal right to pledge all the Collateral pledged by such Pledgor pursuant to this Agreement and this Agreement constitutes a legal, valid and binding obligation of such Pledgor (in the case of the Capital Stock of Foreign Subsidiaries, to the extent the creation of such security interest in the Capital Stock of Foreign Subsidiaries is governed by the NY UCC), enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

(i) The Pledged Debt constitutes all of the outstanding Indebtedness for borrowed money (except Indebtedness of Holdings, the Borrower and each Restricted Subsidiary that is owing to any Pledgor) which, in each case, is owed by any Person to such Pledgor and with an aggregate principal amount in excess of $10,000,000 as of the Closing Date and required to be pledged hereunder or pursuant to Section 6.2(b) or 9.11 of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement.

6. Certification of Limited Liability Company Interests, Limited Partnership Interests, Corporate Interests and Pledged Debt.

(a) Unless otherwise consented to by the Collateral Agent, Capital Stock required to be pledged hereunder in any Domestic Subsidiary that is organized as a limited liability company or limited partnership and pledged hereunder shall either (i) be represented by a certificate, and in the Organizational Documents of such Domestic Subsidiary the applicable Pledgor shall cause the issuer of such interests to elect to treat such interests as a "security" within the meaning of Article 8 of the Uniform Commercial Code of its jurisdiction of organization or formation, as applicable, by including in its Organizational Documents language substantially similar to the following and, accordingly, such interests shall be governed by Article 8 of the Uniform Commercial Code:

> "The [partnership/limited liability company] hereby irrevocably elects that all [partnership/membership] interests in the [partnership/limited liability company] shall be securities governed by Article 8 of the Uniform Commercial Code of [jurisdiction of organization or formation, as applicable]. Each certificate evidencing [partnership/membership] interests in the [partnership/limited liability company] shall bear the following legend: "This certificate evidences an interest in [name of [partnership/limited liability company]] and shall be a security for purposes of Article 8 of the Uniform Commercial Code." No change to this provision shall be effective until all outstanding certificates have been surrendered for cancellation and any new certificates thereafter issued shall not bear the foregoing legend."

or (ii) not have elected to be treated as a "security" within the meaning of Article 8 of the Uniform Commercial Code by the issuer of such Capital Stock and shall not be represented by a certificate; provided that such Pledgor shall at no time elect to treat any such interest as a "security" within the meaning of Article 8 of the Uniform Commercial Code, nor shall such interest be represented by a certificate, unless such Pledgor provides prompt (and in any event within five (5) Business Days, subject to extension in the sole discretion of the Collateral Agent) written notification to the Collateral Agent of such election and such interest is thereafter represented by a certificate that is promptly delivered to the Collateral Agent (or its agent, designee or bailee) pursuant to the terms hereof.

(b) Subject to the limitations set forth herein, in Section 9.11(a) of the Second Lien Credit Agreement, in Section 3.3(b) of the Second Lien Security Agreement or in any equivalent provision of any Additional Second Lien Agreement, each Pledgor will cause each separate obligation of Indebtedness for borrowed money not already evidenced by an Intercompany Note, having an aggregate principal amount in excess of $10,000,000 owed to any Pledgor and required to be pledged pursuant to the Second Lien Credit Agreement or any Additional Second Lien Agreement to be evidenced by a duly executed promissory note that is pledged and delivered to the Collateral Agent (or its agent, designee or bailee) pursuant to the terms hereof.

7. Further Assurances. Subject to the limitations set forth in this Agreement, the other Security Documents (including Section 3.3(b) of the Second Lien Security Agreement) and in any Additional Second Lien Agreement, each Pledgor agrees that at any time and from time to time, at the expense of such Pledgor, it will execute or otherwise authorize the filing of 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), which may be required under any Applicable Law, or which the Collateral Agent or the Required Lenders (or if there are any Additional Second Lien Obligations outstanding, subject to the terms of any intercreditor agreement among the holders of Second Lien Obligations, the requisite holders or lenders of such Additional Second Lien Obligations) may reasonably request, in order (x) to perfect and protect any pledge, assignment or security interest granted or intended to be granted hereby (including the priority thereof) or (y) to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral.

8. Voting Rights; Dividends and Distributions; Etc.

(a) So long as no Event of Default shall have occurred and be continuing and three Business Days' prior written notice has not been received by the Borrower from the Collateral Agent:

(i) Each Pledgor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Collateral or any part thereof for any purpose not prohibited by the terms of this Agreement, the other Secured Debt Documents or any Additional Second Lien Agreement.

(ii) The Collateral Agent (and its agent, designee or bailee) shall execute and deliver (or cause to be executed and delivered) to each Pledgor all such proxies and other instruments as such Pledgor may reasonably request for the purpose of enabling such Pledgor to exercise the voting and other rights that it is entitled to exercise pursuant to paragraph (i) above.

(b) Subject to paragraph (c) below, each Pledgor shall be entitled to receive and retain and use, free and clear of the Lien of this Agreement, any and all dividends, distributions, redemptions, principal and interest made or paid in respect of the Collateral to the extent not prohibited by any Secured Debt Document or any Additional Second Lien Agreement; provided, however, that any and all noncash dividends, interest, principal or other distributions that would constitute Pledged Shares or Pledged Debt, whether resulting from a subdivision, combination or reclassification of the outstanding Capital Stock of the issuer of any Pledged Shares or received in exchange for Pledged Shares or Pledged Debt or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be, and shall be forthwith delivered to the Collateral Agent (or its agent, designee or bailee) to hold as, Collateral and shall, if received by such Pledgor, be received in trust for the benefit of the Collateral Agent, be segregated from the other property or funds of such Pledgor and be forthwith delivered to the Collateral Agent (or its agent, designee or bailee) as Collateral in the same form as so received (with any necessary indorsement).

(c) Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, upon three Business Days' prior written notice to the Pledgors by the Collateral Agent following the occurrence and during the continuation of an Event of Default:

(i) all rights of such Pledgor to exercise or refrain from exercising the voting and other consensual rights that it would otherwise be entitled to exercise pursuant to Section 8(a)(i) shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall thereupon have the sole right to exercise or refrain from exercising such voting and other

consensual rights during the continuation of such Event of Default; provided that, unless otherwise directed by the Required Lenders (or if there are any Additional Second Lien Obligations outstanding, subject to the terms of any intercreditor agreement among the holders of Second Lien Obligations, the requisite holders or lenders of such Additional Second Lien Obligations), the Collateral Agent shall have the right from time to time following the occurrence and during the continuation of an Event of Default to permit the Pledgors to exercise such rights. After all Events of Default have been cured or waived or otherwise cease to be continuing and the Borrower has delivered to the Collateral Agent a certificate to that effect, each Pledgor will have the right to exercise the voting and consensual rights that such Pledgor would otherwise be entitled to exercise pursuant to the terms of Section 8(a)(i) (and the obligations of the Collateral Agent under Section 8(a)(ii) shall be reinstated);

(ii) all rights of such Pledgor to receive the dividends, distributions and principal and interest payments that such Pledgor would otherwise be authorized to receive and retain pursuant to Section 8(b) shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall thereupon have the sole right to receive and hold as Collateral such dividends, distributions and principal and interest payments during the continuation of such Event of Default. After all Events of Default have been cured or waived or otherwise cease to be continuing and the Borrower has delivered to the Collateral Agent a certificate to that effect, the Collateral Agent shall repay to each Pledgor (without interest) and each Pledgor shall be entitled to receive, retain and use all dividends, distributions and principal and interest payments that such Pledgor would otherwise be permitted to receive, retain and use pursuant to the terms of Section 8(b);

(iii) all dividends, distributions and principal and interest payments that are received by such Pledgor contrary to the provisions of Section 8(b) shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of such Pledgor and shall forthwith be delivered to the Collateral Agent (or its agent, designee or bailee) as Collateral in the same form as so received (with any necessary indorsements); and

(iv) in order to permit the Collateral Agent to receive all dividends, distributions and principal and interest payments to which it may be entitled under Section 8(b) above, to exercise the voting and other consensual rights that it may be entitled to exercise pursuant to Section 8(c)(i), and to receive all dividends, distributions and principal and interest payments that it may be entitled to under Sections 8(c)(ii) and (c)(iii), such Pledgor shall from time to time execute and deliver to the Collateral Agent, appropriate proxies, dividend payment orders and other instruments as the Collateral Agent may reasonably request.

(d) Any notice given by the Collateral Agent to the Pledgors suspending their rights under paragraph (c) of this Section 8, (i) may be given to one or more of the Pledgors at the same or different times and (ii) may suspend the rights of the Pledgors under paragraph (a)(i) or paragraph (b) of this Section 8 in part without suspending all such rights (as specified by the Collateral Agent in its sole and absolute discretion) and without waiving or otherwise affecting the Collateral Agent's rights to give additional notices from time to time suspending other rights so long as an Event of Default has occurred and is continuing.

9. Transfers and Other Liens; Additional Collateral; Etc. Each Pledgor shall:

(a) not, except as permitted by each of the Second Lien Credit Agreement and each Additional Second Lien Agreement (including pursuant to waivers and consents thereunder), (i) sell or otherwise Dispose of, or grant any option or warrant with respect to, any of the Collateral or (ii) create or

suffer to exist any consensual Lien upon or with respect to any of the Collateral; provided that, in the event such Pledgor sells or otherwise Disposes of assets as permitted by each of the Second Lien Credit Agreement and each Additional Second Lien Agreement (including pursuant to waivers and consents thereunder) to a Person that is not a Pledgor and such assets are or include any of the Collateral, such Collateral shall automatically be released to such Pledgor free and clear of the Lien created by this Agreement concurrently with the consummation of such Disposition in accordance with Section 13.17 of the Second Lien Credit Agreement, any equivalent provision of any Additional Second Lien Agreement and with Section 14 hereof;

(b) pledge and, if applicable, cause each Subsidiary required to become a party hereto to pledge, to the Collateral Agent (or its agent or designee) for the benefit of the Second Lien Secured Parties, promptly upon acquisition thereof, all After-acquired Shares and After-acquired Debt required to be pledged pursuant to Section 9.11(a) of the Second Lien Credit Agreement and any equivalent provision of any Additional Second Lien Agreement, except in each case to the extent such After-acquired Shares and After-acquired Debt constitute Excluded Capital Stock or Excluded Property and in each case pursuant to a supplement to this Agreement substantially in the form of Annex A hereto or such other form reasonably satisfactory to the Collateral Agent (it being understood that the execution and delivery of such a supplement shall not require the consent of any Pledgor hereunder and that the rights and obligations of each Pledgor hereunder shall remain in full force and effect notwithstanding the addition of any new Subsidiary Pledgor as a party to this Agreement); and

(c) take any actions required under Applicable Law or which the Collateral Agent or Required Lenders may reasonably request to defend its and the Collateral Agent's title or interest in and to all the Collateral (and in the Proceeds thereof) against any and all Liens (other than any Permitted Pledged Collateral Liens), however arising, and any and all Persons whomsoever and, subject to Section 13.17 of the Second Lien Credit Agreement, any equivalent provision of any Additional Second Lien Agreement and Section 14 hereof, to maintain and preserve the Lien and security interest created by this Agreement until the Termination Date.

10. Collateral Agent Appointed Attorney-in-Fact. Each Pledgor hereby appoints, which appointment is irrevocable and coupled with an interest, the Collateral Agent as such Pledgor's attorney-in-fact, with full authority in the place and stead of such Pledgor and in the name of such Pledgor or otherwise, to take any action and to execute any instrument, in each case after the occurrence and during the continuation of an Event of Default, that the Collateral Agent may deem reasonably necessary or advisable to accomplish the purposes of this Agreement, including to receive, indorse and collect all instruments made payable to such Pledgor representing any dividend, distribution or principal or interest payment in respect of the Collateral or any part thereof and to give full discharge for the same.

11. The Collateral Agent's Duties. The powers conferred on the Collateral Agent hereunder are solely to protect its interest and the interests of the Second Lien Secured Parties in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Collateral Agent shall have no duty as to any Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Pledged Shares, whether or not the Collateral Agent or any other Second Lien Secured Party has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property.

12. Remedies. Subject to the terms of the First Lien/Second Lien Intercreditor Agreement, if any Event of Default shall have occurred and be continuing:

(a) The Collateral Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party upon default under the NY UCC (whether or not the NY UCC applies to the affected Collateral) and also may without notice, except as otherwise specified in this Agreement, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange broker's board or at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, at such price or prices and upon such other terms as are commercially reasonable irrespective of the impact of any such sales on the market price of the Collateral. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers of Collateral to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and, upon consummation of any such sale, the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Pledgor, and each Pledgor hereby waives (to the extent permitted by Applicable Law) all rights of redemption, stay and/or appraisal that it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent or any Second Lien Secured Party shall have the right upon any such public sale, and, to the extent permitted by Applicable Law, upon any such private sale, to purchase all or any part of the Collateral so sold and the Collateral Agent or such other Second Lien Secured Party may, subject to (x) the satisfaction in full of all payments due pursuant to Section 12(b)(i) hereof and (y) the satisfaction of the Second Lien Obligations in accordance with the priorities set forth in Section 12(b), pay the purchase price by crediting the amount thereof against the Second Lien Obligations. Each Pledgor agrees that, to the extent notice of sale shall be required by Applicable Law, at least ten days' notice to such Pledgor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. To the extent permitted by Applicable Law, each Pledgor hereby waives any claim against the Collateral Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 12 shall be deemed to conform to the commercially reasonable standards as provided in Section 9-610(b) of the New York UCC or its equivalent in other jurisdictions.

(b) Except as expressly provided elsewhere in this Agreement or any other Credit Document (including the First Lien/Second Lien Intercreditor Agreement), all proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral shall be applied after receipt as follows:

(i) FIRST, to the payment of all reasonable and documented out-of-pocket costs and expenses incurred by the Collateral Agent in connection with such collection or sale or otherwise in connection with this Agreement, the other Credit Documents, any Additional Second Lien Agreement or any of the Second Lien Obligations, including all court costs and the reasonable

and documented fees and out-of-pocket expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent hereunder, under any other Credit Document or under any Additional Second Lien Agreement on behalf of any Pledgor and any other reasonable and documented out-of-pocket costs or expenses incurred in connection with the exercise of any right or remedy hereunder, under any other Credit Document or under any Additional Second Lien Agreement;

(ii) SECOND, to the Second Lien Secured Parties, an amount equal to all Second Lien Obligations owing to them on the date of any such distribution, and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such Second Lien Secured Parties in proportion to the unpaid amounts thereof;

(iii) THIRD, any balance of such proceeds shall be applied as set forth in Section 4.01 of the First Lien/Second Lien Intercreditor Agreement; and

(iv) FOURTH, any surplus then remaining shall be paid to the Pledgors 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.

Notwithstanding the foregoing, (i) no amounts received from any Pledgor shall be applied to any Excluded Swap Obligation of such Pledgor and (ii) after the payments pursuant to clause FIRST above, if an intercreditor agreement (including an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) has been entered into among the holders of Second Lien Obligations which provides for the application of proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral, then such proceeds shall be applied pursuant to the terms of such intercreditor agreement (including an Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) and in making the determination and allocations required in any intercreditor agreement the Collateral Agent may conclusively rely upon information supplied by the applicable Authorized Representatives as to the amounts of unpaid principal and interest and other amounts outstanding with respect to such Second Lien Obligations and the Collateral Agent shall have no liability to any of the Second Lien Secured Parties for actions taken in reliance on such information.

The Collateral Agent shall have absolute discretion as to the time of the application of any such proceeds in accordance with this Section 12. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

(c) The Collateral Agent may exercise any and all rights and remedies of each Pledgor in respect of the Collateral.

(d) All payments received by any Pledgor after the occurrence and during the continuation of an Event of Default and after prior written notice from the Collateral Agent to the Borrower (it being understood that the exercise of remedies by the Second Lien Secured Parties in connection with an Event of Default under Section 11.5 of the Second Lien Credit Agreement or any equivalent provision of any Additional Second Lien Agreement shall be deemed to constitute a request by the Collateral Agent for the purposes of this sentence and in such circumstances, no such written notice

shall be required) in respect of the Collateral shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of such Pledgor and shall be forthwith delivered to the Collateral Agent (or its agent, designee or bailee) as Collateral in the same form as so received (with any necessary indorsement).

(e) If the Collateral Agent shall determine to exercise its right to sell all or any of the Pledged Shares pursuant to this Section 12, each Pledgor recognizes that the Collateral Agent may be unable to effect a public sale of any or all of the Pledged Shares, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Pledgor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Collateral Agent shall be under no obligation to delay a sale of any of the Pledged Shares for the period of time necessary to permit the issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such issuer would agree to do so.

(f) If the Collateral Agent determines to exercise its right to sell any or all of the Collateral, upon written request, each Pledgor shall, from time to time, furnish to the Collateral Agent all such information as the Collateral Agent may reasonably request in order to determine the number of shares and other instruments included in the Collateral which may be sold by the Collateral Agent as exempt transactions under the Securities Act and rules of the SEC, as the same are from time to time in effect.

13. Amendments, etc. with Respect to the Second Lien Obligations; Waiver of Rights. Except for the termination of a Pledgor's Second Lien Obligations hereunder as provided in Section 14, each Pledgor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Pledgor and without notice to or further assent by any Pledgor, (a) any demand for payment of any of the Second Lien Obligations made by the Collateral Agent or any other Second Lien Secured Party may be rescinded by such party and any of the Second Lien Obligations continued, (b) the Second Lien Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Collateral Agent or any other Second Lien Secured Party, (c) the Secured Debt Documents, any Additional Second Lien Agreement and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, in accordance with the terms of the applicable Secured Debt Document or Additional Second Lien Agreement and (d) any collateral security, guarantee or right of offset at any time held by the Collateral Agent or any other Second Lien Secured Party for the payment of the Second Lien Obligations may be sold, exchanged, waived, surrendered or released. Neither the Collateral Agent nor any other Second Lien Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Second Lien Obligations or for this Agreement or any property subject thereto. When making any demand hereunder against any Pledgor, the Collateral Agent or any other Second Lien Secured Party may, but shall be under no obligation to, make a similar demand on the Borrower (to the extent such demand is in respect of any Second Lien Obligations owing by the Borrower) or any other Pledgor or pledgor, and any failure by the Collateral Agent or any other Second Lien Secured Party to make any such demand or to collect any payments from the Borrower or any other Pledgor or pledgor or any release of the Borrower or any other Pledgor or pledgor shall not relieve any Pledgor in respect of which a demand or collection is not made or any Pledgor not so released of its several obligations or

liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Collateral Agent or any other Second Lien Secured Party against any Pledgor. For the purposes hereof "demand" shall include the commencement and continuation of any legal proceedings. In the event of any conflict between the terms of this Section 13 and the Second Lien Credit Agreement, the Second Lien Credit Agreement shall prevail.

14. Continuing Security Interest; Assignments Under the Secured Debt Documents or any Additional Second Lien Agreement; Release.

(a) This Agreement and the security interest granted hereunder shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Pledgor and the successors and assigns thereof and shall inure to the benefit of the Collateral Agent and the other Second Lien Secured Parties and their respective successors, indorsees, transferees and assigns until the Termination Date, notwithstanding that from time to time prior to the Termination Date, the Pledgors may be free from any Obligations.

(b) (i) A Subsidiary Pledgor shall automatically be released from its obligations hereunder and the Liens and the Security Interests in the Collateral of such Subsidiary Pledgor created hereby shall be automatically released (x) as it relates to the Obligations, upon the consummation of any transaction permitted by the Second Lien Credit Agreement, as a result of which such Subsidiary Pledgor ceases to be a Restricted Subsidiary of the Borrower or otherwise becomes an Excluded Subsidiary and (y) as it relates to any Additional Second Lien Obligations under any Additional Second Lien Agreement, upon the consummation of any transaction permitted by such Additional Second Lien Agreement, as a result of which such Subsidiary Pledgor ceases to be a guarantor thereunder; and (ii) Holdings (or the Previous Holdings, as the case may be) shall automatically be released from its obligations hereunder and the Security Interests in the Collateral of Holdings (or the Previous Holdings, as the case may be) created hereby shall be automatically released upon a Holdings Termination Event and/or in accordance with the formation or acquisition of a New Holdings, in each case, that satisfies the conditions set forth in (x) as it relates to the Obligations, the Second Lien Credit Agreement and (y) as it relates to any Additional Second Lien Obligations under any Additional Second Lien Agreement, such Additional Second Lien Agreement.

(c) The Security Interests created hereby in any Collateral shall be automatically released and such Collateral sold free and clear of the Liens and the Security Interests created hereby (i) as required by the Collateral Agent to effect any sale, transfer or other Disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to this Agreement, (ii) upon any sale, transfer or other Disposition by any Pledgor of any Collateral that is permitted under the Second Lien Credit Agreement and each Additional Second Lien Agreement (other than to another Pledgor), (iii) upon the effectiveness of any release (including any written consent to such release) of the Liens and the Security Interests created hereby in any Collateral in accordance with Section 13.17 of the Second Lien Credit Agreement and any applicable provision in each Additional Second Lien Agreement, (iv) upon such Collateral becoming Excluded Capital Stock or Excluded Property, (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 Second Lien Guarantee (in accordance with Section 13.17 of the Second Lien Credit Agreement and the Second Lien Guarantee) or (vi) as otherwise provided in any applicable intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) among holders of Second Lien Obligations.

(d) In connection with any termination or release pursuant to paragraph (a), (b) or (c), the Collateral Agent shall execute and deliver to any Pledgor or authorize the filing of, at such Pledgor's expense, all documents that such Pledgor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 14 shall be without recourse to or warranty by the Collateral Agent.

15. Reinstatement. This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Second Lien Obligations is rescinded or must otherwise be restored or returned by the Collateral Agent or any other Second Lien Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Pledgor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any other Pledgor or any substantial part of its property, or otherwise, all as though such payments had not been made.

16. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 13.2 of the Second Lien Credit Agreement (whether or not then in effect). All communications and notices hereunder to any Subsidiary Pledgor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the Second Lien Credit Agreement (whether or not then in effect). All notices to any holder of Additional Second Lien Obligations shall be given to it in care of the applicable Authorized Representative at such Authorized Representative's address set forth in the applicable Additional Second Lien Secured Party Consent or Additional Second Lien Agreement, as the case may be, as such address may be changed by written notice to the Collateral Agent and the Borrower.

17. 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 (i.e., a "PDF" or "TIF" file)), 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 Collateral Agent and the Borrower.

18. 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. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

19. Integration. This Agreement together with the other Credit Documents and each Additional Second Lien Agreement represents the agreement of each of the Pledgors with respect to the subject matter hereof and there are no promises, undertakings, representations or warranties by the Collateral Agent or any other Second Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Secured Debt Documents or any Additional Second Lien Agreement (and each other agreement or instrument executed or issued in connection therewith).

20. Amendments in Writing; No Waiver; Cumulative Remedies.

(a) None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Pledgor(s) and the Collateral Agent in accordance with Section 13.1 of the Second Lien Credit Agreement. The Collateral Agent may, without the consent of any Lender, enter into any amendments to this Agreement (including modifications of the terms "Additional Second Lien Agreement" and "Additional Second Lien Obligations" and any provisions of this Agreement referencing such terms) to reflect the issuance or Incurrence of any Indebtedness secured by a Lien permitted by Section 10.2(a) of the Second Lien Credit Agreement that is not secured by Liens granted under this Agreement.

(b) Neither the Collateral Agent nor any other Second Lien Secured Party shall by any act (except by a written instrument pursuant to Section 20(a) hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof or of any other applicable Secured Debt Document or of any Additional Second Lien Agreement. No failure to exercise, nor any delay in exercising, on the part of the Collateral Agent or any other Second Lien Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Agent or any other Second Lien Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Collateral Agent or such other Second Lien Secured Party would otherwise have on any other occasion.

(c) The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

21. Collateral Agent as Agent. Section 6.3 and Section 6.4 of the Second Lien Security Agreement are incorporated herein, *mutatis mutandis*.

22. Section Headings. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

23. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, designees and sub-agent permitted hereby, except that no Pledgor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Agent, except pursuant to a transaction permitted by each of the Second Lien Credit Agreement and any Additional Second Lien Agreements.

24. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

25. Submission to Jurisdiction; Waivers. Each Pledgor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement, the other Credit Documents to which it is a party and any Additional Second Lien Agreement to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the County of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 Pledgor at its address referred to in Section 16 or at such other address of which the Collateral Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right of the Collateral Agent or any other Second Lien Secured Party to effect service of process in any other manner permitted by law or shall limit the right of the Collateral Agent or any other Second Lien Secured Party to sue 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 25 any special, exemplary, punitive or consequential damages.

26. 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.

27. Intercreditor Agreement. Notwithstanding any other provision contained herein, this Agreement, the liens and security interests created hereby and the exercise of any rights, remedies, duties and obligations provided for herein are subject in all respects to the provisions of any intercreditor agreement and, to the extent provided therein, the Second Lien Security Documents (as such term or similar term is defined in any applicable intercreditor agreement). In the event of any conflict or inconsistency between the provisions of this Agreement and any intercreditor agreement (including any Equal Priority Intercreditor Agreement or other Customary Intercreditor Agreement) among the holders of Second Lien Obligations that relates solely to the rights or obligations of, or relationship between, the Second Lien Secured Parties under the Second Lien Credit Agreement and the Second Lien Secured Parties under any Additional Second Lien Agreement, the provisions of such intercreditor agreement shall control.

Notwithstanding anything herein to the contrary, (i) the liens and security interests granted to the Collateral Agent pursuant to this Agreement are expressly subject and subordinate to the liens and security interests granted in favor of the Senior Priority Secured Parties (as defined in the First Lien/Second Lien Intercreditor Agreement referred to below), including liens and security interests granted to Morgan Stanley Senior Funding, Inc., as collateral agent, pursuant to or in connection with the First Lien Credit Agreement dated as of October 22, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), among Holdings, the Borrower, the lenders from time to time party thereto and Morgan Stanley Senior Funding, Inc., as administrative agent and collateral agent, and the other parties thereto, and (ii) the exercise of any right or remedy by the Collateral Agent or any other secured party hereunder is subject to the limitations and provisions of the First Lien/Second Lien Intercreditor Agreement, dated as of October 22, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien/Second Lien Intercreditor Agreement"), among Morgan Stanley Senior Funding, Inc., as First Lien Administrative Agent, Morgan Stanley Senior Funding, Inc., as Second Lien Administrative Agent, Holdings, the Borrower and certain of its affiliated entities party thereto. In the event of any conflict between the terms of the First Lien/Second Lien Intercreditor Agreement and the terms of this Agreement, the terms of the First Lien/Second Lien Intercreditor Agreement shall govern.

28. Additional Second Lien Obligations. Notwithstanding any provision to the contrary in this Agreement, the Collateral Agent shall be under no obligation to serve as agent on behalf of the holders of any Additional Second Lien Obligations (or their representatives) or under any Additional Second Lien Agreement and may decide, in its sole discretion, not to serve in such role, it being understood that, in such circumstance, no provisions of this Agreement will benefit or apply to the holders of Additional Second Lien Obligations (or their representatives). It being further understood that the Collateral Agent shall serve in such role only if it has countersigned an Additional Second Lien Secured Party Consent and in such case solely with respect to the New Secured Obligation under and as defined in such Additional Second Lien Secured Party Consent. For the avoidance of doubt, any refusal by the Collateral Agent to serve as collateral agent on behalf of the holders of any Additional Second Lien Obligations (or their representatives) shall not limit the Borrower's ability to incur such obligations and secure them by Liens on the Collateral that rank equal in priority to the Liens on the Collateral securing the Obligations and any other Second Lien Obligations if then in effect to the extent permitted to do so under each of the Second Lien Credit Agreement and any Additional Second Lien Agreement and in such case the Collateral Agent is authorized to execute an Equal Priority Intercreditor Agreement or any other Customary Intercreditor Agreement (or any joinders thereto) and any related documentation to evidence and/or acknowledge the Liens securing any such Additional Second Lien Obligations and the relationship between the Collateral Agent and the collateral agent appointed in respect of such Additional Second Lien Obligations.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

GLOBE INTERMEDIATE CORP., as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP HOLDINGS, INC., as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP MIDCO, INC., as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GROCERY OUTLET INC., as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

AMELIA'S, LLC, as Pledgor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

[Signature Page to Second Lien Pledge Agreement]

SCHEDULE 1
TO THE SECOND LIEN PLEDGE AGREEMENT

SUBSIDIARY PLEDGORS

1. GOBP Midco, Inc., a Delaware corporation
2. Grocery Outlet Inc., a California corporation
3. Amelia's, LLC, a Delaware limited liability company

PLEDGED SHARES AND PLEDGED DEBT

Pledged Shares

Pledgor	Issuing Entity	Class of Equity Interests	Certificate Nos. of Issued Shares /Units	Number of Shares/Units Issued & Percentage of Class
Globe Intermediate Corp.	GOBP Holdings, Inc.	(i) Common Stock (ii) Series A Preferred	N/A	N/A
GOBP Holdings, Inc.	GOBP Midco, Inc.	Common Stock	CS-1	1,000
GOBP Midco, Inc.	Grocery Outlet Inc.	Series A Voting Common Stock	No. 21	1,000
Grocery Outlet Inc.	Amelia's, LLC	Membership Units	No. 2	100

Pledged Debt

The Intercompany Note (as defined in the Second Lien Credit Agreement), dated as of the Closing Date and executed by Holdings, the Borrower and each other Restricted Subsidiary of the Borrower.

Exhibit 10.10

Execution Version

SECOND LIEN COPYRIGHT SECURITY AGREEMENT

This SECOND LIEN INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Second Lien IP Security Agreement"), dated as of October 22, 2018, between the Person listed on the signature pages hereof (the "Grantor"), and MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent for the Second Lien Secured Parties (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Collateral Agent").

A. Capitalized terms used herein and not otherwise defined herein (including terms used in the preamble and the recitals) shall have the meanings assigned to such terms in the Second Lien Security Agreement, dated as of October 22, 2018 (as the same may be amended, supplemented, amended and restated or otherwise modified from time to time, the "Second Lien Security Agreement") among GLOBE INTERMEDIATE CORP., a Delaware corporation, GOBP HOLDINGS, INC., a Delaware corporation (the "Borrower"), each of the subsidiaries of the Borrower listed on Annex A thereto or that becomes a party thereto pursuant to Section 7.13 thereof and the Collateral Agent.

B. The rules of construction and other interpretive provisions specified in Second Lien Sections 1.2, 1.5, 1.6, 1.7, 1.8 and 1.11 of the Second Lien Credit Agreement shall apply to this Second Lien Copyright Security Agreement, including terms defined in the preamble and recitals hereto.

C. Pursuant to Section 4.4(e) of the Second Lien Security Agreement, the Grantor has agreed to execute or otherwise authenticate and deliver this Second Lien Copyright Security Agreement for recording the Security Interest granted under the Second Lien Security Agreement to the Collateral Agent in such Grantor's U.S. Recordable Intellectual Property with the United States Copyright Office ("USCO").

Accordingly, the Collateral Agent and the Grantor agree as follows:

SECTION 1. Grant of Security The Grantor hereby grants to the Collateral Agent for the benefit of the Second Lien Secured Parties a security interest (subject only to Liens permitted under each of the Credit Agreement and any Additional Second Lien Agreement) in all of such Grantor's right, title and interest in and to the following (collectively, the "Collateral"):

(i) United States copyright registrations and exclusive licenses thereof set forth in Schedule A hereto (the "Copyrights");

(ii) all reissues, divisionals, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing;

(iii) all rights to sue at law or in equity for any past, present, or future infringement, misappropriation, dilution, violation, misuse or other impairment of or unfair competition with any of the foregoing, and to receive and collect injunctive or other equitable relief and damages and compensation; and

(iv) all rights to receive and collect Proceeds from any of the foregoing.

SECTION 2. Recordation. The Grantor authorizes and requests that the Register of Copyrights, and any other applicable governmental officer located in the United States to record this Second Lien Copyright Security Agreement.

SECTION 3. Grants, Rights and Remedies. This Second Lien Copyright Security Agreement has been entered into in conjunction with the provisions of the Second Lien Security Agreement.

The Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Collateral Agent with respect to the Collateral are more fully set forth in the Second Lien Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Second Lien Copyright Security Agreement and the terms of the Second Lien Security Agreement, the terms of the Second Lien Security Agreement shall govern.

SECTION 4. Counterparts. This Second Lien Copyright Security Agreement may be executed by one or more of the parties to this Second Lien IP Security Agreement on any number of separate counterparts (including by facsimile or other electronic transmission (i.e. a "pdf" or "tif")), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

SECTION 5. GOVERNING LAW. THIS SECOND LIEN IP SECURITY 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.

SECTION 6. Severability. Any provision of this Second Lien IP Security 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 in the Security Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 7.2 of the Second Lien Security Agreement. All communications and notices hereunder to the Grantor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the Second Lien Credit Agreement (whether or not then in effect).

IN WITNESS WHEREOF, the Grantor and the Collateral Agent have duly executed this Second Lien Copyright Security Agreement as of the day and year first above written.

GROCERY OUTLET INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

SCHEDULE A TO THE
SECOND LIEN COPYRIGHT PROPERTY
SECURITY AGREEMENT

UNITED STATES COPYRIGHTS AND COPYRIGHT APPLICATIONS

Copyright (Work)	Reg. No.	Owner
Ben Saven (Frugal Friends)	VA0001816784	Grocery Outlet Inc.
Doug (Frugal Friends)	VA0001816783	Grocery Outlet Inc.
Lois Prices (Frugal Friends)	VA0001816782	Grocery Outlet Inc.
Tammy Underspend (Frugal Friends)	VA0001816786	Grocery Outlet Inc.
WOW! Bottlenecker.	VA0001795425	Grocery Outlet Inc.

Exhibit 10.11

EXECUTION VERSION

SECOND LIEN TRADEMARK SECURITY AGREEMENT

This SECOND LIEN INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Second Lien IP Security Agreement"), dated as of October 22, 2018, between the Person listed on the signature pages hereof (the "Grantor"), and MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent for the Second Lien Secured Parties (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Collateral Agent").

A. Capitalized terms used herein and not otherwise defined herein (including terms used in the preamble and the recitals) shall have the meanings assigned to such terms in the Second Lien Security Agreement, dated as of October 22, 2018 (as the same may be amended, supplemented, amended and restated or otherwise modified from time to time, the "Second Lien Security Agreement") among GLOBE INTERMEDIATE CORP., a Delaware corporation, GOBP HOLDINGS, INC., a Delaware corporation (the "Borrower"), each of the subsidiaries of the Borrower listed on Annex A thereto or that becomes a party thereto pursuant to Section 7.13 thereof and the Collateral Agent.

B. The rules of construction and other interpretive provisions specified in Second Lien Sections 1.2, 1.5, 1.6, 1.7, 1.8 and 1.11 of the Second Lien Credit Agreement shall apply to this Second Lien Trademark Security Agreement, including terms defined in the preamble and recitals hereto.

C. Pursuant to Section 4.4(e) of the Second Lien Security Agreement, the Grantor has agreed to execute or otherwise authenticate and deliver this Second Lien Trademark Security Agreement for recording the Security Interest granted under the Second Lien Security Agreement to the Collateral Agent in such Grantor's U.S. Recordable Intellectual Property with the United States Patent and Trademark Office ("USPTO").

Accordingly, the Collateral Agent and the Grantor agree as follows:

SECTION 1. Grant of Security The Grantor hereby grants to the Collateral Agent for the benefit of the Second Lien Secured Parties a security interest (subject only to Liens permitted under each of the Credit Agreement and any Additional Second Lien Agreement) in all of such Grantor's right, title and interest in and to the following (collectively, the "Collateral"):

(i) the United States trademark and service mark registrations and applications and exclusive licenses thereof set forth in Schedule A hereto (provided that no security interest shall be granted in any "intent-to-use" trademark application filed with the USPTO prior to the filing and acceptance of a "Statement of Use" or "Amendment to Allege Use" with respect thereto), including all goodwill associated therewith or symbolized thereby (the "Trademarks");

(ii) all reissues, divisionals, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing;

(iii) all rights to sue at law or in equity for any past, present, or future infringement, misappropriation, dilution, violation, misuse or other impairment of or unfair competition with any of the foregoing, and to receive and collect injunctive or other equitable relief and damages and compensation; and

(iv) all rights to receive and collect Proceeds from any of the foregoing.

SECTION 2. Recordation. The Grantor authorizes and requests that the Commissioner for Trademarks and any other applicable governmental officer located in the United States to record this Second Lien Trademark Security Agreement.

SECTION 3. Grants, Rights and Remedies. This Second Lien Trademark Security Agreement has been entered into in conjunction with the provisions of the Second Lien Security Agreement. The Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Collateral Agent with respect to the Collateral are more fully set forth in the Second Lien Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Second Lien Trademark Security Agreement and the terms of the Second Lien Security Agreement, the terms of the Second Lien Security Agreement shall govern.

SECTION 4. Counterparts. This Second Lien Trademark Security Agreement may be executed by one or more of the parties to this Second Lien IP Security Agreement on any number of separate counterparts (including by facsimile or other electronic transmission (i.e. a "pdf" or "tif")), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

SECTION 5. GOVERNING LAW. THIS SECOND LIEN IP SECURITY 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.

SECTION 6. Severability. Any provision of this Second Lien IP Security 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 in the Security Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 7.2 of the Second Lien Security Agreement. All communications and notices hereunder to the Grantor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the Second Lien Credit Agreement (whether or not then in effect).

IN WITNESS WHEREOF, the Grantor and the Collateral Agent have duly executed this Second Lien Trademark Security Agreement as of the day and year first above written.

GROCERY OUTLET INC.

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

SCHEDULE A TO THE
SECOND LIEN TRADEMARK PROPERTY
SECURITY AGREEMENT

UNITED STATES TRADEMARK REGISTRATIONS AND TRADEMARK APPLICATIONS

Trademark[1]	App. No.	Trademark No.	Owner
AMELIA'S	85509370	4190703	Grocery Outlet Inc.
AMELIA'S GROCERY OUTLET	85509375	4205087	Grocery Outlet Inc.
BARGAIN MINUTE	85808393	4518765	Grocery Outlet Inc.
BARGAINOMICS	87213160	5313378	Grocery Outlet, Inc.
BARGAINS ON BRANDS YOU TRUST!	78424125	2964247	Grocery Outlet Inc.
BEN SAVEN	85597891	4249974	Grocery Outlet Inc.
BIG BRANDS. LITTLE PRICES.	85505693	4190431	Grocery Outlet Inc.
CANNED FOODS GROCERY OUTLETS	77699947	3701241	Grocery Outlet Inc.
DOUG	85597895	4249975	Grocery Outlet Inc.
ECO-FRUGAL	77867458	4112260	Grocery Outlet Inc.
FRUGAL FRIENDS	85597910	4245918	Grocery Outlet Inc.
	86135411	4769584	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	86532165	4888093	Grocery Outlet Inc.
GROCERY OUTLET BARGAIN MARKET	77561753	3604714	Grocery Outlet Inc.
	86032740	4479224	Grocery Outlet Inc.
	87108931	N/A	Grocery Outlet Inc.
GROCERY OUTLET BARGAINS ONLY!	76314254	2715156	Grocery Outlet Inc.
	78143358	2775580	Grocery Outlet Inc.
HARVEST DAY	78832121	3782829	Grocery Outlet, Inc.
HARVEST DAY	87164529	5325344	Grocery Outlet, Inc.
INDEPENDENCE FROM HUNGER	85410590	4135086	Grocery Outlet Inc.
INDEPENDENCE FROM HUNGER	85410597	4135088	Grocery Outlet Inc.

1 Grantors have abandoned the following trademark registrations and make no representations, warranties, or covenants under the First Lien Security Agreement, First Lien Credit Agreement, Second Lien Security Agreement or the Second Lien Credit Agreement with respect to such trademark registrations: Registration No. 4190703 and Registration No. 4205087.

Trademark[1]	App. No.	Trademark No.	Owner
LADY LEE	78831598	3779585	Grocery Outlet, Inc.
LOIS PRICES	85597916	4249976	Grocery Outlet Inc.
NOSH	85128472	4247576	Grocery Outlet Inc.
NOSH	86780435	5067165	Grocery Outlet Inc.
	86795040	5093914	Grocery Outlet Inc.
	86795037	5093913	Grocery Outlet Inc.
OVERSHOP. UNDERSPEND.	77856328	3802978	Grocery Outlet Inc.
TAMMY UNDERSPEND	85597923	4249977	Grocery Outlet Inc.
WOW!	86573220	5306956	Grocery Outlet Inc.
	86578051	5218984	Grocery Outlet Inc.
	87206798	5372725	Grocery Outlet Inc.

Exhibit 10.12

Execution Version

SECOND LIEN GUARANTEE

SECOND LIEN GUARANTEE, dated as of October 22, 2018 (this "Guarantee"), made among GLOBE INTERMEDIATE CORP., a Delaware corporation ("Holdings"; as further defined in the Credit Agreement), GOBP HOLDINGS, INC., a Delaware corporation (the "Borrower" as further defined in the Credit Agreement), each of the subsidiaries of the Borrower listed on Annex A hereto or that becomes a party hereto pursuant to Section 21 hereof (each such subsidiary, individually, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"; and together with Holdings and, other than with respect to its own obligations, the Borrower, collectively, the "Guarantors"), and MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent for the Second Lien Secured Parties (as defined below) (in such capacity, together with its successors, assigns, designees and sub-agents in such capacity, the "Second Lien Collateral Agent").

W I T N E S S E T H:

WHEREAS, (a) pursuant to the Second Lien Credit Agreement, dated as of October 22, 2018 (the "Credit Agreement"), among Holdings, the Borrower, the banks, financial institutions and other investors from time to time party thereto (the "Lenders"), MORGAN STANLEY SENIOR FUNDING, INC., as Administrative Agent, and Collateral Agent, and the other parties thereto, the Lenders have severally agreed to make Loans to the Borrower, (b) one or more Hedge Banks may from time to time enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary, (c) one or more Cash Management Banks may from time to time provide Cash Management Services pursuant to Secured Cash Management Agreements to any Credit Party or any Restricted Subsidiary and (d) the Credit Parties may incur Additional Second Lien Obligations (as defined below) from time to time to the extent permitted by the Credit Agreement and each Additional Second Lien Agreement (as defined below) (clauses (a), (b), (c) and (d), collectively, the "Extensions of Credit");

WHEREAS, Holdings is an affiliate of the Borrower and each Subsidiary Guarantor is a Subsidiary of the Borrower;

WHEREAS, the proceeds of the Extensions of Credit will be used in part to finance the Existing Debt Refinancing, the 2018 Dividend and/or the Transaction Expenses and for other general corporate purposes of the Borrower and its subsidiaries;

WHEREAS, each Guarantor acknowledges that it will derive a substantial direct and indirect benefit from the making of the Extensions of Credit; and

WHEREAS, it is a condition precedent to the obligations of the Lenders to make their respective Extensions of Credit to the Borrower under the Credit Agreement that the Guarantors shall have executed and delivered this Guarantee to the Second Lien Collateral Agent for the benefit of the Second Lien Secured Parties.

NOW, THEREFORE, in consideration of the premises and to induce the Agents, the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective Extensions of Credit to the Borrower under the Credit Agreement, to induce the holders of any Additional Second Lien Obligations to make their advances thereunder, to induce one or more Hedge Banks to enter into Secured Hedging Agreements with any Credit Party or any Restricted Subsidiary and to induce one or more Cash Management Banks pursuant to Secured Cash Management Agreements to provide Cash

Management Services to any Credit Party or any Restricted Subsidiary and the Guarantors, as applicable, hereby agree with the Second Lien Collateral Agent, for the benefit of the Second Lien Secured Parties, as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein (including terms used in the preamble and recitals hereto) shall have the meanings given to them in the Credit Agreement. Furthermore, unless otherwise defined herein or in the Credit Agreement, terms defined in the Security Agreement and used herein shall have the meanings assigned to them in the Security Agreement.

(b) The rules of construction and other interpretative provisions specified in Sections 1.2, 1.5, 1.6, 1.7, 1.8, 1.10 and 1.11 of the Credit Agreement shall apply to this Guarantee, including terms defined in the preamble and recitals hereto.

(c) As used herein, the term "Additional Second Lien Agreement" shall have the meaning assigned to the term "Additional Second Lien Agreement" in the Security Agreement.

(d) As used herein, the term "Additional Second Lien Obligations" shall have the meaning assigned to the term "Additional Second Lien Obligations" in the Security Agreement.

(e) As used herein, the term "Second Lien Obligations" shall have the meaning assigned to the term "Second Lien Obligations" in the Security Agreement.

(f) As used herein, the term "Second Lien Secured Parties" shall have the meaning assigned to the term "Second Lien Secured Parties" in the Security Agreement.

(g) As used herein, the term "Security Agreement" shall have the meaning assigned to the term "Security Agreement" in the Credit Agreement.

(h) As used herein, the term "Termination Date" shall have the meaning assigned to the term "Termination Date" in the Security Agreement.

2. Guarantee.

(a) Subject to the provisions of Section 2(b), each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantees, as primary obligor and not merely as surety, to the Second Lien Collateral Agent for the benefit of the Second Lien Secured Parties, the prompt and complete payment (and not of collection) and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Second Lien Obligations (other than, in the case of the Borrower, in respect of its own obligations), whether currently existing or hereafter incurred. In furtherance of the foregoing and not in limitation of any other right that the Second Lien Collateral Agent or any other Second Lien Secured Party has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Borrower or any other Credit Party to pay any Second Lien Obligation when and as the same shall become due (whether at the stated maturity, by acceleration or otherwise), each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Second Lien Collateral Agent for distribution to the applicable Second Lien Secured Parties the amount of such unpaid Second Lien Obligation. Upon payment by any Guarantor of any sums to the Second Lien Collateral Agent as provided above, all rights of such Guarantor against the Borrower or any other Guarantor arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subject to Sections 3 and 5 hereof.

(b) Anything herein or in any other Credit Document or in any Additional Second Lien Agreement to the contrary notwithstanding, the maximum liability of each Subsidiary Guarantor

hereunder and under the other Credit Documents and any Additional Second Lien Agreement shall in no event exceed the amount that can be guaranteed by such Subsidiary Guarantor under Applicable Laws relating to the insolvency of debtors.

(c) To the extent the Borrower would be required to do so pursuant to Section 13.5 of the Credit Agreement (whether or not then in effect) or any comparable provision of any Additional Second Lien Agreement, each Guarantor further agrees to pay any and all reasonable and documented out-of-pocket costs and expenses (including all reasonable fees and disbursements of counsel) that may be paid or incurred by the Second Lien Collateral Agent or any other Second Lien Secured Party in enforcing or preserving any rights with respect to, or collecting, any or all of the Second Lien Obligations and/or enforcing any rights with respect to, or collecting against, such Guarantor under this Guarantee.

(d) Each Guarantor agrees that the Second Lien Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing this Guarantee or affecting the rights and remedies of the Second Lien Collateral Agent or any other Second Lien Secured Party hereunder.

(e) No payment or payments made by the Borrower, any Guarantor, any other guarantor or any other Person or received or collected by the Second Lien Collateral Agent or any other Second Lien Secured Party from the Borrower, any Guarantor, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Second Lien Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder, which shall, notwithstanding any such payment or payments other than payments made by such Guarantor in respect of the Second Lien Obligations or payments received or collected from such Guarantor in respect of the Second Lien Obligations, remain liable for the Second Lien Obligations up to the maximum liability of such Guarantor hereunder until the Termination Date.

(f) Each Guarantor agrees that whenever, at any time, or from time to time, it shall make any payment to the Second Lien Collateral Agent or any other Second Lien Secured Party on account of its liability hereunder, it will notify the Second Lien Collateral Agent in writing that such payment is made under this Guarantee for such purpose.

(g) Each Guarantor assumes all responsibility for being and keeping itself informed of the Borrower's and each other Credit Party's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Second Lien Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that none of the Second Lien Collateral Agent or the other Second Lien Secured Parties will have any duty to advise such Guarantor of information known to it or any of them regarding such circumstances or risks.

(h) The Borrower, unconditionally and irrevocably, with respect to each other Guarantor (other than with respect to any Guarantor, any Excluded Swap Obligations of such Guarantor), guarantees such Guarantor's guarantee of any Hedging Agreement entered into by a Hedge Bank. The obligations of the Borrower under this Section 2(h) shall remain in full force and effect until the discharge of the Second Lien Obligations in accordance with the Credit Documents. The Borrower intends that this Section 2(h) constitute, and this Section 2(h) shall be deemed to constitute, a guarantee or other agreement for the benefit of each other Guarantor for all purposes of section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

3. Right of Contribution. Each Guarantor hereby agrees that to the extent a Guarantor shall have paid more than its proportionate share of any payment made hereunder, such

Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder that has not paid its proportionate share of such payment. Each Guarantor's right of contribution shall be subject to the terms and conditions of Section 5 hereof. The provisions of this Section 3 shall in no respect limit the obligations and liabilities of any Guarantor to the Second Lien Collateral Agent and the other Second Lien Secured Parties, and each Guarantor shall remain liable to the Second Lien Collateral Agent and the other Second Lien Secured Parties for the full amount guaranteed by such Guarantor hereunder.

4. Right of Set-off. In addition to any rights and remedies of the Second Lien Secured Parties provided by Applicable Law, each Guarantor hereby irrevocably authorizes each Second Lien Secured Party at any time and from time to time following the occurrence and during the continuance of an Event of Default without notice to such Guarantor or any other Guarantor, any such notice being expressly waived by each Guarantor, upon any amount becoming due and payable by such Guarantor hereunder (whether at 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), 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 Second Lien Secured Party to or for the credit or the account of such Guarantor. Each Second Lien Secured Party shall notify such Guarantor and the Second Lien Collateral Agent promptly of any such set-off and the appropriation and application made by such Second Lien Secured Party; provided that the failure to give such notice shall not affect the validity of such set-off and appropriation and application.

5. No Subrogation. Notwithstanding any payment or payments made by any of the Guarantors hereunder or any set-off or appropriation and application of funds of any of the Guarantors by the Second Lien Collateral Agent or any other Second Lien Secured Party, no Guarantor shall be entitled to be subrogated to any of the rights of the Second Lien Collateral Agent or any other Second Lien Secured Party against the Borrower or any other Guarantor or any collateral security or guarantee or right of offset held by the Second Lien Collateral Agent or any other Second Lien Secured Party for the payment of the Second Lien Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Borrower or any other Guarantor in respect of payments made by such Guarantor hereunder, until the Termination Date. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time prior to the Termination Date, such amount shall be held by such Guarantor in trust for the Second Lien Collateral Agent and the other Second Lien Secured Parties, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Second Lien Collateral Agent in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Second Lien Collateral Agent, if required), to be applied against the Second Lien Obligations, whether due or to become due, in accordance with Section 5.4 of the Security Agreement.

6. Amendments, etc. with Respect to the Second Lien Obligations; Waiver of Rights. Except for termination of a Guarantor's obligations hereunder as expressly provided in Section 25, each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, (a) any demand for payment of any of the Second Lien Obligations made by the Second Lien Collateral Agent or any other Second Lien Secured Party may be rescinded by such party and any of the Second Lien Obligations continued, (b) the Second Lien Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Second Lien Collateral Agent or any other Second Lien Secured Party, (c) the Credit Agreement, the other Credit Documents, any Additional Second Lien Agreement and any other documents executed and delivered in connection therewith, the Secured Hedging Agreements and any

other documents executed and delivered in connection therewith and the Secured Cash Management Agreements and any other documents executed and delivered in connection therewith, may be amended, waived, modified, supplemented or terminated, in whole or in part, in accordance with the terms of the applicable document and (d) any collateral security, guarantee or right of offset at any time held by the Second Lien Collateral Agent or any other Second Lien Secured Party for the payment of the Second Lien Obligations may be sold, exchanged, waived, surrendered or released. Neither the Second Lien Collateral Agent nor any other Second Lien Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Second Lien Obligations or for this Guarantee or any property subject thereto. When making any demand hereunder against any Guarantor, the Second Lien Collateral Agent or any other Second Lien Secured Party may, but shall be under no obligation to, make a similar demand on the Borrower or any other Guarantor or other guarantor, and any failure by the Second Lien Collateral Agent or any other Second Lien Secured Party to make any such demand or to collect any payments from the Borrower or any other Guarantor or other guarantor or any release of the Borrower or any other Guarantor or other guarantor shall not relieve any Guarantor in respect of which a demand or collection is not made or any Guarantor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Second Lien Collateral Agent or any other Second Lien Secured Party against any Guarantor. For the purposes hereof, "demand" shall include the commencement and continuance of any legal proceedings.

7. Guarantee Absolute and Unconditional. Each Guarantor waives any and all notice of the creation, contraction, Incurrence, renewal, extension, amendment, waiver or accrual of any of the Second Lien Obligations (including as a result of the Incurrence of Incremental Term Loans), and notice of or proof of reliance by the Second Lien Collateral Agent or any other Second Lien Secured Party upon this Guarantee or acceptance of this Guarantee, the Second Lien Obligations or any of them, shall conclusively be deemed to have been created, contracted or Incurred, or renewed, extended, amended, waived or accrued, in reliance upon this Guarantee; and all dealings between the Borrower and any of the other Guarantors, on the one hand, and the Second Lien Collateral Agent and the other Second Lien Secured Parties, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon this Guarantee. Each Guarantor waives promptness, diligence, presentment, protest, notice of protest, demand for payment and notice of default, acceleration or nonpayment and any other notice to or upon the Borrower or any other Guarantor with respect to the Second Lien Obligations. Each Guarantor understands and agrees that this Guarantee shall be construed as a continuing, absolute and unconditional guarantee of payment (and not of collection) without regard to (a) the validity, regularity or enforceability of the Credit Agreement, any other Credit Document, any Additional Second Lien Agreement, any Secured Hedging Agreement or any Secured Cash Management Agreement, any of the Second Lien Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Second Lien Collateral Agent or any other Second Lien Secured Party, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to or be asserted by the Borrower against the Second Lien Collateral Agent or any other Second Lien Secured Party, (c) any default, failure or delay, willful or otherwise, in the performance of the Second Lien Obligations by the Guarantors or (d) any other circumstance whatsoever (with or without notice to or knowledge of the Borrower or such Guarantor) that constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrower for the Second Lien Obligations, or of such Guarantor under this Guarantee, in bankruptcy or in any other instance. When pursuing its rights and remedies hereunder against any Guarantor, the Second Lien Collateral Agent and any other Second Lien Secured Party may elect, but shall be under no obligation, to pursue such rights and remedies as it may have against the Borrower or any other Person or against any collateral security or guarantee for the Second Lien Obligations or any right of offset with respect thereto, and any failure by the Second Lien Collateral Agent or any other Second Lien Secured

Party to pursue such other rights or remedies or to collect any payments from the Borrower or any such other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Borrower or any such other Person or any such collateral security, guarantee or right of offset, shall not relieve such Guarantor of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Second Lien Collateral Agent and the other Second Lien Secured Parties against such Guarantor. To the fullest extent permitted by Applicable Law, each Guarantor waives any defense arising out of any such election even though such election operates, pursuant to Applicable Law, to impair or to extinguish any right of reimbursement, subrogation, exoneration, contribution or indemnification or other right or remedy of such Guarantor against the Borrower or any other Guarantor, as the case may be, or any security. This Guarantee shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Guarantor and the successors and assigns thereof, and shall inure to the benefit of the Second Lien Collateral Agent and the other Second Lien Secured Parties, and their respective successors, indorsees, transferees and assigns, until the Termination Date, notwithstanding that from time to time during the term of the Credit Agreement, any Additional Second Lien Agreement and any Secured Hedging Agreement or Secured Cash Management Agreement the Credit Parties may be free from any Second Lien Obligations.

8. Subordination. Each Guarantor hereby agrees that any Indebtedness of any Guarantor now or hereafter owing to any other Subsidiary, whether heretofore, now or hereafter created (the "Guarantor Subordinated Debt"), is hereby subordinated to all of the Second Lien Obligations until the Termination Date and that the Guarantor Subordinated Debt shall not be paid in whole or in part during the continuance of any Event of Default after written notice from the Second Lien Collateral Agent to the Borrower. In the event of any insolvency or bankruptcy proceedings, and any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to any Guarantor or to its property, and in the event of any proceedings for voluntary liquidation, dissolution or other winding up of such Guarantor (except as expressly permitted by the Credit Agreement and any Additional Second Lien Agreement), whether or not involving insolvency or bankruptcy, then, if an Event of Default has occurred and is continuing, after written notice from the Second Lien Collateral Agent to the Borrower (a) the Termination Date shall have occurred, before any payee is entitled to receive (whether directly or indirectly), or make any demands for, any payment on account of the Guarantor Subordinated Debt and (b) until the Termination Date shall have occurred, any payment or distribution to which such payee would otherwise be entitled (other than debt securities of such Guarantor that are subordinated, to at least the same extent as this Section 8, to the payment of all Guarantor Subordinated Debt then outstanding (such securities being hereinafter referred to as "Restructured Debt Securities")) shall be made to the Second Lien Collateral Agent. If any Event of Default occurs and is continuing, after written notice from the Second Lien Collateral Agent to the Borrower, no payment or distribution of any kind or character shall be accepted by or on behalf of the Guarantor or any other Person on its behalf with respect to the Guarantor Subordinated Debt. If any payment or distribution of any character, whether in cash, securities or other property (other than Restructured Debt Securities), in respect of the Guarantor Subordinated Debt shall be received by any payee in violation of this Section 8 before all Second Lien Obligations shall have been paid irrevocably in full in cash in immediately available funds (other than Hedging Obligations under Secured Hedging Agreements, Cash Management Obligations under Secured Cash Management Agreements or contingent indemnification obligations), such payment or distribution shall be held in trust for the benefit of the Second Lien Secured Parties, and shall be paid over the Second Lien Collateral Agent.

9. Representations and Warranties; Covenants. Each Guarantor hereby (a) represents and warrants that the representations and warranties as to it made by the Borrower in Section 8 of the Credit Agreement are true and correct in all material respects on each date as required by Section 7.1 of the Credit Agreement (or any equivalent provision(s) of any Additional Second Lien

Agreement) (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, and except where such representations and warranties are qualified by materiality, "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct in all respects) and (b) agrees to take, or refrain from taking, as the case may be, each action necessary to be taken or not taken, as the case may be, so that no Default or Event of Default is caused by the failure to take such action or to refrain from taking such action by such Guarantor.

10. Reinstatement. This Guarantee shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Second Lien Obligations is rescinded or must otherwise be restored or returned by the Second Lien Collateral Agent or any other Second Lien Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any other Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any other Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

11. Payments. Each Guarantor hereby guarantees that payments hereunder will be paid to the Second Lien Collateral Agent without set-off or counterclaim in Dollars at the Second Lien Collateral Agent's office specified in Section 13.2 of the Credit Agreement.

12. Authority of Agent. Each Guarantor acknowledges that the rights and responsibilities of the Second Lien Collateral Agent under this Guarantee with respect to any action taken by the Second Lien Collateral Agent or the exercise or non-exercise by the Second Lien Collateral Agent of any option, right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Guarantee shall, as between the Second Lien Collateral Agent and the other Second Lien Secured Parties, be governed by the Credit Agreement, any Additional Second Lien Agreements and by such other agreements with respect thereto as may exist from time to time among them (including an intercreditor agreement), but, as between the Second Lien Collateral Agent and such Guarantor, the Second Lien Collateral Agent shall be conclusively presumed to be acting as agent for the Second Lien Secured Parties with full and valid authority so to act or refrain from acting, and no Guarantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

13. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 13.2 of the Credit Agreement. All communications and notices hereunder to each Guarantor shall be given to it in care of the Borrower at the Borrower's address set forth in Section 13.2 of the Credit Agreement. All notices to any holder of Additional Second Lien Obligations shall be given to it in care of the applicable Authorized Representative at such Authorized Representative's address set forth in the applicable Additional Second Lien Secured Party Consent or Additional Second Lien Agreement, as the case may be, as such address may be changed by written notice to the Second Lien Collateral Agent and the Borrower.

14. Counterparts. This Guarantee may be executed by one or more of the parties to this Guarantee on any number of separate counterparts (including by facsimile or other electronic transmission (*i.e.*, a "PDF" or "TIF" file)), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

15. Severability. Any provision of this Guarantee 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. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

16. Integration. This Guarantee represents the agreement of each Guarantor and the Second Lien Collateral Agent with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Second Lien Collateral Agent or any other Second Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents or any Additional Second Lien Agreement (and each other agreement or instrument executed or issued in connection therewith).

17. Amendments in Writing; No Waiver; Cumulative Remedies.

(a) None of the terms or provisions of this Guarantee may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Guarantor(s) and the Second Lien Collateral Agent in accordance with Section 13.1 of the Credit Agreement or any comparable provision of any Additional Second Lien Agreement.

(b) Neither the Second Lien Collateral Agent nor any other Second Lien Secured Party shall by any act (except by a written instrument pursuant to Section 17(a) hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Second Lien Collateral Agent or any other Second Lien Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Second Lien Collateral Agent or any other Second Lien Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Second Lien Collateral Agent or any Second Lien Secured Party would otherwise have on any future occasion.

(c) The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

18. Section Headings. The Section headings used in this Guarantee are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

19. Entire Agreement. This Guarantee, taken together with all of the other Credit Documents and any Additional Second Lien Agreement executed and delivered by the Guarantors, represents the entire agreement and understanding of the parties hereto and supersedes all prior understandings, written and oral, relating to the subject matter hereof.

20. Successors and Assigns. This Guarantee shall be binding upon the successors and assigns of each Guarantor and shall inure to the benefit of the Second Lien Collateral Agent and the other Second Lien Secured Parties and their respective successors and permitted assigns, except that no Guarantor may assign, transfer or delegate any of its rights or obligations under this Guarantee without the prior written consent of the Second Lien Collateral Agent unless otherwise permitted under each of the Credit Agreement and any Additional Second Lien Agreement.

21. Additional Guarantors. Each Subsidiary of the Borrower that is required to become a party to this Guarantee pursuant to Section 9.10 of the Credit Agreement or any equivalent provision of any Additional Second Lien Agreement shall become a Guarantor, with the same force and

effect as if originally named as a Guarantor herein, for all purposes of this Guarantee upon execution and delivery by such Subsidiary of a Supplement in the form of Annex B hereto or in such other form reasonably satisfactory to the Second Lien Collateral Agent. The execution and delivery of any instrument adding an additional Guarantor as a party to this Guarantee shall not require the consent of any other Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Guarantee.

22. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS GUARANTEE, ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

23. Submission to Jurisdiction; Waivers. Each Guarantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Guarantee, the other Credit Documents to which it is a party and any Additional Second Lien Agreement to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the County of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives 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;

(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 Guarantor at its address referred to in Section 13 hereof or at such other address of which the Second Lien Collateral Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right of the Second Lien Collateral Agent or any other Second Lien Secured Party to effect service of process in any other manner permitted by law or shall limit the right of the Second Lien Collateral Agent or any other Second Lien Secured Party to sue 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 23 any special, exemplary, punitive or consequential damages.

24. GOVERNING LAW. THIS GUARANTEE 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.

25. Termination or Release.

(a) This Guarantee shall terminate on the Termination Date.

(b) (i) A Subsidiary Guarantor shall automatically be released from its obligations hereunder upon the consummation of any transaction (x) with respect to the Obligations, permitted by the Credit Agreement as a result of which such Subsidiary Guarantor ceases to be a Restricted Subsidiary or otherwise becomes an Excluded Subsidiary and (y) with respect to any Additional Second Lien Obligations under any Additional Second Lien Agreements, permitted by such Additional Second Lien Agreement as a result of which such Subsidiary Guarantor ceases to be a guarantor thereunder; provided that (A) in the case of clause (x) above, the requisite lenders shall have consented to such transaction (to the extent required by the Credit Agreement) and the terms of such consent did not provide otherwise and (B) in case of clause (y) above the requisite holders or lenders of such Additional Second Lien Obligations shall have consented to such transaction (to the extent required by the applicable Additional Second Lien Agreement) and the terms of such consent did not provide otherwise, (ii) Holdings (or the previous New Holdings, as the case may be) shall automatically be released from its obligations hereunder upon the occurrence of a Holdings Termination Event and/or in accordance with the formation or acquisition of a New Holdings, in each case, that satisfies the conditions set forth in (x) with respect to the Obligations, the Credit Agreement and (y) with respect to any Additional Second Lien Obligations under any Additional Second Lien Agreement, such Additional Second Lien Agreement and (iii) any Guarantee shall be automatically be released in accordance with Section 13.17 of the Credit Agreement.

(c) In connection with any termination or release, the Second Lien Collateral Agent shall execute and deliver to any Guarantor, at such Guarantor's expense, all documents that such Guarantor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 25 shall be without recourse to or warranty by the Second Lien Collateral Agent.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, each of the undersigned has caused this Guarantee to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

GLOBE INTERMEDIATE CORP., as Guarantor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP HOLDINGS, INC., as Guarantor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GOBP MIDCO, INC., as Guarantor,

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

GROCERY OUTLET INC., as Guarantor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

AMELIA'S, LLC, as Guarantor

By: /s/ Charles Bracher
Name: Charles Bracher
Title: Chief Financial Officer

[Signature Page to Second Lien Guarantee]

MORGAN STANLEY SENIOR FUNDING, INC., as
Second Lien Collateral Agent

By: /s/ Brendan MacBride
Name: Brendan MacBride
Title: Authorized Signatory

[Signature Page to Second Lien Guarantee]

ANNEX A
TO THE GUARANTEE

SUBSIDIARY GUARANTORS

1. GOBP MidCo, Inc., a Delaware corporation
2. Grocery Outlet Inc., a California corporation
3. Amelia’s, LLC, a Delaware limited liability company

Exhibit 10.13

EXECUTION VERSION

GLOBE HOLDING CORP.
2014 STOCK INCENTIVE PLAN

1. Purpose of the Plan.

The purpose of this Globe Holding Corp. 2014 Stock Incentive Plan (the "Plan") is to aid Globe Holding Corp., a Delaware corporation (the "Company"), and its Affiliates in recruiting and retaining employees, directors and other service providers of outstanding ability and to motivate such persons to exert their best efforts on behalf of the Company and its Affiliates by providing incentives through the granting of Stock Awards. The Company expects that it will benefit from aligning the interests of such persons with those of the Company and its Affiliates by providing them with equity-based awards with respect to the Shares.

2. Definitions. For purposes of this Plan, the following capitalized terms shall have their respective meanings set forth below:

(a) "Affiliate" shall have the meaning given to such term in the Stockholders Agreement.

(b) "Applicable Law" shall mean the legal requirements relating to the administration of an equity compensation plan under applicable U.S. federal and state corporate and securities laws, the Code, any stock exchange rules or regulations, and the applicable laws of any other country or jurisdiction, as such laws, rules, regulations and requirements shall be in place from time to time.

(c) "Beneficial Ownership", "Beneficially Own" and similar terms shall have the meaning set forth in Rule 13d-3 under the Exchange Act; provided, however, that (i) no Stockholder shall be deemed to beneficially own any securities of the Company held by any other Stockholder solely by virtue of the provisions of the Stockholders Agreement and (ii) with respect to any securities of the Company held by a Stockholder that are exercisable for, or convertible into, Shares upon delivery of consideration to the Company, such securities shall not be deemed to be beneficially owned by such Stockholder unless, until and to the extent such securities have been exercised or converted and such consideration has been delivered by such Stockholder to the Company.

(d) "Board" shall mean the Board of Directors of the Company.

(e) "Cause" shall have the meaning given to such term in the Stockholders Agreement.

(f) "Change in Control" shall have the meaning given to such term in the Stockholders Agreement.

(g) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

(h) "Committee" shall mean the Compensation Committee of the Board (or a subcommittee thereof), or such other committee of the Board to which the Board has delegated power to act pursuant to the provisions of this Plan; provided that in the absence of any such committee, the term "Committee" shall mean the Board. For the avoidance of doubt, the Board shall at all times be authorized to act as the Committee under or pursuant to any provisions of this Plan.

(i) "Common Stock" shall mean the common stock, par value $0.001 per share, of the Company, which may be voting or non-voting shares of common stock as set forth in the grant notice or award agreement pursuant to which a Stock Award is granted.

(j) "Consultant" shall mean any person engaged by the Company or any of its Affiliates as a consultant or independent contractor to render consulting, advisory or other services and who is compensated for such services.

(k) "Disability" shall have the meaning given to such term in the Stockholders Agreement.

(l) "Effective Date" shall mean the date the Board approves this Plan, or such later date as designated by the Board.

(m) "Employment" shall mean (i) a Participant's employment if the Participant is an employee of the Company or any of its Affiliates, (ii) a Participant's services as a Consultant, if the Participant is a Consultant, and (iii) a Participant's services as a non-employee member of the Board or the board of directors (or equivalent governing body) of any Affiliate of the Company.

(n) "Exchange Act" shall mean the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as each may be amended from time to time.

(o) "Fair Market Value" shall have the meaning given to such term in the Stockholders Agreement.

(p) "H&F Stockholders" shall have the meaning given to such term in the Stockholders Agreement.

(q) "Initial Public Offering" shall mean the consummation of the Company's initial underwritten public offering of shares of Common Stock, which is registered under the Securities Act.

(r) "ISO" shall mean a stock option to acquire Shares that is intended to qualify as an "incentive stock option" within the meaning of Section 422 of the Code and the regulations promulgated thereunder, as amended from time to time.

(s) "Option" shall mean a stock option granted pursuant to Section 6 of this Plan.

(t) "Option Price" shall mean the purchase price per Share of an Option, as determined pursuant to Section 6(a) of this Plan.

(u) "Other Stock-Based Awards" shall mean Stock Awards granted pursuant to Section 8 of this Plan.

(v) "Participant" shall mean a person eligible to receive a Stock Award pursuant to Section 4 and who actually receives a Stock Award or, if applicable, such other Person who holds an outstanding Stock Award.

(w) "Person" shall mean 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.

(x) "Plan" shall mean this Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time.

(y) "Securities Act" shall mean the Securities Act of 1933 and the rules and regulations promulgated thereunder, as each may be amended from time to time.

(z) "Shares" shall have the meaning given to such term in the Stockholders Agreement.

(aa) "Stock Appreciation Right" shall mean a stock appreciation right granted pursuant to Section 7 of this Plan.

(bb) "Stock Award" shall mean an Option, Stock Appreciation Right or Other Stock-Based Award granted pursuant to this Plan.

(cc) "Stock Award Agreement" shall mean a written agreement between the Company and a holder of a Stock Award, executed by the Company, evidencing the terms and conditions of the Stock Award.

(dd) "Stockholders Agreement" shall mean the Globe Holding Corp. Stockholders Agreement, dated as of October 7, 2014, by and among the Company, Globe Intermediate Corp., Grocery Outlet, Inc., the H&F Stockholders, the other stockholders named therein and the other parties thereto, as amended from time to time.

(ee) "Subsidiary" shall have the meaning given to such term in the Stockholders Agreement.

3. Administration by Committee.

This Plan shall be administered by the Committee, which may delegate its duties and powers in whole or in part to any subcommittee thereof. Additionally, the Committee may delegate to officers the authority to grant Stock Awards under the Plan to any Participant or group of Participants of the Company or an Affiliate; provided, that such delegation and grants

are consistent with Applicable Law and guidelines established by the Board from time to time. Stock Awards may, in the discretion of the Committee, be made under the Plan in assumption of, or in substitution for, outstanding awards previously granted by any entity acquired by the Company or with which the Company combines. The number of Shares underlying such substitute awards shall not be counted against the aggregate number of Shares available for Stock Awards under the Plan. The Committee is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make any other determinations that it deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Participants and their beneficiaries or successors). The Committee shall have the full power and authority to establish the terms and conditions of any Stock Award consistent with the provisions of the Plan and to waive any such terms and conditions at any time (including, without limitation, accelerating or waiving any vesting conditions). The Committee shall require payment of any amount it may reasonably determine to be necessary to withhold for U.S. federal, state, local and/or non-U.S. taxes as a result of the exercise, grant, vesting or settlement of a Stock Award (including, without limitation, any applicable income, employment and social security taxes or contributions). The Committee shall also determine the acceptable form or forms pursuant to which the Participant will be able to elect to pay a portion of or all such withholding taxes. To the extent permitted by the Committee in the applicable Stock Award Agreement or otherwise and, in each case, subject to any restrictions under Applicable Law, a Participant may elect to pay a portion or all of any withholding taxes (but no more than the minimum amount required to be withheld) by (a) delivery in Shares (provided, that such Shares have been held by the Participant for no less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles)), or (b) having Shares withheld by the Company from any Shares that would have otherwise been received by the Participant.

4. Shares Subject to the Plan and Participation.

Subject to Section 9, the total number of Shares which may be issued under this Plan is 8,601,345 which number is also the maximum number of Shares for which ISOs may be granted. The Shares may consist, in whole or in part, of unissued Shares or treasury Shares. The issuance of Shares or the payment of cash upon the exercise of a Stock Award or in consideration of the cancellation or termination of a Stock Award shall reduce the total number of Shares available under this Plan, as applicable. Shares which are subject to Stock Awards which terminate or lapse without the payment of consideration may be granted again under the Plan, unless prohibited by Applicable Law.

Employees, Consultants and non-employee directors of the Company and its Affiliates (subject to Section 5(b) of this Plan) shall be eligible to be selected to receive Stock Awards under the Plan; provided, that ISOs may only be granted to employees of the Company or its Subsidiaries.

5. General Limitations.

(a) Tenth Anniversary. No Stock Award may be granted under this Plan after the tenth anniversary of the Effective Date, but Stock Awards theretofore granted may extend beyond such date.

(b) Consultants. Prior to an Initial Public Offering, a Consultant shall not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or the sale of the Company's securities to such Consultant is not exempt under Rule 701 of the Securities Act ("Rule 701"), unless the Company determines that such grant need not comply with the requirements of Rule 701 because such grant will satisfy another exemption under the Securities Act, as well as comply with the securities laws of any other relevant jurisdictions.

6. Terms and Conditions of Options.

Options granted under this Plan shall be, as determined by the Committee, non-qualified or ISOs for federal income tax purposes, as evidenced by the related Stock Award Agreements, and shall be subject to the foregoing and the following terms and conditions and to such other terms and conditions, not inconsistent therewith, as the Committee shall determine.

(a) Option Price. The Option Price per Share shall be determined by the Committee, but shall not be less than 100% of the Fair Market Value per Share on the date an Option is granted (other than in the case of Options granted in substitution of previously granted awards, as described in Section 3 hereof).

(b) Exercisability. Options granted under this Plan shall be exercisable at such time and upon such terms and conditions as may be determined by the Committee as set forth in the applicable Stock Award Agreement, but in no event shall an Option be exercisable more than ten years after the date it is granted.

(c) Exercise of Options. Except as otherwise provided in this Plan or in the applicable Stock Award Agreement, an Option may be exercised for all, or from time to time any part, of the Shares for which it is then exercisable. For purposes of this Section 6, the exercise date of an Option shall be the later of the date a notice of exercise is received by the Company and, if applicable, the date payment is received by the Company pursuant to clauses (i), (ii), (iii), (iv) or (v) of the following sentence. The purchase price for the Shares as to which an Option is exercised shall be paid to the Company as designated by the Committee in the applicable Stock Award Agreement or otherwise, pursuant to one or more of the following methods: (i) in cash or its equivalent (e.g., by personal check or wire transfer), (ii) in Shares having a Fair Market Value per Share equal to the aggregate Option Price per Share for the Shares being purchased and satisfying such other reasonable requirements as may be imposed by the Committee (provided, that such Shares have been held by the Participant for no less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles)), (iii) partly in cash and partly in such Shares, (iv) following an Initial Public Offering, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the

proceeds of such sale equal to the aggregate Option Price for the Shares being purchased or (v) to the extent explicitly permitted by the Committee in the applicable Stock Award Agreement or otherwise, through net settlement in Shares. No Participant shall have any rights to dividends or other rights of a stockholder with respect to Shares subject to an Option until the Participant has given written notice of exercise of the Option, paid in full for such Shares and, if applicable, has satisfied any other conditions imposed by the Committee pursuant to this Plan. No fractional Shares will be issued in payment for Options, but instead cash will be paid for a fraction or, if the Committee should so determine, the number of Shares will be rounded downward to the next whole Share.

(d) ISOs. The Committee may grant Options under the Plan that are intended to be ISOs. Such ISOs shall comply with the requirements of Section 422 of the Code (or any successor section thereto). No ISO may be granted to any Participant who, at the time of such grant, owns more than ten percent of the total combined voting power of all classes of stock of the Company or of any Subsidiary, unless (i) the Option Price for such ISO is at least 110% of the Fair Market Value per Share on the date the ISO is granted and (ii) the date on which such ISO terminates is a date not later than the day preceding the fifth anniversary of the date on which the ISO is granted. Any Participant who disposes of Shares acquired upon the exercise of an ISO either (i) within two years after the date of grant of such ISO or (ii) within one year after the transfer of such Shares to the Participant, shall notify the Company of such disposition and of the amount realized upon such disposition. All Options granted under the Plan are intended to be nonqualified stock options, unless the applicable Stock Award Agreement expressly states that the Option is intended to be an ISO. If an Option is intended to be an ISO, and if for any reason such Option (or portion thereof) shall not qualify as an ISO, then, to the extent of such non-qualification, such Option (or portion thereof) shall be regarded as a nonqualified stock option granted under this Plan; provided, that such Option (or portion thereof) otherwise complies with this Plan's requirements relating to nonqualified stock options. In no event shall any member of the Committee, the Company or any of its Affiliates (or their respective employees, officers or directors) have any liability to any Participant (or any other Person) due to the failure of an Option to qualify for any reason as an ISO.

(e) Attestation. Wherever in this Plan or any Stock Award Agreement a Participant is permitted to pay the exercise price of an Option or taxes relating to the exercise of an Option by delivering Shares, the Participant may, subject to procedures satisfactory to the Committee, satisfy such delivery requirement by presenting proof of beneficial ownership of such Shares, in which case the Company shall treat the Option as exercised without further payment and/or shall withhold such number of Shares from the Shares acquired by the exercise of the Option, as appropriate.

7. Terms and Conditions of Stock Appreciation Rights.

(a) Grants. The Committee may grant (i) a Stock Appreciation Right independent of an Option or (ii) a Stock Appreciation Right in connection with an Option, or a portion thereof. A Stock Appreciation Right granted pursuant to clause (ii) of the preceding sentence (A) may be granted at the time the related Option is granted or at any time prior to the exercise or cancellation of the related Option, (B) shall cover the

same number of Shares covered by an Option (or such lesser number of Shares as the Committee may determine) and (C) shall be subject to the same terms and conditions as such Option except for such additional limitations as are contemplated by this Section 7 (or such additional limitations as may be included in the applicable Stock Award Agreement).

(b) Terms. The exercise price per Share of a Stock Appreciation Right shall be an amount determined by the Committee but in no event shall such amount be less than the Fair Market Value per Share on the date the Stock Appreciation Right is granted (other than in the case of Stock Appreciation Rights granted in substitution of previously granted awards, as described in Section 4); provided, however, that in the case of a Stock Appreciation Right granted in conjunction with an Option, or a portion thereof, the exercise price may not be less than the Option Price of the related Option. Each Stock Appreciation Right granted independent of an Option shall entitle a Participant upon exercise to an amount equal to (i) the excess of (A) the Fair Market Value per Share on the exercise date over (B) the exercise price per Share, times (ii) the number of Shares covered by the Stock Appreciation Right. Each Stock Appreciation Right granted in conjunction with an Option, or a portion thereof, shall entitle a Participant to surrender to the Company the unexercised Option, or any portion thereof, and to receive from the Company in exchange therefore an amount equal to (i) the excess of (A) the Fair Market Value per Share on the exercise date over (B) the Option Price per Share, times (ii) the number of Shares covered by the Option, or portion thereof, which is surrendered. In addition, each Stock Appreciation Right that is granted in conjunction with an Option or a portion thereof shall automatically terminate upon the exercise of such Option or portion thereof, as applicable. Payment shall be made in Shares or in cash, or partly in Shares and partly in cash (any such Shares valued at such Fair Market Value per Share), all as shall be determined by the Committee in the applicable Stock Award Agreement. Stock Appreciation Rights may be exercised from time to time upon actual receipt by the Company of written notice of exercise stating the number of Shares with respect to which the Stock Appreciation Right is being exercised. The date a notice of exercise is received by the Company shall be the exercise date. No fractional Shares will be issued in payment for Stock Appreciation Rights, but instead cash will be paid for a fraction or, if the Committee should so determine, the number of Shares will be rounded downward to the next whole Share.

(c) Limitations. The Committee may impose, in its discretion, such conditions upon the exercisability of Stock Appreciation Rights as it may deem fit, but in no event shall a Stock Appreciation Right be exercisable more than ten years after the date it is granted.

8. Other Stock-Based Awards.

The Committee, in its sole discretion, may grant or sell Stock Awards of Shares, Stock Awards of restricted Shares and Stock Awards that are valued in whole or in part by reference to, or are otherwise based on the Fair Market Value per Share of, Shares ("Other Stock-Based Awards"). Such Other Stock-Based Awards shall be in such form, and dependent on such conditions, as the Committee shall determine, including, without limitation, the right to receive, or vest with respect to, one or more Shares (or the equivalent cash value of such Shares) upon the

completion of a specified period of service, the occurrence of an event and/or the attainment of performance objectives. Other Stock-Based Awards may be granted alone or in addition to any other Stock Awards granted under the Plan. Subject to the provisions of the Plan, the Committee shall determine to whom and when Other Stock-Based Awards will be made; the number of Shares to be awarded under (or otherwise related to) such Other Stock-Based Awards; whether such Other Stock-Based Awards shall be settled in cash, Shares or a combination of cash and Shares; and all other terms and conditions of such Other Stock-Based Awards (including, without limitation, the vesting provisions thereof and provisions ensuring that all Shares so awarded and issued shall be fully paid and non-assessable).

9. Adjustments upon Certain Events.

Notwithstanding any other provision in this Plan to the contrary, the following provisions shall apply to all Stock Awards granted hereunder:

(a) Generally. In the event of any change in the outstanding Shares after the Effective Date by reason of any Share dividend or split, reorganization, recapitalization, merger, consolidation, spin-off, combination, transaction or exchange of Shares, other corporate exchange, or in the event of any cash dividend or distribution to shareholders other than ordinary cash dividends or any transaction similar to the foregoing, the Committee shall make such proportionate substitution or adjustment, if any, as it deems in good faith to be equitable (subject to Section 18), as to (i) the number or kind of Shares or other securities issued or reserved for issuance pursuant to the Plan or pursuant to outstanding Stock Awards, (ii) the Option Price or exercise price of any Stock Appreciation Right and/or (iii) any other affected terms of such Stock Awards; provided, that for the avoidance of doubt, in the case of the occurrence of any of the foregoing events that is an "equity restructuring" (within the meaning of the Financial Accounting Standards Board Accounting Standard Codification (ASC) Section 718, *Compensation — Stock Compensation* (FASB ASC 718)), the Committee shall make an equitable adjustment to outstanding Stock Awards to reflect such event.

(b) Change in Control. Without limiting any rights set forth in Section 9(a), above, in the event of a Change in Control after the Effective Date, the Committee may (subject to Section 18 and any Participant's rights under a Stock Award Agreement), but shall not be obligated to, (i) accelerate, vest or cause the restrictions to lapse with respect to all or any portion of a Stock Award, (ii) subject to any limitations or reductions as may be necessary to comply with Sections 424 or 409A of the Code and, in each case, the applicable regulations thereunder, cancel such Stock Awards for fair value (as determined by the Committee in its sole discretion in good faith), including with respect to Other Stock-Based Awards, for a cash payment or equity subject to deferred vesting and delivery consistent with the vesting restrictions applicable to such Other Stock-Based Awards or the underlying Shares, or which, in the case of Options and Stock Appreciation Rights, may, if so determined by the Committee, equal the excess, if any, of value of the consideration to be paid in the Change in Control transaction, directly or indirectly, to holders of the same number of Shares subject to such Options or Stock Appreciation Rights (or, if no consideration is paid in any such transaction, the Fair Market Value per Share of the Shares subject to such Options or Stock Appreciation Rights) over the aggregate Option Price of such Options or exercise price of such Stock

Appreciation Rights (it being understood that, in such event, any Option or Stock Appreciation Right having a per share Option Price or exercise price equal to, or in excess of, the Fair Market Value per Share of a Share subject thereto may be canceled and terminated without any payment or consideration therefor), (iii) subject to any limitations or reductions as may be necessary to comply with Sections 424 or 409A of the Code and, in each case, the applicable regulations thereunder, provide for the issuance of substitute Stock Awards that will preserve the rights under, and the otherwise applicable terms of, any affected Stock Awards previously granted hereunder as determined by the Committee in its sole discretion in good faith, and/or (iv) provide that for a period of at least fifteen (15) days prior to the Change in Control, Options and Stock Appreciation Rights shall be exercisable as to all Shares subject thereto (whether or not vested) and that upon the occurrence of the Change in Control, such Options and Stock Appreciation Rights shall terminate and be of no further force and effect. To the extent that any adjustments made pursuant to this Section 9 cause ISOs to cease to qualify as ISOs, such Options shall be deemed to be non-qualified Options.

(c) Other Requirements. Prior to any payment or adjustment contemplated under this Section 9, the Committee may require a Participant to (A) represent and warrant as to the unencumbered title to such Participant's Stock Awards, (B) bear such Participant's pro rata share of any post-closing indemnity obligations, and be subject to the same post-closing purchase price adjustments, escrow terms, offset rights, holdback terms, and similar conditions as the other holders of Shares, and (C) deliver customary transfer documentation as reasonably determined by the Committee.

10. No Right to Employment or Stock Awards; No Guarantees Regarding Tax Treatment.

The granting of a Stock Award under this Plan shall impose no obligation on the Company or any of its Affiliate to continue the Employment of a Participant and shall not lessen or affect the Company's right or any of its Affiliates' rights to terminate the Employment of such Participant. No Participant or other Person shall have any claim to be granted any Stock Award, and there is no obligation for uniformity of treatment of Participants, or holders or beneficiaries of Stock Awards. The terms and conditions of Stock Awards and the Committee's determinations and interpretations with respect thereto need not be the same with respect to each Participant (whether or not such Participants are similarly situated).

Participants (or their beneficiaries) shall be responsible for all taxes with respect to any Stock Awards under the Plan. The Committee and the Company make no guarantees to any person regarding the tax treatment of any Stock Award or payments made under the Plan. Neither the Committee nor the Company has any obligation to take any action to prevent the assessment of any excise tax on any person with respect to any Stock Award under Section 409A of the Code or otherwise and none of the Company, its Subsidiaries or Affiliates, or any of their employees, directors or representatives shall have any liability to a Participant with respect thereto.

11. Successors and Assigns.

This Plan shall be binding on all successors and assigns of the Company and each Participant, including without limitation, the estate of each such Participant and the executor, administrator or trustee of any such estate and, if applicable, any receiver or trustee in bankruptcy or representative of the creditors of any such Participant.

12. Nontransferability of Awards.

Unless expressly permitted by the Committee in a Stock Award Agreement or otherwise in writing, and, in each case, to the extent permitted by Applicable Law, a Stock Award shall not be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or by operation of law, by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, this Section 12 shall not prevent transfers by will or by the laws of descent and distribution. A Stock Award exercisable after the death of a Participant may be exercised by the legatees, personal representatives or distributees of the Participant, subject to any conditions or qualifications imposed by the Board.

13. Amendments or Termination.

The Board may amend, alter or discontinue the Plan, but no amendment, alteration or discontinuation shall be made, (a) without the approval of the shareholders of the Company, if such action would (except as is provided in Section 9 of the Plan), increase the total number of Shares reserved for the purposes of the Plan or, if applicable, change the maximum number of Shares for which Stock Awards may be granted to any Participant, or (b) without the consent of a Participant, if such action would materially diminish any of the rights of such Participant under any Stock Award theretofore granted to such Participant under the Plan; provided, however, that the Committee may amend the Plan or any outstanding Stock Award in the least restrictive manner necessary to comply with the requirements of the Code or other Applicable Laws (including, without limitation, to avoid adverse tax consequences to the Company or to Participants).

14. Choice of Law.

This Plan and the Stock Awards granted hereunder shall be governed by and construed in accordance with the law of the State of Delaware, without regard to conflicts of laws principles thereof.

15. Effectiveness of the Plan.

This Plan shall be effective as of the Effective Date.

16. Stockholders Agreement.

The issuance of Shares pursuant to any Stock Award granted under the Plan shall be subject to all the terms, conditions and restrictions contained in the Stockholders Agreement and Participant agrees to become a party to and subject such Stockholders Agreement upon the grant of any Stock Award.

17. Exchange Act Exemption.

Notwithstanding anything to the contrary in the Plan or any Stock Award Agreement, for or until such time as the Company becomes subject to the reporting requirements of Sections 12 or 15(d) of the Exchange Act, if the Company is relying on the exemption from registration under the Exchange Act set forth in Rule 12h-1(f) under the Exchange Act (the "Employee Options Exemption") in connection with the grant of Options hereunder or the issuance of Shares upon the exercise of such Options, the Plan, the Options granted hereunder and the Stock Award Agreements entered into in connection with such grants are intended to comply with the Employee Options Exemption and, accordingly, to the maximum extent permitted, the Plan, such Options and such Stock Award Agreements shall be interpreted to be in compliance therewith.

18. Section 409A.

The Plan is intended to comply with the requirements of Section 409A of the Code or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A of the Code, it is intended that the Plan be administered in all respects in accordance with Section 409A of the Code. Each payment under any Stock Award shall be treated as a separate payment for purposes of Section 409A of the Code. In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under any Stock Award, but only to the extent such payment is considered "nonqualified deferred compensation" within the meaning of Section 409A of the Code. Notwithstanding any provision of the Plan or any Stock Award Agreement to the contrary, in the event that a Participant is a "specified employee" within the meaning of Section 409A of the Code (as determined in accordance with the methodology established by the Company), amounts that constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code that would otherwise be payable on account of a separation from service within the meaning of Section 409A of the Code and during the six-month period immediately following a Participant's "separation from service" within the meaning of Section 409A of the Code ("Separation from Service") shall instead be paid or provided on the first business day after the date that is six months following the Participant's Separation from Service. If the Participant dies following the Separation from Service and prior to the payment of any amounts delayed on account of Section 409A of the Code, such amounts shall be paid to the personal representative of the Participant's estate within 30 days after the date of the Participant's death. The Company shall use commercially reasonable efforts to implement the provisions of this Section 18 in good faith; provided, that neither the Company, the Committee nor any of the Company's employees, directors or representatives shall have any liability to any Participant with respect to this Section 18.

Exhibit 10.14

EXECUTION VERSION

GLOBE HOLDING CORP.
2014 STOCK INCENTIVE PLAN

AMENDED AND RESTATED
PERFORMANCE VESTING STOCK OPTION GRANT NOTICE

Globe Holding Corp. (the "Company"), pursuant to the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan"), hereby grants to the "Optionee" identified below an Option to purchase the number of shares of the Company's Common Stock ("Shares") set forth below. This Option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan and the Stockholders Agreement (as defined in the Plan), all of which are attached hereto and incorporated herein in their entirety. Any capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan.

Optionee:	Eric. J. Lindberg
Date of Grant:	October 21, 2014
Number of Shares Subject to Option:	967,651
Type of Common Stock Covered by Option:	Voting
Option Price (Per Share):	$10.00
Expiration Date:	The tenth (10th) anniversary of the Date of Grant.
Type of Grant:	Nonqualified Stock Option
Vesting Schedule:	Subject to the Optionee's continued Employment, the Shares subject to the Option shall vest and become exercisable as set forth in Section 3.1 of the Option Agreement.
Additional Terms/Acknowledgements:	The undersigned Optionee acknowledges receipt of, and understands and agrees to, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan. The Optionee further acknowledges that as of the Date of Grant, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan set forth the entire understanding between the Optionee and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject with the exception of any stock options previously granted and delivered to the Optionee under the Plan.

GLOBE HOLDING CORP.

By: /s/ S. MacGregor Read, Jr.
Name: S. MacGregor Read, Jr.
Title: Co-Chief Executive Officer

OPTIONEE

By: /s/ Eric J. Lindberg, Jr.
Name: Eric J. Lindberg, Jr.

Attachments: Option Agreement, Globe Holding Corp. 2014 Stock Incentive Plan and Stockholders Agreement.

[Signature Page to Amended and Restated Stock Option Grant Notice]

GLOBE HOLDING CORP.
2014 EQUITY INCENTIVE PLAN

AMENDED AND RESTATED
PERFORMANCE VESTING STOCK OPTION AGREEMENT

ARTICLE I
DEFINITIONS

Capitalized terms not otherwise defined in this Stock Option Agreement (this "Agreement") shall have the same meaning set forth in the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan").

ARTICLE II
GRANT OF OPTIONS

Section 2.1. Grant of Options

Pursuant to the Stock Option Grant Notice ("Grant Notice") and this Agreement, Globe Holding Corp. (the "Company") has granted to the Optionee identified in the Grant Notice an Option under the Plan to purchase the number of Shares indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof. For the avoidance of doubt, the terms and conditions of the Grant Notice are a part of the Agreement, unless otherwise specified.

Section 2.2. Option Price

The per Share Option Price of the Shares covered by the Option is indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ or service of the Company or any Subsidiary or Affiliate thereof, or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries and Affiliates, which are hereby expressly reserved, to terminate the Employment of the Optionee at any time for any reason whatsoever, with or without Cause, subject to the applicable provisions, if any, of the Optionee's Employment Agreement (if any such agreement is in effect at the time of such termination).

Section 2.4. Adjustments to Option

The Option shall be subject to the provisions of Section 9 of the Plan. Notwithstanding Section 9 of the Plan, in the event of an extraordinary cash dividend or distribution to stockholders, the Options will be equitably adjusted by the Committee in one of the following ways: (1) reduction in the Option exercise price, (2) paying a dividend equivalent payment to the Optionee (which for unvested Options may be held back until the Option vests), (3) adjusting the Option exercise price and number of Options on the basis of a deemed stock split based on the Fair Market Value of a Share, (4) any other action consented to by the Optionee or (5) any combination of the foregoing. Any determinations made by the Committee under this Section 2.4 shall be final and binding upon the Optionee, the Company and all other interested Persons.

ARTICLE III
PERIOD OF VESTING AND EXERCISABILITY

Section 3.1. Vesting and Commencement of Exercisability

(a) Performance Criteria. Subject to the limitations contained herein, the Shares subject to the Option will vest and become exercisable (to the extent not already vested) on each Measurement Date as follows:

(i) 0% if the IRR is less than 20%;

(ii) 50% if the IRR is 20%;

(iii) 50-100%, using linear interpolation, if the IRR is between 20% and 30%; and

(iv) 100% if the IRR is greater than or equal to 30%;

Upon the occurrence of the Final Measurement Date, the IRR shall be measured for the final time and any portion of the Option that does not vest at such time shall be forfeited without consideration to the Optionee and cease to be exercisable.

(b) Effect of Termination of Employment on Eligibility of Shares to Vest. No portion of the Option shall vest and become exercisable as to any additional Shares following the termination of the Optionee's Employment for any reason, and the portion of the Option that is unvested and unexercisable as of the date of such termination shall immediately expire without consideration or payment therefor.

(c) In the event that the Option has not become vested on or prior to the date of the Optionee's Qualifying Termination, then the Option shall remain outstanding and eligible to vest during the Tail Period in the event that a greater IRR performance vesting hurdle is achieved in connection with any Measurement Date that occurs within such Tail Period, and the Option shall remain exercisable following any vesting date that occurs during the Tail Period for the same duration (as determined under Section 3.2) as if the Optionee's Employment terminated on such vesting date. If no greater IRR performance vesting hurdle is achieved as described in this Section 3.1(c) during such Tail Period, the Option shall terminate as of the end of the Tail Period.

Section 3.2. Expiration of Option

The Optionee may not exercise any portion of the Option after its term expires. Subject to the provisions of the Plan and this Agreement, the Optionee may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

(a) the Expiration Date indicated in the Grant Notice;

(b) the date on which the Optionee's Employment is terminated by the Company or any of its Affiliates for Cause, or the date on which the Optionee breaches any of the restrictive covenants set forth in Article V hereof or any other restrictive covenant agreement between the Optionee and the Company or any of its Affiliates;

(c) the one (1)-year anniversary of the date of any termination of Employment due to the Optionee's death or Disability; or

(d) the ninetieth (90^{th}) day immediately following the date on which the Optionee's Employment is terminated for any reason other than by the Company or any of its Affiliates for Cause or due to the Optionee's death or Disability.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, the Optionee is the only Person that may exercise the exercisable portion of the Option, unless and until the Optionee dies or suffers a Disability. After the Disability or death of the Optionee, the exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.2 hereof, be exercised by the Optionee's personal representative, guardian or by any person empowered to do so under the Optionee's will or under the then Applicable Laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2 hereof; provided, that any partial exercise shall be for whole Shares only.

Section 4.3. Manner of Exercise

Any exercisable portion of the Option may be exercised solely by delivering to the Office of the Secretary of the Company at the Company's principal office, all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2 hereof:

(a) notice in writing signed by the Optionee or the other Person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) full payment of the aggregate Option Price for the Shares with respect to which such Option or portion thereof is exercised, pursuant to one or more of the following methods: (i) in cash (by check or wire transfer or a combination of the foregoing), or (ii) at the Optionee's election, a reduction in the number of Shares to be issued upon the exercise of the Option having an aggregate fair market value based on the FMV per Share on the date of exercise equal to such aggregate Option Price;

(c) a bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other Person then entitled to exercise such Option or portion thereof, stating that the Shares are being acquired for the Optionee's own account, for investment and without any present intention of distributing or reselling said Shares or any of them except as may be permitted under the Securities Act;

(d) unless already delivered, a written instrument (a "Joinder") pursuant to which the Optionee agrees to be bound by the terms and conditions of the Stockholders Agreement, in form and substance reasonably satisfactory to the Company;

(e) full payment to the Company or any of its Affiliates, as applicable, of all amounts which, under federal, state, local and/or non-U.S. law, such entity is required to withhold upon exercise of the Option; provided, that, at the Optionee's election, such withholding obligation may be satisfied by the Company withholding from the Shares otherwise issuable to the Optionee that number of Shares having an aggregate fair market value based on the FMV per Share, determined as of the date the withholding tax obligation arises, equal to such withholding tax obligation (but in no event more than the minimum required tax withholding); and

(f) in the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any Person or Persons other than the Optionee, appropriate proof of the right of such Person or Persons to exercise the Option.

Without limiting the generality of the foregoing, any subsequent transfer of Shares shall be subject to the terms and conditions of the Stockholders Agreement and the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of the Option does not violate the Securities Act, and may issue stop-transfer orders covering such Shares. The written representation and agreement referred to in subsection (c) above shall, however, not be required if the subsequent transfer of the Shares to be issued pursuant to such exercise has been registered under the Securities Act, and such registration is then effective in respect of such Shares.

Section 4.4. Conditions to Issuance of Shares

The Company shall not be required to record the ownership by the Optionee of Shares purchased upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

(a) the obtaining of approval or other clearance from any federal, state, local or non-U.S. governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable (and the Company agrees to use commercially reasonable efforts to seek such approval or other clearance);

(b) the lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience (not to exceed three (3) business days) or as may otherwise be required by Applicable Law; and

(c) the execution and delivery of the Joinder by the Optionee to the extent the Optionee is not already party to the Stockholders Agreement.

Section 4.5. Rights as Stockholder

The Optionee shall not be, and shall not have any of the rights or privileges of, stockholders of the Company in respect of any Shares purchasable in connection with the Option or any portion thereof unless and until a book entry representing such Shares has been made on the books and records of the Company.

ARTICLE V
RESTRICTIVE COVENANTS

Section 5.1. Non- Competition

The Optionee shall not at any time during Employment directly or indirectly through an Affiliate or otherwise, own any direct or indirect interest in, manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in any Competitive Business (as defined below). Notwithstanding the foregoing, the Optionee may own securities in any Competitive Business or affiliate of a Competitive Business that is a publicly held corporation, but only to the extent that such Optionee does not own, of record or beneficially, more than 1% (one percent) of the outstanding beneficial ownership of any such Competitive Business or affiliate. The parties intend that this non-competition provision shall be deemed to be a series of separate covenants, one for each and every county, state and political subdivision.

Section 5.2. Non-Disclosure of Confidential Information

The Optionee must maintain all “Confidential Information” (as defined below) in confidence and must not disclose any Confidential Information to anyone outside of the Company Group; and the Optionee must not at any time use any Confidential Information for the benefit of the Optionee or any third party. Nothing in this Agreement, however, prohibits the Optionee from: (1) disclosing any information (or taking any other action) in furtherance of the Optionee’s duties to the Company Group while employed by any member of the Company Group; or (2) disclosing Confidential Information to the extent required by law (after giving prompt notice to the Company in order that the Company Group may attempt to obtain a protective order or other assurance that confidential treatment shall be accorded to such information). Upon the Company’s request at any time, the Optionee must immediately deliver to the Company all tangible items in the Optionee’s possession or control that are or that contain Confidential Information, without keeping any copies.

Section 5.3. Non-Solicitation; No-Hire and Non-Interference

At all times during Employment and for the one-year period following termination of Employment for any reason or no reason (the "Restricted Period"), the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, (i) use any of the Company's Confidential Information to solicit any Persons who are customers of the Company Group, to purchase other than from the Company any goods or services sold by the Company Group relating to the Business or (ii) use any of the Company's Confidential Information to take any action to discourage any Persons who are, or within the one-year period immediately preceding the date of termination of Employment, were, suppliers of the Company Group, from doing business with the Company Group. In addition, at all times during Employment and the Restricted Period, the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, hire or solicit to perform services (as an employee, consultant or otherwise) or take any actions which are intended to persuade any termination of association with any member of the Company Group (as applicable) any Persons who are, or within the six (6) month period immediately preceding the solicitation were, employed by the Company Group; provided, however, that (A) solicitation or hiring by the Optionee or the Optionee's affiliates of an immediate family member of the Optionee shall not constitute a violation of this Section 5.3 and (B) general solicitations of employment published in a journal, newspaper or other publication of general circulation or listed on any internet job site and not specifically directed towards such employees shall not be deemed to constitute solicitation for purposes of this Section 5.3 and the hiring of any person as a result of such permitted solicitations shall not constitute a breach of this Section 5.3.

Section 5.4. Intellectual Property

(a) If the Optionee has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the start of Optionee's Employment, that are relevant to or implicated by such Employment ("Prior Works"), the Optionee hereby grants the Company and its Affiliates a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company and its Affiliate's current and future business.

(b) If the Optionee creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Optionee's Employment and within the scope of such Employment and/or with the use of any Company (or its Affiliate's) resources ("Company Works"), the Optionee shall promptly and fully disclose such works to the Company and hereby irrevocably assigns, transfers, and conveys, to the

maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company and its Affiliates to the extent ownership of any such rights does not vest originally in the Company or its Affiliates. The Optionee agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings, and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company and its Affiliates at all times.

(c) The Optionee shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's or its Affiliate's rights in the Prior Works and Company Works. If the Company is unable for any reason to secure the Optionee's signature on any document for this purpose, then the Optionee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as the Optionee's agent and attorney-in-fact, to act for and on the Optionee's behalf to execute any documents and to do all other lawfully permitted acts in connection with the foregoing.

Section 5.5. Reasonableness of Restrictions

By virtue of the Optionee's Employment, the Optionee acknowledges that, during the period of Employment, the Optionee will have access to the Confidential Information, will meet and develop relationships with the Company Group's potential and existing customers, and will receive specialized training in, and knowledge of, the Business. The Optionee specifically acknowledges and agrees that the time, geographic and activity restrictions (as applicable) set forth in this Article V are reasonable and properly required for the protection of the Company Group. Should a court of competent jurisdiction or arbitrator determine that the duration or geographical extent of, or business activities covered by, any provision of this Article V be in excess of that which is found to be valid and enforceable under applicable law, then such provision shall be reformed to cover only that duration, extent or activities which is considered valid and enforceable. In the event that such provision is deemed incapable of reformation, such invalid or unenforceable part of such provision shall be considered deleted from this Agreement and the remainder of such provision and of this Agreement shall be unaffected and shall continue in full force and effect. To the extent any provision of this Agreement shall be declared invalid or unenforceable for any reason in any jurisdiction, this Agreement (or provision thereof) shall remain valid and enforceable in each other jurisdiction where it applies.

Section 5.6. Effect of Optionee's Employment Agreement and Restrictive Covenant Agreement

Notwithstanding anything contained in this Article V to the contrary, if the Optionee is subject to a more restrictive non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant in any Employment Agreement or other restrictive covenant agreement, the most restrictive of such non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant shall apply; it being understood that the activities which the Optionee is prohibited from engaging in contained herein or in such other Employment Agreement or other restrictive covenant agreement shall be deemed to apply for purposes of this Agreement.

Section 5.7. Definitions

For purposes of this Agreement:

(a) "Closing Date" means October 7, 2014, which was the Closing Date as defined under the Agreement and Plan of Merger by and among GOPB Holding, Inc., Globe Holding Corp. (formerly known as Cannery Sales Holding Corp.), Globe Merger Corp. (formerly known as Cannery Sales Merger Corp.), and BSR LLC, dated as of September 13, 2014, as amended.

(b) "Company Group" means individually and collectively the Company and its Affiliates.

(c) "Competing Grocery Store" means any grocery store, mass merchandise or other store (excluding any convenience store with limited grocery offerings such as a gas station or Seven Eleven store but, for the avoidance of doubt, including Walmart Neighborhood Stores, Aldi and similar stores) that sells (x) discount groceries, or (y) grocery merchandise sourced through opportunistic buying, in each case, that is located within five (5) miles of any grocery store operated by the Company or its subsidiaries or by a Grocery Outlet independent operator as of the Closing Date.

(d) "Competitive Business" means any business, person or entity that, together with its Subsidiaries, directly or indirectly, (a) owns, operates or franchises one or more Competing Grocery Stores (b) sells merchandise through consignment, independent operator or similar arrangement to one or more Competing Grocery Stores, (c) distributes primarily grocery merchandise to one or more Competing Grocery Stores, (d) licenses any trademark or brand for use by one or more Competing Grocery Stores, or (e) otherwise engages in the business of operating or developing one or more Competing Grocery Stores.

(e) "Confidential Information" means proprietary and confidential information regarding the Company Group that is not generally available to the public, including (to the extent that it is not so generally available): (1) information regarding the Company Group's business, operations, financial condition, customers, vendors, sales representatives and other employees; (2) projections, budgets and business plans regarding the Company Group; (3) information regarding the Company Group's planned or pending acquisitions, divestitures or other business combinations; (4) the Company Group's trade secrets and proprietary information; and (5) the Company Group's technical information, discoveries, inventions, improvements, techniques, processes, business methods, equipment, algorithms, software programs, software source documents and formulae. For purposes of the preceding sentence, information is not treated as being generally available to the public if it is made public by the Optionee in violation of this Agreement.

(f) "Employment Agreement" shall mean the employment, severance, change in control, consulting or other similar agreement, if any, specifying the terms of a Participant's Employment by the Company or one of its Affiliates.

(g) "Fair Market Value" has the meaning as defined under the Plan; provided, however, that the application of such definition shall apply not only to Common Stock, but also to Marketable Securities.

(h) "Final Measurement Date" shall mean the first to occur of (i) a Change in Control or (ii) the first time following an Initial Public Offering at which H&F Stockholders hold less than 10% of the issued and outstanding common stock of the Company for a period of thirty (30) consecutive trading days (a "Sell Down Event").

(i) "H&F Stockholders" shall have the meaning set forth in the Stockholders Agreement.

(j) "IRR" shall mean a pre-tax, internal rate of return, determined on the basis of monthly compounding, with respect to the Transaction Date Investment and any subsequent investments by the H&F Stockholders in Shares based on amounts received (or deemed received) through a Measurement Date by the H&F Stockholders, using a calculation methodology consistent with the calculation methodology used by the H&F Stockholders for the purpose of reporting gross internal rate of return to their limited partner investors, except as otherwise provided herein. For these purposes, IRR shall take into account only (i) proceeds, dividends or distributions (in each case, whether cash or non-cash) ("Proceeds") actually received by the H&F Stockholders (inclusive of any amounts reduced as a result of required withholding taxes) in respect of their Shares after the Closing Date (which for the avoidance of doubt will not include Shares received in respect of any dividend of Shares, stock split or similar event or the receipt of Holdco Securities in accordance with Section 2.10 of the Stockholders Agreement, but such Shares shall continue to be treated as held by the H&F Stockholders for purposes of calculating IRR), and (ii) any LP Distributions made after the Closing Date; provided, however, that, in connection with a Sell Down Event, the amounts realized by the H&F Stockholders for purposes of measuring IRR shall be deemed to include both Proceeds actually received in respect of the Shares through and including the Sell Down Event together with the value of any Shares then held by the H&F Stockholders immediately following the Sell Down Event, with such share valuation determined based on the 20-day trailing average closing trading price for such shares ending on the date of such Sell Down Event or, if such 20-day trailing average closing trading price is not available, at fair market value. For purposes herein, all non-cash Proceeds shall be valued at their fair market value, as determined in good faith by the Board. For the avoidance of doubt, the transfer of Shares to a Permitted Transferee (as defined in the Stockholders Agreement) of an H&F Stockholder shall not be deemed to give rise to the receipt of any proceeds by the H&F Stockholders or be deemed to be an LP Distribution, in each case, unless such transfer is for cash or securities that are freely tradeable on the New York Stock Exchange or Nasdaq stock market without restriction (excluding, for the avoidance of doubt, any securities received pursuant to a transaction of the type contemplated in Section 2.10 of the Stockholders Agreement) or covered by Section 2.4 of the Stockholders Agreement, and unless such transfer is for cash or securities that are freely tradeable on the New York Stock Exchange or Nasdaq stock market without restriction (excluding, for the avoidance of doubt, any

securities received pursuant to a transaction of the type contemplated in Section 2.10 of the Stockholders Agreement) or covered by Section 2.4 of the Stockholders Agreement, such Shares transferred shall continue to be treated as held by the H&F Stockholders for purposes of calculating IRR.

(k) "LP Distribution" means a distribution of shares of Common Stock by the H&F Stockholders to their limited partner investors, with the value of such shares of Common Stock being deemed to equal their average closing prices, as reported by The Wall Street Journal, for the 10 trading days before and 10 trading days after, the date of the LP Distribution or otherwise at fair market value.

(l) "Marketable Securities" shall have the meaning set forth in the Stockholders Agreement.

(m) "Measurement Date" means (i) prior to the occurrence of a Change in Control, each date upon which the H&F Stockholders receive Proceeds or (ii) the Final Measurement Date.

(n) "Qualifying Termination" means a termination of your employment (i) by the Company without "Cause", (ii) by you for "Good Reason" or (iii) due to your death or "Disability" (as such terms are defined under the Retention Agreement).

(o) "Tail Period" means the six month period following the date of a Qualifying Termination or, if shorter, the period from the date of a Qualifying Termination until the Expiration Date.

(p) "Transaction Date Investment" means the aggregate value of shares of Common Stock held by the H&F Stockholders as of the Closing Date.

ARTICLE VI
MISCELLANEOUS

Section 6.1. Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be taken in good faith and shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Option. In its absolute discretion, the Board may at any time, and from time to time, exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 6.2. Option Not Transferable

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, neither the Option nor any interest or right therein or part thereof shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or

any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that, to the extent permitted by Applicable Law, this Section 6.2 shall not prevent transfers by will or by the Applicable Laws of descent and distribution.

Section 6.3. Titles; Interpretation

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. Defined terms used in this Agreement shall apply equally to both the singular and plural forms thereof. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The term “hereunder” shall mean this entire Agreement as a whole unless reference to a specific section or provision of this Agreement is made. Any reference to a section, subsection and provision is to this Agreement unless otherwise specified.

Section 6.4. Applicability of the Plan and the Stockholders Agreement

The Option and the Shares issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan and the Stockholders Agreement, to the extent applicable to the Option and such Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. In the event of any conflict between this Agreement or the Plan and the Stockholders Agreement, the terms of the Stockholders Agreement shall control.

Section 6.5. 83(b) Election

If any Shares acquired upon exercise of the Option are subject to a “substantial risk of forfeiture” (within the meaning of Treasury Regulation Section 1.83-3(c)) immediately following such exercise, and the Optionee determines to file an election pursuant to Treasury Regulation Section 1.83-2 with respect to such Shares, the Optionee will furnish the Company with a copy of such filed election no later than 30 days after the date of such exercise.

Section 6.6. Notices

Any notice to be given to the Company pursuant to the provisions of the Plan or this Agreement shall be given by personal delivery, by telecopier or similar facsimile means, by registered or certified first-class U.S. mail, return receipt requested and postage prepaid, or by express courier or recognized overnight delivery service, charges prepaid. If directed to the Company, any such notice shall be addressed to the Company’s principal executive office, to the Company’s Secretary, or to such other address, person or telecopier number as the Company may designate from time to time. If directed to the Optionee, any such notice or communication shall be addressed to him or her at the most recent address of the Optionee on file with the Company. By a notice given pursuant to this Section 6.6, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee’s personal representative if such representative has previously informed the Company of the

representative's status and address by written notice under this Section 6.6. Any notice shall be deemed given: (a) when delivered personally to the recipient; (b) when received, if sent by telecopy or similar facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by telecopy or other facsimile means); (c) on the date five days after the date mailed, if sent by registered or certified first-class U.S. mail, return receipt requested and postage prepaid; and (d) when delivered (or upon the date of attempted delivery where delivery is refused), if sent by express courier or recognized overnight delivery service, charges prepaid. Whenever the giving of notice is required pursuant to the provisions of the Plan or this Agreement, the giving of such notice may be waived by the party entitled to receive such notice.

Section 6.7. Resolution of Disputes

Any dispute or disagreement which may arise under, or as a result of, or which may in any way relate to, the interpretation, construction or application of this Agreement shall be determined by the Committee, in good faith, whose determination shall be final, binding and conclusive for all purposes.

Section 6.8. No Representations or Warranties

The Company makes no representations or warranties as to the income, estate or other tax consequences to the Optionee of the grant or exercise of the Option or the sale or other disposition of the Shares acquired pursuant to the exercise thereof.

Section 6.9. Submission to Jurisdiction

Each of the Company and the Optionee (i) consents to submit itself to the exclusive personal jurisdiction and venue of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, in any Delaware state or federal court within the State of Delaware) with respect to any suit (whether at law, in equity, in contract, in tort or otherwise) relating to or arising out of this Agreement or any of the transactions contemplated hereby, (ii) agrees that it will not, directly or indirectly, attempt to defeat or deny such personal jurisdiction or venue by motion or otherwise, (iii) agrees that it will not, and it will cause its Affiliates not to, bring or support any such suit in any court other than such courts of the State of Delaware, as described above, (iv) irrevocably agrees that any such suit (whether at law, in equity, in contract, in tort or otherwise) shall be heard and determined exclusively in such courts of the State of Delaware, as described above, (v) agrees to service of process in any such action in any manner prescribed by the laws of the State of Delaware and (vi) agrees that service of process upon such party in any action or proceeding shall be effective if notice is given in accordance with Section 6.6 hereof.

Section 6.10. Enforcement

The Company and the Optionee agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce

specifically the terms and provisions of this Agreement, in addition to any other remedy to which they are entitled at law or in equity. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available under applicable law. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (i) either party has an adequate remedy at law or (ii) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction.

Section 6.11. Arbitration

In the event of any controversy among the parties hereto arising out of, or relating to, this Agreement (other than any claim seeking injunctive relief pursuant to Section 6.10), which cannot be settled amicably by the parties, such controversy shall be finally, exclusively, and conclusively settled by mandatory arbitration conducted expeditiously in accordance with the American Arbitration Association rules by a single independent arbitrator. Such arbitration process shall take place within 50 miles of the Company's principal executive offices. The decision of the arbitrator shall be final and binding upon all parties hereto and shall be rendered pursuant to a written decision, which contains a detailed recital of the arbitrator's reasoning. Judgment upon the award rendered may be entered in any court having jurisdiction thereof.

Section 6.12. Governing Law

This Agreement shall be governed in all respects by the laws of the State of Delaware, without regard to conflicts of law principles thereof.

GLOBE HOLDING CORP.
2014 STOCK INCENTIVE PLAN

AMENDED AND RESTATED
PERFORMANCE VESTING STOCK OPTION GRANT NOTICE

Globe Holding Corp. (the "Company"), pursuant to the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan"), hereby grants to the "Optionee" identified below an Option to purchase the number of shares of the Company's Common Stock ("Shares") set forth below. This Option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan and the Stockholders Agreement (as defined in the Plan), all of which are attached hereto and incorporated herein in their entirety. Any capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan.

Optionee:	S. MacGregor Read
Date of Grant:	October 21, 2014
Number of Shares Subject to Option:	967,651
Type of Common Stock Covered by Option:	Voting
Option Price (Per Share):	$10.00
Expiration Date:	The tenth (10th) anniversary of the Date of Grant.
Type of Grant:	Nonqualified Stock Option
Vesting Schedule:	Subject to the Optionee's continued Employment, the Shares subject to the Option shall vest and become exercisable as set forth in Section 3.1 of the Option Agreement.
Additional Terms/Acknowledgements:	The undersigned Optionee acknowledges receipt of, and understands and agrees to, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan. The Optionee further acknowledges that as of the Date of Grant, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan set forth the entire understanding between the Optionee and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject with the exception of any stock options previously granted and delivered to the Optionee under the Plan.

GLOBE HOLDING CORP.	**OPTIONEE**
By: /s/ Eric J. Lindberg, Jr.	By: /s/ S. MacGregor Read, Jr.
Name: Eric J. Lindberg, Jr.	Name: S. MacGregor Read, Jr.
Title: Co-Chief Executive Officer	

Attachments: Option Agreement, Globe Holding Corp. 2014 Stock Incentive Plan and Stockholders Agreement.

[Signature Page to Amended and Restated Stock Option Grant Notice]

GLOBE HOLDING CORP.
2014 EQUITY INCENTIVE PLAN

AMENDED AND RESTATED
PERFORMANCE VESTING STOCK OPTION AGREEMENT

ARTICLE I
DEFINITIONS

Capitalized terms not otherwise defined in this Stock Option Agreement (this "Agreement") shall have the same meaning set forth in the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan").

ARTICLE II
GRANT OF OPTIONS

Section 2.1. Grant of Options

Pursuant to the Stock Option Grant Notice ("Grant Notice") and this Agreement, Globe Holding Corp. (the "Company") has granted to the Optionee identified in the Grant Notice an Option under the Plan to purchase the number of Shares indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof. For the avoidance of doubt, the terms and conditions of the Grant Notice are a part of the Agreement, unless otherwise specified.

Section 2.2. Option Price

The per Share Option Price of the Shares covered by the Option is indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ or service of the Company or any Subsidiary or Affiliate thereof, or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries and Affiliates, which are hereby expressly reserved, to terminate the Employment of the Optionee at any time for any reason whatsoever, with or without Cause, subject to the applicable provisions, if any, of the Optionee's Employment Agreement (if any such agreement is in effect at the time of such termination).

Section 2.4. Adjustments to Option

The Option shall be subject to the provisions of Section 9 of the Plan. Notwithstanding Section 9 of the Plan, in the event of an extraordinary cash dividend or distribution to stockholders, the Options will be equitably adjusted by the Committee in one of the following ways: (1) reduction in the Option exercise price, (2) paying a dividend equivalent payment to the Optionee (which for unvested Options may be held back until the Option vests), (3) adjusting the Option exercise price and number of Options on the basis of a deemed stock split based on the Fair Market Value of a Share, (4) any other action consented to by the Optionee or (5) any combination of the foregoing. Any determinations made by the Committee under this Section 2.4 shall be final and binding upon the Optionee, the Company and all other interested Persons.

ARTICLE III
PERIOD OF VESTING AND EXERCISABILITY

Section 3.1. Vesting and Commencement of Exercisability

(a) Performance Criteria. Subject to the limitations contained herein, the Shares subject to the Option will vest and become exercisable (to the extent not already vested) on each Measurement Date as follows:

(i) 0% if the IRR is less than 20%;

(ii) 50% if the IRR is 20%;

(iii) 50-100%, using linear interpolation, if the IRR is between 20% and 30%; and

(iv) 100% if the IRR is greater than or equal to 30%;

Upon the occurrence of the Final Measurement Date, the IRR shall be measured for the final time and any portion of the Option that does not vest at such time shall be forfeited without consideration to the Optionee and cease to be exercisable.

(b) Effect of Termination of Employment on Eligibility of Shares to Vest. No portion of the Option shall vest and become exercisable as to any additional Shares following the termination of the Optionee's Employment for any reason, and the portion of the Option that is unvested and unexercisable as of the date of such termination shall immediately expire without consideration or payment therefor.

(c) In the event that the Option has not become vested on or prior to the date of the Optionee's Qualifying Termination, then the Option shall remain outstanding and eligible to vest during the Tail Period in the event that a greater IRR performance vesting hurdle is achieved in connection with any Measurement Date that occurs within such Tail Period, and the Option shall remain exercisable following any vesting date that occurs during the Tail Period for the same duration (as determined under Section 3.2) as if the Optionee's Employment terminated on such vesting date. If no greater IRR performance vesting hurdle is achieved as described in this Section 3.1(c) during such Tail Period, the Option shall terminate as of the end of the Tail Period.

Section 3.2. Expiration of Option

The Optionee may not exercise any portion of the Option after its term expires. Subject to the provisions of the Plan and this Agreement, the Optionee may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

(a) the Expiration Date indicated in the Grant Notice;

(b) the date on which the Optionee's Employment is terminated by the Company or any of its Affiliates for Cause, or the date on which the Optionee breaches any of the restrictive covenants set forth in Article V hereof or any other restrictive covenant agreement between the Optionee and the Company or any of its Affiliates;

(c) the one (1)-year anniversary of the date of any termination of Employment due to the Optionee's death or Disability; or

(d) the ninetieth (90th) day immediately following the date on which the Optionee's Employment is terminated for any reason other than by the Company or any of its Affiliates for Cause or due to the Optionee's death or Disability.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, the Optionee is the only Person that may exercise the exercisable portion of the Option, unless and until the Optionee dies or suffers a Disability. After the Disability or death of the Optionee, the exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.2 hereof, be exercised by the Optionee's personal representative, guardian or by any person empowered to do so under the Optionee's will or under the then Applicable Laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2 hereof; provided, that any partial exercise shall be for whole Shares only.

Section 4.3. Manner of Exercise

Any exercisable portion of the Option may be exercised solely by delivering to the Office of the Secretary of the Company at the Company's principal office, all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2 hereof:

(a) notice in writing signed by the Optionee or the other Person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) full payment of the aggregate Option Price for the Shares with respect to which such Option or portion thereof is exercised, pursuant to one or more of the following methods: (i) in cash (by check or wire transfer or a combination of the foregoing), or (ii) at the Optionee's election, a reduction in the number of Shares to be issued upon the exercise of the Option having an aggregate fair market value based on the FMV per Share on the date of exercise equal to such aggregate Option Price;

(c) a bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other Person then entitled to exercise such Option or portion thereof, stating that the Shares are being acquired for the Optionee's own account, for investment and without any present intention of distributing or reselling said Shares or any of them except as may be permitted under the Securities Act;

(d) unless already delivered, a written instrument (a "Joinder") pursuant to which the Optionee agrees to be bound by the terms and conditions of the Stockholders Agreement, in form and substance reasonably satisfactory to the Company;

(e) full payment to the Company or any of its Affiliates, as applicable, of all amounts which, under federal, state, local and/or non-U.S. law, such entity is required to withhold upon exercise of the Option; provided, that, at the Optionee's election, such withholding obligation may be satisfied by the Company withholding from the Shares otherwise issuable to the Optionee that number of Shares having an aggregate fair market value based on the FMV per Share, determined as of the date the withholding tax obligation arises, equal to such withholding tax obligation (but in no event more than the minimum required tax withholding); and

(f) in the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any Person or Persons other than the Optionee, appropriate proof of the right of such Person or Persons to exercise the Option.

Without limiting the generality of the foregoing, any subsequent transfer of Shares shall be subject to the terms and conditions of the Stockholders Agreement and the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of the Option does not violate the Securities Act, and may issue stop-transfer orders covering such Shares. The written representation and agreement referred to in subsection (c) above shall, however, not be required if the subsequent transfer of the Shares to be issued pursuant to such exercise has been registered under the Securities Act, and such registration is then effective in respect of such Shares.

Section 4.4. Conditions to Issuance of Shares

The Company shall not be required to record the ownership by the Optionee of Shares purchased upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

(a) the obtaining of approval or other clearance from any federal, state, local or non-U.S. governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable (and the Company agrees to use commercially reasonable efforts to seek such approval or other clearance);

(b) the lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience (not to exceed three (3) business days) or as may otherwise be required by Applicable Law; and

(c) the execution and delivery of the Joinder by the Optionee to the extent the Optionee is not already party to the Stockholders Agreement.

Section 4.5. Rights as Stockholder

The Optionee shall not be, and shall not have any of the rights or privileges of, stockholders of the Company in respect of any Shares purchasable in connection with the Option or any portion thereof unless and until a book entry representing such Shares has been made on the books and records of the Company.

ARTICLE V
RESTRICTIVE COVENANTS

Section 5.1. Non-Competition

The Optionee shall not at any time during Employment directly or indirectly through an Affiliate or otherwise, own any direct or indirect interest in, manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in any Competitive Business (as defined below). Notwithstanding the foregoing, the Optionee may own securities in any Competitive Business or affiliate of a Competitive Business that is a publicly held corporation, but only to the extent that such Optionee does not own, of record or beneficially, more than 1% (one percent) of the outstanding beneficial ownership of any such Competitive Business or affiliate. The parties intend that this non-competition provision shall be deemed to be a series of separate covenants, one for each and every county, state and political subdivision.

Section 5.2. Non-Disclosure of Confidential Information

The Optionee must maintain all “Confidential Information” (as defined below) in confidence and must not disclose any Confidential Information to anyone outside of the Company Group; and the Optionee must not at any time use any Confidential Information for the benefit of the Optionee or any third party. Nothing in this Agreement, however, prohibits the Optionee from: (1) disclosing any information (or taking any other action) in furtherance of the Optionee’s duties to the Company Group while employed by any member of the Company Group; or (2) disclosing Confidential Information to the extent required by law (after giving prompt notice to the Company in order that the Company Group may attempt to obtain a protective order or other assurance that confidential treatment shall be accorded to such information). Upon the Company’s request at any time, the Optionee must immediately deliver to the Company all tangible items in the Optionee’s possession or control that are or that contain Confidential Information, without keeping any copies.

Section 5.3. Non-Solicitation; No-Hire and Non-Interference

At all times during Employment and for the one-year period following termination of Employment for any reason or no reason (the "Restricted Period"), the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, (i) use any of the Company's Confidential Information to solicit any Persons who are customers of the Company Group, to purchase other than from the Company any goods or services sold by the Company Group relating to the Business or (ii) use any of the Company's Confidential Information to take any action to discourage any Persons who are, or within the one-year period immediately preceding the date of termination of Employment, were, suppliers of the Company Group, from doing business with the Company Group. In addition, at all times during Employment and the Restricted Period, the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, hire or solicit to perform services (as an employee, consultant or otherwise) or take any actions which are intended to persuade any termination of association with any member of the Company Group (as applicable) any Persons who are, or within the six (6) month period immediately preceding the solicitation were, employed by the Company Group; provided, however, that (A) solicitation or hiring by the Optionee or the Optionee's affiliates of an immediate family member of the Optionee shall not constitute a violation of this Section 5.3 and (B) general solicitations of employment published in a journal, newspaper or other publication of general circulation or listed on any internet job site and not specifically directed towards such employees shall not be deemed to constitute solicitation for purposes of this Section 5.3 and the hiring of any person as a result of such permitted solicitations shall not constitute a breach of this Section 5.3.

Section 5.4. Intellectual Property

(a) If the Optionee has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the start of Optionee's Employment, that are relevant to or implicated by such Employment ("Prior Works"), the Optionee hereby grants the Company and its Affiliates a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company and its Affiliate's current and future business.

(b) If the Optionee creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Optionee's Employment and within the scope of such Employment and/or with the use of any Company (or its Affiliate's) resources ("Company Works"), the Optionee shall promptly and fully disclose such works to the Company and hereby irrevocably assigns, transfers, and conveys, to the

maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company and its Affiliates to the extent ownership of any such rights does not vest originally in the Company or its Affiliates. The Optionee agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings, and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company and its Affiliates at all times.

(c) The Optionee shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's or its Affiliate's rights in the Prior Works and Company Works. If the Company is unable for any reason to secure the Optionee's signature on any document for this purpose, then the Optionee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as the Optionee's agent and attorney-in-fact, to act for and on the Optionee's behalf to execute any documents and to do all other lawfully permitted acts in connection with the foregoing.

Section 5.5. Reasonableness of Restrictions

By virtue of the Optionee's Employment, the Optionee acknowledges that, during the period of Employment, the Optionee will have access to the Confidential Information, will meet and develop relationships with the Company Group's potential and existing customers, and will receive specialized training in, and knowledge of, the Business. The Optionee specifically acknowledges and agrees that the time, geographic and activity restrictions (as applicable) set forth in this Article V are reasonable and properly required for the protection of the Company Group. Should a court of competent jurisdiction or arbitrator determine that the duration or geographical extent of, or business activities covered by, any provision of this Article V be in excess of that which is found to be valid and enforceable under applicable law, then such provision shall be reformed to cover only that duration, extent or activities which is considered valid and enforceable. In the event that such provision is deemed incapable of reformation, such invalid or unenforceable part of such provision shall be considered deleted from this Agreement and the remainder of such provision and of this Agreement shall be unaffected and shall continue in full force and effect. To the extent any provision of this Agreement shall be declared invalid or unenforceable for any reason in any jurisdiction, this Agreement (or provision thereof) shall remain valid and enforceable in each other jurisdiction where it applies.

Section 5.6. Effect of Optionee's Employment Agreement and Restrictive Covenant Agreement

Notwithstanding anything contained in this Article V to the contrary, if the Optionee is subject to a more restrictive non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant in any Employment Agreement or other restrictive covenant agreement, the most restrictive of such non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant shall apply; it being understood

that the activities which the Optionee is prohibited from engaging in contained herein or in such other Employment Agreement or other restrictive covenant agreement shall be deemed to apply for purposes of this Agreement.

Section 5.7. Definitions

For purposes of this Agreement:

(a) "Closing Date" means October 7, 2014, which was the Closing Date as defined under the Agreement and Plan of Merger by and among GOPB Holding, Inc., Globe Holding Corp. (formerly known as Cannery Sales Holding Corp.), Globe Merger Corp. (formerly known as Cannery Sales Merger Corp.), and BSR LLC, dated as of September 13, 2014, as amended.

(b) "Company Group" means individually and collectively the Company and its Affiliates.

(c) "Competing Grocery Store" means any grocery store, mass merchandise or other store (excluding any convenience store with limited grocery offerings such as a gas station or Seven Eleven store but, for the avoidance of doubt, including Walmart Neighborhood Stores, Aldi and similar stores) that sells (x) discount groceries, or (y) grocery merchandise sourced through opportunistic buying, in each case, that is located within five (5) miles of any grocery store operated by the Company or its subsidiaries or by a Grocery Outlet independent operator as of the Closing Date.

(d) "Competitive Business" means any business, person or entity that, together with its Subsidiaries, directly or indirectly, (a) owns, operates or franchises one or more Competing Grocery Stores (b) sells merchandise through consignment, independent operator or similar arrangement to one or more Competing Grocery Stores, (c) distributes primarily grocery merchandise to one or more Competing Grocery Stores, (d) licenses any trademark or brand for use by one or more Competing Grocery Stores, or (e) otherwise engages in the business of operating or developing one or more Competing Grocery Stores.

(e) "Confidential Information" means proprietary and confidential information regarding the Company Group that is not generally available to the public, including (to the extent that it is not so generally available): (1) information regarding the Company Group's business, operations, financial condition, customers, vendors, sales representatives and other employees; (2) projections, budgets and business plans regarding the Company Group; (3) information regarding the Company Group's planned or pending acquisitions, divestitures or other business combinations; (4) the Company Group's trade secrets and proprietary information; and (5) the Company Group's technical information, discoveries, inventions, improvements, techniques, processes, business methods, equipment, algorithms, software programs, software source documents and formulae. For purposes of the preceding sentence, information is not treated as being generally available to the public if it is made public by the Optionee in violation of this Agreement.

(f) "Employment Agreement" shall mean the employment, severance, change in control, consulting or other similar agreement, if any, specifying the terms of a Participant's Employment by the Company or one of its Affiliates.

(g) "Fair Market Value" has the meaning as defined under the Plan; provided, however, that the application of such definition shall apply not only to Common Stock, but also to Marketable Securities.

(h) "Final Measurement Date" shall mean the first to occur of (i) a Change in Control or (ii) the first time following an Initial Public Offering at which H&F Stockholders hold less than 10% of the issued and outstanding common stock of the Company for a period of thirty (30) consecutive trading days (a "Sell Down Event").

(i) "H&F Stockholders" shall have the meaning set forth in the Stockholders Agreement.

(j) "IRR" shall mean a pre-tax, internal rate of return, determined on the basis of monthly compounding, with respect to the Transaction Date Investment and any subsequent investments by the H&F Stockholders in Shares based on amounts received (or deemed received) through a Measurement Date by the H&F Stockholders, using a calculation methodology consistent with the calculation methodology used by the H&F Stockholders for the purpose of reporting gross internal rate of return to their limited partner investors, except as otherwise provided herein. For these purposes, IRR shall take into account only (i) proceeds, dividends or distributions (in each case, whether cash or non-cash) ("Proceeds") actually received by the H&F Stockholders (inclusive of any amounts reduced as a result of required withholding taxes) in respect of their Shares after the Closing Date (which for the avoidance of doubt will not include Shares received in respect of any dividend of Shares, stock split or similar event or the receipt of Holdco Securities in accordance with Section 2.10 of the Stockholders Agreement, but such Shares shall continue to be treated as held by the H&F Stockholders for purposes of calculating IRR), and (ii) any LP Distributions made after the Closing Date; provided, however, that, in connection with a Sell Down Event, the amounts realized by the H&F Stockholders for purposes of measuring IRR shall be deemed to include both Proceeds actually received in respect of the Shares through and including the Sell Down Event together with the value of any Shares then held by the H&F Stockholders immediately following the Sell Down Event, with such share valuation determined based on the 20-day trailing average closing trading price for such shares ending on the date of such Sell Down Event or, if such 20-day trailing average closing trading price is not available, at fair market value. For purposes herein, all non-cash Proceeds shall be valued at their fair market value, as determined in good faith by the Board. For the avoidance of doubt, the transfer of Shares to a Permitted Transferee (as defined in the Stockholders Agreement) of an H&F Stockholder shall not be deemed to give rise to the receipt of any proceeds by the H&F Stockholders or be deemed to be an LP Distribution, in each case, unless such transfer is for cash or securities that are freely tradeable on the New York Stock Exchange or Nasdaq stock market without restriction (excluding, for the avoidance of doubt, any securities received pursuant to a transaction of the type contemplated in Section 2.10 of the Stockholders Agreement) or covered by Section 2.4 of the Stockholders Agreement, and unless such transfer is for cash or securities that are freely tradeable on the New York Stock Exchange or Nasdaq stock market without restriction (excluding, for the avoidance of doubt, any

securities received pursuant to a transaction of the type contemplated in Section 2.10 of the Stockholders Agreement) or covered by Section 2.4 of the Stockholders Agreement, such Shares transferred shall continue to be treated as held by the H&F Stockholders for purposes of calculating IRR.

(k) "LP Distribution" means a distribution of shares of Common Stock by the H&F Stockholders to their limited partner investors, with the value of such shares of Common Stock being deemed to equal their average closing prices, as reported by The Wall Street Journal, for the 10 trading days before and 10 trading days after, the date of the LP Distribution or otherwise at fair market value.

(l) "Marketable Securities" shall have the meaning set forth in the Stockholders Agreement.

(m) "Measurement Date" means (i) prior to the occurrence of a Change in Control, each date upon which the H&F Stockholders receive Proceeds or (ii) the Final Measurement Date.

(n) "Qualifying Termination" means a termination of your employment (i) by the Company without "Cause", (ii) by you for "Good Reason" or (iii) due to your death or "Disability" (as such terms are defined under the Retention Agreement).

(o) "Tail Period" means the six month period following the date of a Qualifying Termination or, if shorter, the period from the date of a Qualifying Termination until the Expiration Date.

(p) "Transaction Date Investment" means the aggregate value of shares of Common Stock held by the H&F Stockholders as of the Closing Date.

ARTICLE VI
MISCELLANEOUS

Section 6.1. Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be taken in good faith and shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Option. In its absolute discretion, the Board may at any time, and from time to time, exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 6.2. Option Not Transferable

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, neither the Option nor any interest or right therein or part thereof shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or

any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that, to the extent permitted by Applicable Law, this Section 6.2 shall not prevent transfers by will or by the Applicable Laws of descent and distribution.

Section 6.3. Titles; Interpretation

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. Defined terms used in this Agreement shall apply equally to both the singular and plural forms thereof. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The term “hereunder” shall mean this entire Agreement as a whole unless reference to a specific section or provision of this Agreement is made. Any reference to a section, subsection and provision is to this Agreement unless otherwise specified.

Section 6.4. Applicability of the Plan and the Stockholders Agreement

The Option and the Shares issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan and the Stockholders Agreement, to the extent applicable to the Option and such Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. In the event of any conflict between this Agreement or the Plan and the Stockholders Agreement, the terms of the Stockholders Agreement shall control.

Section 6.5. 83(b) Election

If any Shares acquired upon exercise of the Option are subject to a “substantial risk of forfeiture” (within the meaning of Treasury Regulation Section 1.83-3(c)) immediately following such exercise, and the Optionee determines to file an election pursuant to Treasury Regulation Section 1.83-2 with respect to such Shares, the Optionee will furnish the Company with a copy of such filed election no later than 30 days after the date of such exercise.

Section 6.6. Notices

Any notice to be given to the Company pursuant to the provisions of the Plan or this Agreement shall be given by personal delivery, by telecopier or similar facsimile means, by registered or certified first-class U.S. mail, return receipt requested and postage prepaid, or by express courier or recognized overnight delivery service, charges prepaid. If directed to the Company, any such notice shall be addressed to the Company’s principal executive office, to the Company’s Secretary, or to such other address, person or telecopier number as the Company may designate from time to time. If directed to the Optionee, any such notice or communication shall be addressed to him or her at the most recent address of the Optionee on file with the Company. By a notice given pursuant to this Section 6.6, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee’s personal representative if such representative has previously informed the Company of the

representative's status and address by written notice under this Section 6.6. Any notice shall be deemed given: (a) when delivered personally to the recipient; (b) when received, if sent by telecopy or similar facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by telecopy or other facsimile means); (c) on the date five days after the date mailed, if sent by registered or certified first-class U.S. mail, return receipt requested and postage prepaid; and (d) when delivered (or upon the date of attempted delivery where delivery is refused), if sent by express courier or recognized overnight delivery service, charges prepaid. Whenever the giving of notice is required pursuant to the provisions of the Plan or this Agreement, the giving of such notice may be waived by the party entitled to receive such notice.

Section 6.7. Resolution of Disputes

Any dispute or disagreement which may arise under, or as a result of, or which may in any way relate to, the interpretation, construction or application of this Agreement shall be determined by the Committee, in good faith, whose determination shall be final, binding and conclusive for all purposes.

Section 6.8. No Representations or Warranties

The Company makes no representations or warranties as to the income, estate or other tax consequences to the Optionee of the grant or exercise of the Option or the sale or other disposition of the Shares acquired pursuant to the exercise thereof.

Section 6.9. Submission to Jurisdiction

Each of the Company and the Optionee (i) consents to submit itself to the exclusive personal jurisdiction and venue of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, in any Delaware state or federal court within the State of Delaware) with respect to any suit (whether at law, in equity, in contract, in tort or otherwise) relating to or arising out of this Agreement or any of the transactions contemplated hereby, (ii) agrees that it will not, directly or indirectly, attempt to defeat or deny such personal jurisdiction or venue by motion or otherwise, (iii) agrees that it will not, and it will cause its Affiliates not to, bring or support any such suit in any court other than such courts of the State of Delaware, as described above, (iv) irrevocably agrees that any such suit (whether at law, in equity, in contract, in tort or otherwise) shall be heard and determined exclusively in such courts of the State of Delaware, as described above, (v) agrees to service of process in any such action in any manner prescribed by the laws of the State of Delaware and (vi) agrees that service of process upon such party in any action or proceeding shall be effective if notice is given in accordance with Section 6.6 hereof.

Section 6.10. Enforcement

The Company and the Optionee agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce

specifically the terms and provisions of this Agreement, in addition to any other remedy to which they are entitled at law or in equity. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available under applicable law. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (i) either party has an adequate remedy at law or (ii) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction.

Section 6.11. Arbitration

In the event of any controversy among the parties hereto arising out of, or relating to, this Agreement (other than any claim seeking injunctive relief pursuant to Section 6.10), which cannot be settled amicably by the parties, such controversy shall be finally, exclusively, and conclusively settled by mandatory arbitration conducted expeditiously in accordance with the American Arbitration Association rules by a single independent arbitrator. Such arbitration process shall take place within 50 miles of the Company's principal executive offices. The decision of the arbitrator shall be final and binding upon all parties hereto and shall be rendered pursuant to a written decision, which contains a detailed recital of the arbitrator's reasoning. Judgment upon the award rendered may be entered in any court having jurisdiction thereof.

Section 6.12. Governing Law

This Agreement shall be governed in all respects by the laws of the State of Delaware, without regard to conflicts of law principles thereof.

Exhibit 10.15

EXECUTION VERSION

GLOBE HOLDING CORP.
2014 STOCK INCENTIVE PLAN

AMENDED AND RESTATED
TIME VESTING STOCK OPTION GRANT NOTICE

Globe Holding Corp. (the "Company"), pursuant to the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan"), hereby grants to the "Optionee" identified below an Option to purchase the number of shares of the Company's Common Stock ("Shares") set forth below. This Option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan and the Stockholders Agreement (as defined in the Plan), all of which are attached hereto and incorporated herein in their entirety. Any capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan.

Optionee:	Eric J. Lindberg
Date of Grant:	October 21, 2014
Number of Shares Subject to Option:	967,652
Type of Common Stock Covered by Option:	Voting
Option Price (Per Share):	$10.00
Expiration Date:	The tenth (10th) anniversary of the Date of Grant.
Type of Grant:	Nonqualified Stock Option
Vesting Schedule:	Subject to the Optionee's continued Employment, twenty percent (20%) of the Shares subject to the Option shall vest and become exercisable on each of the first five (5) anniversaries of the Date of Grant; provided, that if a Change in Control occurs during the Optionee's Employment, the Option will, to the extent not vested, become fully vested and exercisable immediately prior to the effective time of such Change in Control.
Additional Terms/Acknowledgements:	The undersigned Optionee acknowledges receipt of, and understands and agrees to, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan. The Optionee further acknowledges that as of the Date of Grant, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan set forth the entire understanding between the Optionee and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject with the exception of any stock options previously granted and delivered to the Optionee under the Plan.

GLOBE HOLDING CORP.

By: /s/ S. MacGregor Read, Jr.
Name: S. MacGregor Read, Jr.
Title: Co-Chief Executive Officer

OPTIONEE

By: /s/ Eric J. Lindberg, Jr.
Name: Eric J. Lindberg, Jr.

Attachments: Option Agreement, Globe Holding Corp. 2014 Stock Incentive Plan and Stockholders Agreement.

[Signature Page to Amended and Restated Stock Option Grant Notice]

GLOBE HOLDING CORP.
2014 EQUITY INCENTIVE PLAN

AMENDED AND RESTATED
TIME VESTING STOCK OPTION AGREEMENT

ARTICLE I
DEFINITIONS

Capitalized terms not otherwise defined in this Stock Option Agreement (this "Agreement") shall have the same meaning set forth in the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan").

ARTICLE II
GRANT OF OPTIONS

Section 2.1. Grant of Options

Pursuant to the Stock Option Grant Notice ("Grant Notice") and this Agreement, Globe Holding Corp. (the "Company") has granted to the Optionee identified in the Grant Notice an Option under the Plan to purchase the number of Shares indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof. For the avoidance of doubt, the terms and conditions of the Grant Notice are a part of the Agreement, unless otherwise specified.

Section 2.2. Option Price

The per Share Option Price of the Shares covered by the Option is indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ or service of the Company or any Subsidiary or Affiliate thereof, or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries and Affiliates, which are hereby expressly reserved, to terminate the Employment of the Optionee at any time for any reason whatsoever, with or without Cause, subject to the applicable provisions, if any, of the Optionee's Employment Agreement (if any such agreement is in effect at the time of such termination).

Section 2.4. Adjustments to Option

The Option shall be subject to the provisions of Section 9 of the Plan. Notwithstanding Section 9 of the Plan, in the event of an extraordinary cash dividend or distribution to stockholders, the Options will be equitably adjusted by the Committee in one of the following ways: (1) reduction in the Option exercise price, (2) paying a dividend equivalent payment to the Optionee (which for unvested Options may be held back until the Option vests), (3) adjusting the Option exercise price and number of Options on the basis of a deemed stock split based on the Fair Market Value of a Share, (4) any other action consented to by the Optionee or (5) any combination of the foregoing. Any determinations made by the Committee under this Section 2.4 shall be final and binding upon the Optionee, the Company and all other interested Persons.

ARTICLE III
PERIOD OF VESTING AND EXERCISABILITY

Section 3.1. Vesting and Commencement of Exercisability

(a) Subject to the limitations contained herein, the Option will vest and become exercisable as set forth in the Grant Notice; *provided*, that no portion of the Option shall vest and become exercisable as to any additional Shares following the termination of the Optionee's Employment for any reason, and the portion of the Option that is unvested and unexercisable as of the date of such termination shall immediately expire without consideration or payment therefor.

Section 3.2. Expiration of Option

The Optionee may not exercise any portion of the Option after its term expires. Subject to the provisions of the Plan and this Agreement, the Optionee may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

(a) the Expiration Date indicated in the Grant Notice;

(b) the date on which the Optionee's Employment is terminated by the Company or any of its Affiliates for Cause, or the date on which the Optionee breaches any of the restrictive covenants set forth in Article V hereof or any other restrictive covenant agreement between the Optionee and the Company or any of its Affiliates;

(c) the one (1)-year anniversary of the date of any termination of Employment due to the Optionee's death or Disability; or

(d) the ninetieth (90th) day immediately following the date on which the Optionee's Employment is terminated for any reason other than by the Company or any of its Affiliates for Cause or due to the Optionee's death or Disability.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, the Optionee is the only Person that may exercise the exercisable portion of the Option, unless and until the Optionee dies or suffers a Disability. After the Disability or death of the Optionee, the exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.2 hereof, be exercised by the Optionee's personal representative, guardian or by any person empowered to do so under the Optionee's will or under the then Applicable Laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2 hereof; provided, that any partial exercise shall be for whole Shares only.

Section 4.3. Manner of Exercise

Any exercisable portion of the Option may be exercised solely by delivering to the Office of the Secretary of the Company at the Company's principal office, all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2 hereof:

(a) notice in writing signed by the Optionee or the other Person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) full payment of the aggregate Option Price for the Shares with respect to which such Option or portion thereof is exercised, pursuant to one or more of the following methods: (i) in cash (by check or wire transfer or a combination of the foregoing), or (ii) at the Optionee's election, a reduction in the number of Shares to be issued upon the exercise of the Option having an aggregate fair market value based on the FMV per Share on the date of exercise equal to such aggregate Option Price;

(c) a bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other Person then entitled to exercise such Option or portion thereof, stating that the Shares are being acquired for the Optionee's own account, for investment and without any present intention of distributing or reselling said Shares or any of them except as may be permitted under the Securities Act;

(d) unless already delivered, a written instrument (a "Joinder") pursuant to which the Optionee agrees to be bound by the terms and conditions of the Stockholders Agreement in form and substance reasonably satisfactory to the Company;

(e) full payment to the Company or any of its Affiliates, as applicable, of all amounts which, under federal, state, local and/or non-U.S. law, such entity is required to withhold upon exercise of the Option; provided, that, at the Optionee's election, such withholding obligation may be satisfied by the Company withholding from the Shares otherwise issuable to the Optionee that number of Shares having an aggregate fair market value based on the FMV per Share, determined as of the date the withholding tax obligation arises, equal to such withholding tax obligation (but in no event more than the minimum required tax withholding); and

(f) in the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any Person or Persons other than the Optionee, appropriate proof of the right of such Person or Persons to exercise the Option.

Without limiting the generality of the foregoing, any subsequent transfer of Shares shall be subject to the terms and conditions of the Stockholders Agreement and the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of the Option does not violate the Securities Act, and may issue stop-transfer orders covering such Shares. The written representation and agreement referred to in subsection (c) above shall, however, not be required if the subsequent transfer of the Shares to be issued pursuant to such exercise has been registered under the Securities Act, and such registration is then effective in respect of such Shares.

Section 4.4. Conditions to Issuance of Shares

The Company shall not be required to record the ownership by the Optionee of Shares purchased upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

(a) the obtaining of approval or other clearance from any federal, state, local or non-U.S. governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable (and the Company agrees to use commercially reasonable efforts to seek such approval or other clearance);

(b) the lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience (not to exceed three (3) business days) or as may otherwise be required by Applicable Law; and

(c) the execution and delivery of the Joinder by the Optionee to the extent the Optionee is not already party to the Stockholders Agreement.

Section 4.5. Rights as Stockholder

The Optionee shall not be, and shall not have any of the rights or privileges of, stockholders of the Company in respect of any Shares purchasable in connection with the Option or any portion thereof unless and until a book entry representing such Shares has been made on the books and records of the Company.

ARTICLE V
RESTRICTIVE COVENANTS

Section 5.1. Non- Competition

The Optionee shall not at any time during Employment directly or indirectly through an Affiliate or otherwise, own any direct or indirect interest in, manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in any Competitive Business (as defined below). Notwithstanding the foregoing, the Optionee may own

securities in any Competitive Business or affiliate of a Competitive Business that is a publicly held corporation, but only to the extent that such Optionee does not own, of record or beneficially, more than 1% (one percent) of the outstanding beneficial ownership of any such Competitive Business or affiliate. The parties intend that this non-competition provision shall be deemed to be a series of separate covenants, one for each and every county, state and political subdivision.

Section 5.2. Non-Disclosure of Confidential Information

The Optionee must maintain all "Confidential Information" (as defined below) in confidence and must not disclose any Confidential Information to anyone outside of the Company Group; and the Optionee must not at any time use any Confidential Information for the benefit of the Optionee or any third party. Nothing in this Agreement, however, prohibits the Optionee from: (1) disclosing any information (or taking any other action) in furtherance of the Optionee's duties to the Company Group while employed by any member of the Company Group; or (2) disclosing Confidential Information to the extent required by law (after giving prompt notice to the Company in order that the Company Group may attempt to obtain a protective order or other assurance that confidential treatment shall be accorded to such information). Upon the Company's request at any time, the Optionee must immediately deliver to the Company all tangible items in the Optionee's possession or control that are or that contain Confidential Information, without keeping any copies.

Section 5.3. Non-Solicitation; No-Hire and Non-Interference

At all times during Employment and for the one-year period following termination of Employment for any reason or no reason (the "Restricted Period"), the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, (i) use any of the Company's Confidential Information to solicit any Persons who are customers of the Company Group, to purchase other than from the Company any goods or services sold by the Company Group relating to the Business or (ii) use any of the Company's Confidential Information to take any action to discourage any Persons who are, or within the one-year period immediately preceding the date of termination of Employment, were, suppliers of the Company Group, from doing business with the Company Group. In addition, at all times during Employment and the Restricted Period, the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, hire or solicit to perform services (as an employee, consultant or otherwise) or take any actions which are intended to persuade any termination of association with any member of the Company Group (as applicable) any Persons who are, or within the six (6) month period immediately preceding the solicitation were, employed by the Company Group; provided, however, that (A) solicitation or hiring by the Optionee or the Optionee's affiliates of an immediate family member of the Optionee shall not constitute a violation of this Section 5.3 and (B) general solicitations of employment published in a journal, newspaper or other publication of general circulation or listed on any internet job site and not specifically directed towards such employees shall not be deemed to constitute solicitation for purposes of this Section 5.3 and the hiring of any person as a result of such permitted solicitations shall not constitute a breach of this Section 5.3.

Section 5.4. Intellectual Property

(a) If the Optionee has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the start of Optionee's Employment, that are relevant to or implicated by such Employment ("Prior Works"), the Optionee hereby grants the Company and its Affiliates a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company and its Affiliate's current and future business.

(b) If the Optionee creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Optionee's Employment and within the scope of such Employment and/or with the use of any Company (or its Affiliate's) resources ("Company Works"), the Optionee shall promptly and fully disclose such works to the Company and hereby irrevocably assigns, transfers, and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company and its Affiliates to the extent ownership of any such rights does not vest originally in the Company or its Affiliates. The Optionee agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings, and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company and its Affiliates at all times.

(c) The Optionee shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's or its Affiliate's rights in the Prior Works and Company Works. If the Company is unable for any reason to secure the Optionee's signature on any document for this purpose, then the Optionee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as the Optionee's agent and attorney-in-fact, to act for and on the Optionee's behalf to execute any documents and to do all other lawfully permitted acts in connection with the foregoing.

Section 5.5. Reasonableness of Restrictions

By virtue of the Optionee's Employment, the Optionee acknowledges that, during the period of Employment, the Optionee will have access to the Confidential Information, will meet and develop relationships with the Company Group's potential and existing customers, and will receive specialized training in, and knowledge of, the Business. The Optionee specifically acknowledges and agrees that the time, geographic and activity restrictions (as applicable) set forth in this Article V are reasonable and properly required for the protection of the Company Group. Should a court of competent jurisdiction or arbitrator determine that the duration or

geographical extent of, or business activities covered by, any provision of this Article V be in excess of that which is found to be valid and enforceable under applicable law, then such provision shall be reformed to cover only that duration, extent or activities which is considered valid and enforceable. In the event that such provision is deemed incapable of reformation, such invalid or unenforceable part of such provision shall be considered deleted from this Agreement and the remainder of such provision and of this Agreement shall be unaffected and shall continue in full force and effect. To the extent any provision of this Agreement shall be declared invalid or unenforceable for any reason in any jurisdiction, this Agreement (or provision thereof) shall remain valid and enforceable in each other jurisdiction where it applies.

Section 5.6. Effect of Optionee's Employment Agreement and Restrictive Covenant Agreement

Notwithstanding anything contained in this Article V to the contrary, if the Optionee is subject to a more restrictive non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant in any Employment Agreement or other restrictive covenant agreement, the most restrictive of such non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant shall apply; it being understood that the activities which the Optionee is prohibited from engaging in contained herein or in such other Employment Agreement or other restrictive covenant agreement shall be deemed to apply for purposes of this Agreement.

Section 5.7. Definitions

For purposes of this Agreement:

(a) "Company Group" means individually and collectively the Company and its Affiliates.

(b) "Competing Grocery Store" means any grocery store, mass merchandise or other store (excluding any convenience store with limited grocery offerings such as a gas station or Seven Eleven store but, for the avoidance of doubt, including Walmart Neighborhood Stores, Aldi and similar stores) that sells (x) discount groceries, or (y) grocery merchandise sourced through opportunistic buying, in each case, that is located within five (5) miles of any grocery store operated by the Company or its subsidiaries or by a Grocery Outlet independent operator as of the Closing Date.

(c) "Competitive Business" means any business, person or entity that, together with its Subsidiaries, directly or indirectly, (a) owns, operates or franchises one or more Competing Grocery Stores (b) sells merchandise through consignment, independent operator or similar arrangement to one or more Competing Grocery Stores, (c) distributes primarily grocery merchandise to one or more Competing Grocery Stores, (d) licenses any trademark or brand for use by one or more Competing Grocery Stores, or (e) otherwise engages in the business of operating or developing one or more Competing Grocery Stores.

(d) "Confidential Information" means proprietary and confidential information regarding the Company Group that is not generally available to the public, including (to the extent that it is not so generally available): (1) information regarding the Company

Group's business, operations, financial condition, customers, vendors, sales representatives and other employees; (2) projections, budgets and business plans regarding the Company Group; (3) information regarding the Company Group's planned or pending acquisitions, divestitures or other business combinations; (4) the Company Group's trade secrets and proprietary information; and (5) the Company Group's technical information, discoveries, inventions, improvements, techniques, processes, business methods, equipment, algorithms, software programs, software source documents and formulae. For purposes of the preceding sentence, information is not treated as being generally available to the public if it is made public by the Optionee in violation of this Agreement.

(e) "Employment Agreement" shall mean the employment, severance, change in control, consulting or other similar agreement, if any, specifying the terms of a Participant's Employment by the Company or one of its Affiliates.

ARTICLE VI
MISCELLANEOUS

Section 6.1. Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be taken in good faith and shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Option. In its absolute discretion, the Board may at any time, and from time to time, exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 6.2. Option Not Transferable

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, neither the Option nor any interest or right therein or part thereof shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that, to the extent permitted by Applicable Law, this Section 6.2 shall not prevent transfers by will or by the Applicable Laws of descent and distribution.

Section 6.3. Titles; Interpretation

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. Defined terms used in this Agreement shall apply equally to both the singular and plural forms thereof. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The term "hereunder" shall mean this entire Agreement as a whole unless reference to a specific section or provision of this Agreement is made. Any reference to a section, subsection and provision is to this Agreement unless otherwise specified.

Section 6.4. Applicability of the Plan and the Stockholders Agreement

The Option and the Shares issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan and the Stockholders Agreement, to the extent applicable to the Option and such Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. In the event of any conflict between this Agreement or the Plan and the Stockholders Agreement, the terms of the Stockholders Agreement shall control.

Section 6.5. 83(b) Election

If any Shares acquired upon exercise of the Option are subject to a "substantial risk of forfeiture" (within the meaning of Treasury Regulation Section 1.83-3(c)) immediately following such exercise, and the Optionee determines to file an election pursuant to Treasury Regulation Section 1.83-2 with respect to such Shares, the Optionee will furnish the Company with a copy of such filed election no later than 30 days after the date of such exercise.

Section 6.6. Notices

Any notice to be given to the Company pursuant to the provisions of the Plan or this Agreement shall be given by personal delivery, by telecopier or similar facsimile means, by registered or certified first-class U.S. mail, return receipt requested and postage prepaid, or by express courier or recognized overnight delivery service, charges prepaid. If directed to the Company, any such notice shall be addressed to the Company's principal executive office, to the Company's Secretary, or to such other address, person or telecopier number as the Company may designate from time to time. If directed to the Optionee, any such notice or communication shall be addressed to him or her at the most recent address of the Optionee on file with the Company. By a notice given pursuant to this Section 6.6, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee's personal representative if such representative has previously informed the Company of the representative's status and address by written notice under this Section 6.6. Any notice shall be deemed given: (a) when delivered personally to the recipient; (b) when received, if sent by telecopy or similar facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by telecopy or other facsimile means); (c) on the date five days after the date mailed, if sent by registered or certified first-class U.S. mail, return receipt requested and postage prepaid; and (d) when delivered (or upon the date of attempted delivery where delivery is refused), if sent by express courier or recognized overnight delivery service, charges prepaid. Whenever the giving of notice is required pursuant to the provisions of the Plan or this Agreement, the giving of such notice may be waived by the party entitled to receive such notice.

Section 6.7. Resolution of Disputes

Any dispute or disagreement which may arise under, or as a result of, or which may in any way relate to, the interpretation, construction or application of this Agreement shall be determined by the Committee, in good faith, whose determination shall be final, binding and conclusive for all purposes.

Section 6.8. No Representations or Warranties

The Company makes no representations or warranties as to the income, estate or other tax consequences to the Optionee of the grant or exercise of the Option or the sale or other disposition of the Shares acquired pursuant to the exercise thereof.

Section 6.9. Submission to Jurisdiction

Each of the Company and the Optionee (i) consents to submit itself to the exclusive personal jurisdiction and venue of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, in any Delaware state or federal court within the State of Delaware) with respect to any suit (whether at law, in equity, in contract, in tort or otherwise) relating to or arising out of this Agreement or any of the transactions contemplated hereby, (ii) agrees that it will not, directly or indirectly, attempt to defeat or deny such personal jurisdiction or venue by motion or otherwise, (iii) agrees that it will not, and it will cause its Affiliates not to, bring or support any such suit in any court other than such courts of the State of Delaware, as described above, (iv) irrevocably agrees that any such suit (whether at law, in equity, in contract, in tort or otherwise) shall be heard and determined exclusively in such courts of the State of Delaware, as described above, (v) agrees to service of process in any such action in any manner prescribed by the laws of the State of Delaware and (vi) agrees that service of process upon such party in any action or proceeding shall be effective if notice is given in accordance with Section 6.6 hereof.

Section 6.10. Enforcement

The Company and the Optionee agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which they are entitled at law or in equity. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available under applicable law. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (i) either party has an adequate remedy at law or (ii) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction.

Section 6.11. Arbitration

In the event of any controversy among the parties hereto arising out of, or relating to, this Agreement (other than any claim seeking injunctive relief pursuant to Section 6.10), which cannot be settled amicably by the parties, such controversy shall be finally, exclusively, and conclusively settled by mandatory arbitration conducted expeditiously in accordance with the American Arbitration Association rules by a single independent arbitrator. Such arbitration process shall take place within 50 miles of the Company's principal executive offices. The decision of the arbitrator shall be final and binding upon all parties hereto and shall be rendered pursuant to a written decision, which contains a detailed recital of the arbitrator's reasoning. Judgment upon the award rendered may be entered in any court having jurisdiction thereof.

Section 6.12. Governing Law

This Agreement shall be governed in all respects by the laws of the State of Delaware, without regard to conflicts of law principles thereof.

GLOBE HOLDING CORP.
2014 STOCK INCENTIVE PLAN

AMENDED AND RESTATED
TIME VESTING STOCK OPTION GRANT NOTICE

Globe Holding Corp. (the "Company"), pursuant to the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan"), hereby grants to the "Optionee" identified below an Option to purchase the number of shares of the Company's Common Stock ("Shares") set forth below. This Option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan and the Stockholders Agreement (as defined in the Plan), all of which are attached hereto and incorporated herein in their entirety. Any capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan.

Optionee:	S. MacGregor Read
Date of Grant:	October 21, 2014
Number of Shares Subject to Option:	967,652
Type of Common Stock Covered by Option:	Voting
Option Price (Per Share):	$10.00
Expiration Date:	The tenth (10th) anniversary of the Date of Grant.
Type of Grant:	Nonqualified Stock Option
Vesting Schedule:	Subject to the Optionee's continued Employment, twenty percent (20%) of the Shares subject to the Option shall vest and become exercisable on each of the first five (5) anniversaries of the Date of Grant; provided, that if a Change in Control occurs during the Optionee's Employment, the Option will, to the extent not vested, become fully vested and exercisable immediately prior to the effective time of such Change in Control.
Additional Terms/Acknowledgements:	The undersigned Optionee acknowledges receipt of, and understands and agrees to, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan. The Optionee further acknowledges that as of the Date of Grant, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan set forth the entire understanding between the Optionee and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject with the exception of any stock options previously granted and delivered to the Optionee under the Plan.

GLOBE HOLDING CORP.

By: /s/ Eric J. Lindberg, Jr.
Name: Eric J. Lindberg, Jr.
Title: Co-Chief Executive Officer

OPTIONEE

By: /s/ S. MacGregor Read, Jr.
Name: S. MacGregor Read, Jr.

Attachments: Option Agreement, Globe Holding Corp. 2014 Stock Incentive Plan and Stockholders Agreement.

[Signature Page to Amended and Restated Stock Option Grant Notice]

GLOBE HOLDING CORP.
2014 EQUITY INCENTIVE PLAN

AMENDED AND RESTATED
TIME VESTING STOCK OPTION AGREEMENT

ARTICLE I
DEFINITIONS

Capitalized terms not otherwise defined in this Stock Option Agreement (this "Agreement") shall have the same meaning set forth in the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan").

ARTICLE II
GRANT OF OPTIONS

Section 2.1. Grant of Options

Pursuant to the Stock Option Grant Notice ("Grant Notice") and this Agreement, Globe Holding Corp. (the "Company") has granted to the Optionee identified in the Grant Notice an Option under the Plan to purchase the number of Shares indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof. For the avoidance of doubt, the terms and conditions of the Grant Notice are a part of the Agreement, unless otherwise specified.

Section 2.2. Option Price

The per Share Option Price of the Shares covered by the Option is indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ or service of the Company or any Subsidiary or Affiliate thereof, or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries and Affiliates, which are hereby expressly reserved, to terminate the Employment of the Optionee at any time for any reason whatsoever, with or without Cause, subject to the applicable provisions, if any, of the Optionee's Employment Agreement (if any such agreement is in effect at the time of such termination).

Section 2.4. Adjustments to Option

The Option shall be subject to the provisions of Section 9 of the Plan. Notwithstanding Section 9 of the Plan, in the event of an extraordinary cash dividend or distribution to stockholders, the Options will be equitably adjusted by the Committee in one of the following ways: (1) reduction in the Option exercise price, (2) paying a dividend equivalent payment to the Optionee (which for unvested Options may be held back until the Option vests), (3) adjusting the Option exercise price and number of Options on the basis of a deemed stock split based on the Fair Market Value of a Share, (4) any other action consented to by the Optionee or (5) any combination of the foregoing. Any determinations made by the Committee under this Section 2.4 shall be final and binding upon the Optionee, the Company and all other interested Persons.

ARTICLE III
PERIOD OF VESTING AND EXERCISABILITY

Section 3.1. Vesting and Commencement of Exercisability

(a) Subject to the limitations contained herein, the Option will vest and become exercisable as set forth in the Grant Notice; *provided*, that no portion of the Option shall vest and become exercisable as to any additional Shares following the termination of the Optionee's Employment for any reason, and the portion of the Option that is unvested and unexercisable as of the date of such termination shall immediately expire without consideration or payment therefor.

Section 3.2. Expiration of Option

The Optionee may not exercise any portion of the Option after its term expires. Subject to the provisions of the Plan and this Agreement, the Optionee may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

(a) the Expiration Date indicated in the Grant Notice;

(b) the date on which the Optionee's Employment is terminated by the Company or any of its Affiliates for Cause, or the date on which the Optionee breaches any of the restrictive covenants set forth in Article V hereof or any other restrictive covenant agreement between the Optionee and the Company or any of its Affiliates;

(c) the one (1)-year anniversary of the date of any termination of Employment due to the Optionee's death or Disability; or

(d) the ninetieth (90^{th}) day immediately following the date on which the Optionee's Employment is terminated for any reason other than by the Company or any of its Affiliates for Cause or due to the Optionee's death or Disability.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, the Optionee is the only Person that may exercise the exercisable portion of the Option, unless and until the Optionee dies or suffers a Disability. After the Disability or death of the Optionee, the exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.2 hereof, be exercised by the Optionee's personal representative, guardian or by any person empowered to do so under the Optionee's will or under the then Applicable Laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2 hereof; provided, that any partial exercise shall be for whole Shares only.

Section 4.3. Manner of Exercise

Any exercisable portion of the Option may be exercised solely by delivering to the Office of the Secretary of the Company at the Company's principal office, all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2 hereof:

(a) notice in writing signed by the Optionee or the other Person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) full payment of the aggregate Option Price for the Shares with respect to which such Option or portion thereof is exercised, pursuant to one or more of the following methods: (i) in cash (by check or wire transfer or a combination of the foregoing), or (ii) at the Optionee's election, a reduction in the number of Shares to be issued upon the exercise of the Option having an aggregate fair market value based on the FMV per Share on the date of exercise equal to such aggregate Option Price;

(c) a bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other Person then entitled to exercise such Option or portion thereof, stating that the Shares are being acquired for the Optionee's own account, for investment and without any present intention of distributing or reselling said Shares or any of them except as may be permitted under the Securities Act;

(d) unless already delivered, a written instrument (a "Joinder") pursuant to which the Optionee agrees to be bound by the terms and conditions of the Stockholders Agreement in form and substance reasonably satisfactory to the Company;

(e) full payment to the Company or any of its Affiliates, as applicable, of all amounts which, under federal, state, local and/or non-U.S. law, such entity is required to withhold upon exercise of the Option; provided, that, at the Optionee's election, such withholding obligation may be satisfied by the Company withholding from the Shares otherwise issuable to the Optionee that number of Shares having an aggregate fair market value based on the FMV per Share, determined as of the date the withholding tax obligation arises, equal to such withholding tax obligation (but in no event more than the minimum required tax withholding); and

(f) in the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any Person or Persons other than the Optionee, appropriate proof of the right of such Person or Persons to exercise the Option.

Without limiting the generality of the foregoing, any subsequent transfer of Shares shall be subject to the terms and conditions of the Stockholders Agreement and the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of the Option does not violate the Securities Act, and may issue stop-transfer orders covering such Shares. The written representation and agreement referred to in subsection (c) above shall, however, not be required if the subsequent transfer of the Shares to be issued pursuant to such exercise has been registered under the Securities Act, and such registration is then effective in respect of such Shares.

Section 4.4. Conditions to Issuance of Shares

The Company shall not be required to record the ownership by the Optionee of Shares purchased upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

(a) the obtaining of approval or other clearance from any federal, state, local or non-U.S. governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable (and the Company agrees to use commercially reasonable efforts to seek such approval or other clearance);

(b) the lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience (not to exceed three (3) business days) or as may otherwise be required by Applicable Law; and

(c) the execution and delivery of the Joinder by the Optionee to the extent the Optionee is not already party to the Stockholders Agreement.

Section 4.5. Rights as Stockholder

The Optionee shall not be, and shall not have any of the rights or privileges of, stockholders of the Company in respect of any Shares purchasable in connection with the Option or any portion thereof unless and until a book entry representing such Shares has been made on the books and records of the Company.

ARTICLE V
RESTRICTIVE COVENANTS

Section 5.1. Non- Competition

The Optionee shall not at any time during Employment directly or indirectly through an Affiliate or otherwise, own any direct or indirect interest in, manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in any Competitive Business (as defined below). Notwithstanding the foregoing, the Optionee may own

securities in any Competitive Business or affiliate of a Competitive Business that is a publicly held corporation, but only to the extent that such Optionee does not own, of record or beneficially, more than 1% (one percent) of the outstanding beneficial ownership of any such Competitive Business or affiliate. The parties intend that this non-competition provision shall be deemed to be a series of separate covenants, one for each and every county, state and political subdivision.

Section 5.2. Non-Disclosure of Confidential Information

The Optionee must maintain all "Confidential Information" (as defined below) in confidence and must not disclose any Confidential Information to anyone outside of the Company Group; and the Optionee must not at any time use any Confidential Information for the benefit of the Optionee or any third party. Nothing in this Agreement, however, prohibits the Optionee from: (1) disclosing any information (or taking any other action) in furtherance of the Optionee's duties to the Company Group while employed by any member of the Company Group; or (2) disclosing Confidential Information to the extent required by law (after giving prompt notice to the Company in order that the Company Group may attempt to obtain a protective order or other assurance that confidential treatment shall be accorded to such information). Upon the Company's request at any time, the Optionee must immediately deliver to the Company all tangible items in the Optionee's possession or control that are or that contain Confidential Information, without keeping any copies.

Section 5.3. Non-Solicitation; No-Hire and Non-Interference

At all times during Employment and for the one-year period following termination of Employment for any reason or no reason (the "Restricted Period"), the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, (i) use any of the Company's Confidential Information to solicit any Persons who are customers of the Company Group, to purchase other than from the Company any goods or services sold by the Company Group relating to the Business or (ii) use any of the Company's Confidential Information to take any action to discourage any Persons who are, or within the one-year period immediately preceding the date of termination of Employment, were, suppliers of the Company Group, from doing business with the Company Group. In addition, at all times during Employment and the Restricted Period, the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, hire or solicit to perform services (as an employee, consultant or otherwise) or take any actions which are intended to persuade any termination of association with any member of the Company Group (as applicable) any Persons who are, or within the six (6) month period immediately preceding the solicitation were, employed by the Company Group; provided, however, that (A) solicitation or hiring by the Optionee or the Optionee's affiliates of an immediate family member of the Optionee shall not constitute a violation of this Section 5.3 and (B) general solicitations of employment published in a journal, newspaper or other publication of general circulation or listed on any internet job site and not specifically directed towards such employees shall not be deemed to constitute solicitation for purposes of this Section 5.3 and the hiring of any person as a result of such permitted solicitations shall not constitute a breach of this Section 5.3.

Section 5.4. Intellectual Property

(a) If the Optionee has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the start of Optionee's Employment, that are relevant to or implicated by such Employment ("Prior Works"), the Optionee hereby grants the Company and its Affiliates a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company and its Affiliate's current and future business.

(b) If the Optionee creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Optionee's Employment and within the scope of such Employment and/or with the use of any Company (or its Affiliate's) resources ("Company Works"), the Optionee shall promptly and fully disclose such works to the Company and hereby irrevocably assigns, transfers, and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company and its Affiliates to the extent ownership of any such rights does not vest originally in the Company or its Affiliates. The Optionee agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings, and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company and its Affiliates at all times.

(c) The Optionee shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's or its Affiliate's rights in the Prior Works and Company Works. If the Company is unable for any reason to secure the Optionee's signature on any document for this purpose, then the Optionee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as the Optionee's agent and attorney-in-fact, to act for and on the Optionee's behalf to execute any documents and to do all other lawfully permitted acts in connection with the foregoing.

Section 5.5. Reasonableness of Restrictions

By virtue of the Optionee's Employment, the Optionee acknowledges that, during the period of Employment, the Optionee will have access to the Confidential Information, will meet and develop relationships with the Company Group's potential and existing customers, and will receive specialized training in, and knowledge of, the Business. The Optionee specifically acknowledges and agrees that the time, geographic and activity restrictions (as applicable) set forth in this Article V are reasonable and properly required for the protection of the Company Group. Should a court of competent jurisdiction or arbitrator determine that the duration or

geographical extent of, or business activities covered by, any provision of this Article V be in excess of that which is found to be valid and enforceable under applicable law, then such provision shall be reformed to cover only that duration, extent or activities which is considered valid and enforceable. In the event that such provision is deemed incapable of reformation, such invalid or unenforceable part of such provision shall be considered deleted from this Agreement and the remainder of such provision and of this Agreement shall be unaffected and shall continue in full force and effect. To the extent any provision of this Agreement shall be declared invalid or unenforceable for any reason in any jurisdiction, this Agreement (or provision thereof) shall remain valid and enforceable in each other jurisdiction where it applies.

Section 5.6. Effect of Optionee's Employment Agreement and Restrictive Covenant Agreement

Notwithstanding anything contained in this Article V to the contrary, if the Optionee is subject to a more restrictive non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant in any Employment Agreement or other restrictive covenant agreement, the most restrictive of such non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant shall apply; it being understood that the activities which the Optionee is prohibited from engaging in contained herein or in such other Employment Agreement or other restrictive covenant agreement shall be deemed to apply for purposes of this Agreement.

Section 5.7. Definitions

For purposes of this Agreement:

(a) "Company Group" means individually and collectively the Company and its Affiliates.

(b) "Competing Grocery Store" means any grocery store, mass merchandise or other store (excluding any convenience store with limited grocery offerings such as a gas station or Seven Eleven store but, for the avoidance of doubt, including Walmart Neighborhood Stores, Aldi and similar stores) that sells (x) discount groceries, or (y) grocery merchandise sourced through opportunistic buying, in each case, that is located within five (5) miles of any grocery store operated by the Company or its subsidiaries or by a Grocery Outlet independent operator as of the Closing Date.

(c) "Competitive Business" means any business, person or entity that, together with its Subsidiaries, directly or indirectly, (a) owns, operates or franchises one or more Competing Grocery Stores (b) sells merchandise through consignment, independent operator or similar arrangement to one or more Competing Grocery Stores, (c) distributes primarily grocery merchandise to one or more Competing Grocery Stores, (d) licenses any trademark or brand for use by one or more Competing Grocery Stores, or (e) otherwise engages in the business of operating or developing one or more Competing Grocery Stores.

(d) "Confidential Information" means proprietary and confidential information regarding the Company Group that is not generally available to the public, including

(to the extent that it is not so generally available): (1) information regarding the Company Group's business, operations, financial condition, customers, vendors, sales representatives and other employees; (2) projections, budgets and business plans regarding the Company Group; (3) information regarding the Company Group's planned or pending acquisitions, divestitures or other business combinations; (4) the Company Group's trade secrets and proprietary information; and (5) the Company Group's technical information, discoveries, inventions, improvements, techniques, processes, business methods, equipment, algorithms, software programs, software source documents and formulae. For purposes of the preceding sentence, information is not treated as being generally available to the public if it is made public by the Optionee in violation of this Agreement.

(e) "Employment Agreement" shall mean the employment, severance, change in control, consulting or other similar agreement, if any, specifying the terms of a Participant's Employment by the Company or one of its Affiliates.

ARTICLE VI
MISCELLANEOUS

Section 6.1. Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be taken in good faith and shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Option. In its absolute discretion, the Board may at any time, and from time to time, exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 6.2. Option Not Transferable

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, neither the Option nor any interest or right therein or part thereof shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that, to the extent permitted by Applicable Law, this Section 6.2 shall not prevent transfers by will or by the Applicable Laws of descent and distribution.

Section 6.3. Titles; Interpretation

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. Defined terms used in this Agreement shall apply equally to both the singular and plural forms thereof. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without

limitation". The term "hereunder" shall mean this entire Agreement as a whole unless reference to a specific section or provision of this Agreement is made. Any reference to a section, subsection and provision is to this Agreement unless otherwise specified.

Section 6.4. Applicability of the Plan and the Stockholders Agreement

The Option and the Shares issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan and the Stockholders Agreement, to the extent applicable to the Option and such Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. In the event of any conflict between this Agreement or the Plan and the Stockholders Agreement, the terms of the Stockholders Agreement shall control.

Section 6.5. 83(b) Election

If any Shares acquired upon exercise of the Option are subject to a "substantial risk of forfeiture" (within the meaning of Treasury Regulation Section 1.83-3(c)) immediately following such exercise, and the Optionee determines to file an election pursuant to Treasury Regulation Section 1.83-2 with respect to such Shares, the Optionee will furnish the Company with a copy of such filed election no later than 30 days after the date of such exercise.

Section 6.6. Notices

Any notice to be given to the Company pursuant to the provisions of the Plan or this Agreement shall be given by personal delivery, by telecopier or similar facsimile means, by registered or certified first-class U.S. mail, return receipt requested and postage prepaid, or by express courier or recognized overnight delivery service, charges prepaid. If directed to the Company, any such notice shall be addressed to the Company's principal executive office, to the Company's Secretary, or to such other address, person or telecopier number as the Company may designate from time to time. If directed to the Optionee, any such notice or communication shall be addressed to him or her at the most recent address of the Optionee on file with the Company. By a notice given pursuant to this Section 6.6, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee's personal representative if such representative has previously informed the Company of the representative's status and address by written notice under this Section 6.6. Any notice shall be deemed given: (a) when delivered personally to the recipient; (b) when received, if sent by telecopy or similar facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by telecopy or other facsimile means); (c) on the date five days after the date mailed, if sent by registered or certified first-class U.S. mail, return receipt requested and postage prepaid; and (d) when delivered (or upon the date of attempted delivery where delivery is refused), if sent by express courier or recognized overnight delivery service, charges prepaid. Whenever the giving of notice is required pursuant to the provisions of the Plan or this Agreement, the giving of such notice may be waived by the party entitled to receive such notice.

Section 6.7. Resolution of Disputes

Any dispute or disagreement which may arise under, or as a result of, or which may in any way relate to, the interpretation, construction or application of this Agreement shall be determined by the Committee, in good faith, whose determination shall be final, binding and conclusive for all purposes.

Section 6.8. No Representations or Warranties

The Company makes no representations or warranties as to the income, estate or other tax consequences to the Optionee of the grant or exercise of the Option or the sale or other disposition of the Shares acquired pursuant to the exercise thereof.

Section 6.9. Submission to Jurisdiction

Each of the Company and the Optionee (i) consents to submit itself to the exclusive personal jurisdiction and venue of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, in any Delaware state or federal court within the State of Delaware) with respect to any suit (whether at law, in equity, in contract, in tort or otherwise) relating to or arising out of this Agreement or any of the transactions contemplated hereby, (ii) agrees that it will not, directly or indirectly, attempt to defeat or deny such personal jurisdiction or venue by motion or otherwise, (iii) agrees that it will not, and it will cause its Affiliates not to, bring or support any such suit in any court other than such courts of the State of Delaware, as described above, (iv) irrevocably agrees that any such suit (whether at law, in equity, in contract, in tort or otherwise) shall be heard and determined exclusively in such courts of the State of Delaware, as described above, (v) agrees to service of process in any such action in any manner prescribed by the laws of the State of Delaware and (vi) agrees that service of process upon such party in any action or proceeding shall be effective if notice is given in accordance with Section 6.6 hereof.

Section 6.10. Enforcement

The Company and the Optionee agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which they are entitled at law or in equity. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available under applicable law. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (i) either party has an adequate remedy at law or (ii) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction.

Section 6.11. Arbitration

In the event of any controversy among the parties hereto arising out of, or relating to, this Agreement (other than any claim seeking injunctive relief pursuant to Section 6.10), which cannot be settled amicably by the parties, such controversy shall be finally, exclusively, and conclusively settled by mandatory arbitration conducted expeditiously in accordance with the American Arbitration Association rules by a single independent arbitrator. Such arbitration process shall take place within 50 miles of the Company's principal executive offices. The decision of the arbitrator shall be final and binding upon all parties hereto and shall be rendered pursuant to a written decision, which contains a detailed recital of the arbitrator's reasoning. Judgment upon the award rendered may be entered in any court having jurisdiction thereof.

Section 6.12. Governing Law

This Agreement shall be governed in all respects by the laws of the State of Delaware, without regard to conflicts of law principles thereof.

Exhibit 10.16

Execution Version

GLOBE HOLDING CORP.
2014 STOCK INCENTIVE PLAN

PERFORMANCE VESTING STOCK OPTION GRANT NOTICE

Globe Holding Corp. (the "Company"), pursuant to the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan"), hereby grants to the "Optionee" identified below an Option to purchase the number of shares of the Company's Common Stock ("Shares") set forth below. This Option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan and the Stockholders Agreement (as defined in the Plan), all of which are attached hereto and incorporated herein in their entirety. Any capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan.

Optionee:	
Date of Grant:	
Number of Shares Subject to Option:	
Type of Common Stock Covered by Option:	Non-Voting
Option Price (Per Share):	
Expiration Date:	The tenth (10th) anniversary of the Date of Grant.
Type of Grant:	Nonqualified Stock Option
Vesting Schedule:	Subject to the Optionee's continued Employment, the Shares subject to the Option shall vest and become exercisable as set forth in Section 3.1 of the Option Agreement.
Additional Terms/Acknowledgements:	The undersigned Optionee acknowledges receipt of, and understands and agrees to, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan. The Optionee further acknowledges that as of the Date of Grant, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan set forth the entire understanding between the Optionee and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject with the exception of any stock options previously granted and delivered to the Optionee under the Plan.

GLOBE HOLDING CORP.	**OPTIONEE**
By: _____	By: _____
Name: Pamela Burke	Name: _____
Title: General Counsel	
Date: _____	Date: _____

Attachments: Option Agreement, Globe Holding Corp. 2014 Stock Incentive Plan and Stockholders Agreement.

[Signature Page to Amended and Restated Stock Option Grant Notice]

GLOBE HOLDING CORP.
2014 EQUITY INCENTIVE PLAN

PERFORMANCE VESTING STOCK OPTION AGREEMENT

ARTICLE I
DEFINITIONS

Capitalized terms not otherwise defined in this Stock Option Agreement (this "Agreement") shall have the same meaning set forth in the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan").

ARTICLE II
GRANT OF OPTIONS

Section 2.1. Grant of Options

Pursuant to the Stock Option Grant Notice ("Grant Notice") and this Agreement, Globe Holding Corp. (the "Company") has granted to the Optionee identified in the Grant Notice an Option under the Plan to purchase the number of Shares indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof. For the avoidance of doubt, the terms and conditions of the Grant Notice are a part of the Agreement, unless otherwise specified.

Section 2.2. Option Price

The per Share Option Price of the Shares covered by the Option is indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ or service of the Company or any Subsidiary or Affiliate thereof, or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries and Affiliates, which are hereby expressly reserved, to terminate the Employment of the Optionee at any time for any reason whatsoever, with or without Cause, subject to the applicable provisions, if any, of the Optionee's Employment Agreement (if any such agreement is in effect at the time of such termination).

Section 2.4. Adjustments to Option

The Option shall be subject to the provisions of Section 9 of the Plan. Without limiting the foregoing, for the purposes of implementing any required equitable adjustments under Section 9 of the Plan, the Committee may, in the event of an extraordinary cash dividend or distribution to stockholders, as it deems appropriate and equitable, adjust the Option as provided in Section 9 of the Plan, pay to the Optionee a cash bonus in respect of the equity subject to the Option, or a combination thereof, in each case, subject to such conditions or limitations as the Committee may deem reasonable and necessary to preserve the economic value of the Option. Any determinations made by the Committee under this Section 2.4 shall be final and binding upon the Optionee, the Company and all other interested Persons.

ARTICLE III
PERIOD OF VESTING AND EXERCISABILITY

Section 3.1. Vesting and Commencement of Exercisability

(a) Performance Criteria. Subject to the limitations contained herein, the Shares subject to the Option will vest and become exercisable (to the extent not already vested) on each Measurement Date as follows:

(i) 0% if the IRR is less than 20%;

(ii) 50% if the IRR is 20%;

(iii) 50-100%, using linear interpolation, if the IRR is between 20% and 30%; and

(iv) 100% if the IRR is greater than or equal to 30%;

Upon the occurrence of the Final Measurement Date, the IRR shall be measured for the final time and any portion of the Option that does not vest at such time shall be forfeited without consideration to the Optionee and cease to be exercisable.

(b) Effect of Termination of Employment on Eligibility of Shares to Vest. No portion of the Option shall vest and become exercisable as to any additional Shares following the termination of the Optionee's Employment for any reason, and the portion of the Option that is unvested and unexercisable as of the date of such termination shall immediately expire without consideration or payment therefor.

Section 3.2. Expiration of Option

The Optionee may not exercise any portion of the Option after its term expires. Subject to the provisions of the Plan and this Agreement, the Optionee may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

(a) the Expiration Date indicated in the Grant Notice;

(b) the date on which the Optionee's Employment is terminated by the Company or any of its Affiliates for Cause, or the date on which the Optionee breaches any of the restrictive covenants set forth in Article V hereof or any other restrictive covenant agreement between the Optionee and the Company or any of its Affiliates;

(c) the one (1)-year anniversary of the date of any termination of Employment due to the Optionee's death or Disability; or

(d) the ninetieth (90th) day immediately following the date on which the Optionee's Employment is terminated for any reason other than by the Company or any of its Affiliates for Cause or due to the Optionee's death or Disability.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, the Optionee is the only Person that may exercise the exercisable portion of the Option, unless and until the Optionee dies or suffers a Disability. After the Disability or death of the Optionee, the exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.2 hereof, be exercised by the Optionee's personal representative, guardian or by any person empowered to do so under the Optionee's will or under the then Applicable Laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2 hereof; provided, that any partial exercise shall be for whole Shares only.

Section 4.3. Manner of Exercise

Any exercisable portion of the Option may be exercised solely by delivering to the Office of the Secretary of the Company at the Company's principal office, all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2 hereof:

(a) notice in writing signed by the Optionee or the other Person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) full payment of the aggregate Option Price for the Shares with respect to which such Option or portion thereof is exercised, pursuant to one or more of the following methods: (i) in cash (by check or wire transfer or a combination of the foregoing), or (ii) with the consent of the Committee, a reduction in the number of Shares to be issued upon the exercise of the Option having an aggregate fair market value based on the FMV per Share on the date of exercise equal to such aggregate Option Price;

(c) a bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other Person then entitled to exercise such Option or portion thereof, stating that the Shares are being acquired for the Optionee's own account, for investment and without any present intention of distributing or reselling said Shares or any of them except as may be permitted under the Securities Act;

(d) unless already delivered, a written instrument (a "Joinder") pursuant to which the Optionee agrees to be bound by the terms and conditions of the Stockholders Agreement, in form and substance reasonably satisfactory to the Company;

(e) full payment to the Company or any of its Affiliates, as applicable, of all amounts which, under federal, state, local and/or non-U.S. law, such entity is required to withhold upon exercise of the Option; provided, that, solely at the Committee's election, such withholding obligation may be satisfied by the Company withholding from the Shares otherwise issuable to the Optionee that number of Shares having an aggregate fair market value based on the FMV per Share, determined as of the date the withholding tax obligation arises, equal to such withholding tax obligation (but in no event more than the minimum required tax withholding); and

(f) in the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any Person or Persons other than the Optionee, appropriate proof of the right of such Person or Persons to exercise the Option.

Without limiting the generality of the foregoing, any subsequent transfer of Shares shall be subject to the terms and conditions of the Stockholders Agreement and the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of the Option does not violate the Securities Act, and may issue stop-transfer orders covering such Shares. The written representation and agreement referred to in subsection (c) above shall, however, not be required if the subsequent transfer of the Shares to be issued pursuant to such exercise has been registered under the Securities Act, and such registration is then effective in respect of such Shares.

Section 4.4. Conditions to Issuance of Shares

The Company shall not be required to record the ownership by the Optionee of Shares purchased upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

(a) the obtaining of approval or other clearance from any federal, state, local or non-U.S. governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable (and the Company agrees to use commercially reasonable efforts to seek such approval or other clearance);

(b) the lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience (not to exceed three (3) business days) or as may otherwise be required by Applicable Law; and

(c) the execution and delivery of the Joinder by the Optionee to the extent the Optionee is not already party to the Stockholders Agreement.

Section 4.5. Rights as Stockholder

The Optionee shall not be, and shall not have any of the rights or privileges of, stockholders of the Company in respect of any Shares purchasable in connection with the Option or any portion thereof unless and until a book entry representing such Shares has been made on the books and records of the Company.

ARTICLE V
RESTRICTIVE COVENANTS

Section 5.1. Non-Competition

The Optionee shall not at any time during Employment directly or indirectly through an Affiliate or otherwise, own any direct or indirect interest in, manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in any Competitive Business (as defined below). Notwithstanding the foregoing, the Optionee may own securities in any Competitive Business or affiliate of a Competitive Business that is a publicly held corporation, but only to the extent that such Optionee does not own, of record or beneficially, more than 1% (one percent) of the outstanding beneficial ownership of any such Competitive Business or affiliate. The parties intend that this non-competition provision shall be deemed to be a series of separate covenants, one for each and every county, state and political subdivision.

Section 5.2. Non-Disclosure of Confidential Information

The Optionee must maintain all "Confidential Information" (as defined below) in confidence and must not disclose any Confidential Information to anyone outside of the Company Group; and the Optionee must not at any time use any Confidential Information for the benefit of the Optionee or any third party. Nothing in this Agreement, however, prohibits the Optionee from: (1) disclosing any information (or taking any other action) in furtherance of the Optionee's duties to the Company Group while employed by any member of the Company Group; or (2) disclosing Confidential Information to the extent required by law (after giving prompt notice to the Company in order that the Company Group may attempt to obtain a protective order or other assurance that confidential treatment shall be accorded to such information). Upon the Company's request at any time, the Optionee must immediately deliver to the Company all tangible items in the Optionee's possession or control that are or that contain Confidential Information, without keeping any copies.

Section 5.3. Non-Solicitation; No-Hire and Non-Interference

At all times during Employment and for the one-year period following termination of Employment for any reason or no reason (the "Restricted Period"), the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, (i) use any of the Company's Confidential Information to solicit any Persons who are customers of the Company Group, to purchase other than from the Company any goods or services sold by the Company Group relating to the Business or (ii) use any of the Company's

Confidential Information to take any action to discourage any Persons who are, or within the one-year period immediately preceding the date of termination of Employment, were, suppliers of the Company Group, from doing business with the Company Group. In addition, at all times during Employment and the Restricted Period, the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, hire or solicit to perform services (as an employee, consultant or otherwise) or take any actions which are intended to persuade any termination of association with any member of the Company Group (as applicable) any Persons who are, or within the six (6) month period immediately preceding the solicitation were, employed by the Company Group; provided, however, that (A) solicitation or hiring by the Optionee or the Optionee's affiliates of an immediate family member of the Optionee shall not constitute a violation of this Section 5.3 and (B) general solicitations of employment published in a journal, newspaper or other publication of general circulation or listed on any internet job site and not specifically directed towards such employees shall not be deemed to constitute solicitation for purposes of this Section 5.3 and the hiring of any person as a result of such permitted solicitations shall not constitute a breach of this Section 5.3.

Section 5.4. Non-Disparagement

The Optionee shall not at any time prior to the date on which the Option has been fully exercised or the date on which the Option otherwise expires for any reason, make (or cause to be made) to any Person any knowingly disparaging, derogatory or other negative statement about the Company Group. The foregoing shall not be violated by (i) 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), or (ii) statements that the Optionee in good faith believes are necessary or appropriate to make in connection with his or her good faith performance of the Optionee's duties to the Company Group.

Section 5.5. Intellectual Property

(a) If the Optionee has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the start of Optionee's Employment, that are relevant to or implicated by such Employment ("Prior Works"), the Optionee hereby grants the Company and its Affiliates a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company and its Affiliate's current and future business.

(b) If the Optionee creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Optionee's Employment and within the scope of such Employment and/or with the use of any Company (or its Affiliate's) resources ("Company Works"), the Optionee shall promptly and fully disclose such works to the Company and hereby irrevocably assigns, transfers, and conveys, to the

maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company and its Affiliates to the extent ownership of any such rights does not vest originally in the Company or its Affiliates. The Optionee agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings, and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company and its Affiliates at all times.

(c) The Optionee shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's or its Affiliate's rights in the Prior Works and Company Works. If the Company is unable for any reason to secure the Optionee's signature on any document for this purpose, then the Optionee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as the Optionee's agent and attorney-in-fact, to act for and on the Optionee's behalf to execute any documents and to do all other lawfully permitted acts in connection with the foregoing.

Section 5.6. Reasonableness of Restrictions

By virtue of the Optionee's Employment, the Optionee acknowledges that, during the period of Employment, the Optionee will have access to the Confidential Information, will meet and develop relationships with the Company Group's potential and existing customers, and will receive specialized training in, and knowledge of, the Business. The Optionee specifically acknowledges and agrees that the time, geographic and activity restrictions (as applicable) set forth in this Article V are reasonable and properly required for the protection of the Company Group. Should a court of competent jurisdiction or arbitrator determine that the duration or geographical extent of, or business activities covered by, any provision of this Article V be in excess of that which is found to be valid and enforceable under applicable law, then such provision shall be reformed to cover only that duration, extent or activities which is considered valid and enforceable. In the event that such provision is deemed incapable of reformation, such invalid or unenforceable part of such provision shall be considered deleted from this Agreement and the remainder of such provision and of this Agreement shall be unaffected and shall continue in full force and effect. To the extent any provision of this Agreement shall be declared invalid or unenforceable for any reason in any jurisdiction, this Agreement (or provision thereof) shall remain valid and enforceable in each other jurisdiction where it applies.

Section 5.7. Effect of Optionee's Employment Agreement and Restrictive Covenant Agreement

Notwithstanding anything contained in this Article V to the contrary, if the Optionee is subject to a more restrictive non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant in any Employment Agreement or other restrictive covenant agreement, the most restrictive of such non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant shall apply; it being understood that the activities which the Optionee is prohibited from engaging in contained herein or in such other Employment Agreement or other restrictive covenant agreement shall be deemed to apply for purposes of this Agreement.

Section 5.8. Definitions

For purposes of this Agreement:

(a) "Closing Date" means October 7, 2014, which was the Closing Date as defined under the Agreement and Plan of Merger by and among GOPB Holding, Inc., Globe Holding Corp. (formerly known as Cannery Sales Holding Corp.), Globe Merger Corp. (formerly known as Cannery Sales Merger Corp.), and BSR LLC, dated as of September 13, 2014, as amended.

(b) "Company Group" means individually and collectively the Company and its Affiliates.

(c) "Competing Grocery Store" means any grocery store, mass merchandise or other store (excluding any convenience store with limited grocery offerings such as a gas station or Seven Eleven store but, for the avoidance of doubt, including Walmart Neighborhood Stores, Aldi and similar stores) that sells (x) discount groceries, or (y) grocery merchandise sourced through opportunistic buying, in each case, that is located within five (5) miles of any grocery store operated by the Company or its subsidiaries or by a Grocery Outlet independent operator as of the Closing Date.

(d) "Competitive Business" means any business, person or entity that, together with its Subsidiaries, directly or indirectly, (a) owns, operates or franchises one or more Competing Grocery Stores (b) sells merchandise through consignment, independent operator or similar arrangement to one or more Competing Grocery Stores, (c) distributes primarily grocery merchandise to one or more Competing Grocery Stores, (d) licenses any trademark or brand for use by one or more Competing Grocery Stores, or (e) otherwise engages in the business of operating or developing one or more Competing Grocery Stores.

(e) "Confidential Information" means proprietary and confidential information regarding the Company Group that is not generally available to the public, including (to the extent that it is not so generally available): (1) information regarding the Company Group's business, operations, financial condition, customers, vendors, sales representatives and other employees; (2) projections, budgets and business plans regarding the Company Group; (3) information regarding the Company Group's planned or pending acquisitions, divestitures or other business combinations; (4) the Company Group's trade secrets and proprietary information; and (5) the Company Group's technical information, discoveries, inventions, improvements, techniques, processes, business methods, equipment, algorithms, software programs, software source documents and formulae. For purposes of the preceding sentence, information is not treated as being generally available to the public if it is made public by the Optionee in violation of this Agreement.

(f) "Employment Agreement" shall mean the employment, severance, change in control, consulting or other similar agreement, if any, specifying the terms of a Participant's Employment by the Company or one of its Affiliates.

(g) "Fair Market Value" has the meaning as defined under the Plan; provided, however, that the application of such definition shall apply not only to Common Stock, but also to Marketable Securities.

(h) "Final Measurement Date" shall mean the first to occur of (i) a Change in Control or (ii) the first time following an Initial Public Offering at which H&F Stockholders hold less than 10% of the issued and outstanding common stock of the Company for a period of thirty (30) consecutive trading days (a "Sell Down Event").

(i) "H&F Stockholders" shall have the meaning set forth in the Stockholders Agreement.

(j) "IRR" shall mean a pre-tax, internal rate of return, determined on the basis of monthly compounding, with respect to the Transaction Date Investment and any subsequent investments by the H&F Stockholders in Shares based on amounts received (or deemed received) through a Measurement Date by the H&F Stockholders, using a calculation methodology consistent with the calculation methodology used by the H&F Stockholders for the purpose of reporting gross internal rate of return to their limited partner investors, except as otherwise provided herein. For these purposes, IRR shall take into account only (i) proceeds, dividends or distributions (in each case, whether cash or non-cash) ("Proceeds") actually received by the H&F Stockholders (inclusive of any amounts reduced as a result of required withholding taxes) in respect of their Shares after the Closing Date (which for the avoidance of doubt will not include Shares received in respect of any dividend of Shares, stock split or similar event or the receipt of Holdco Securities in accordance with Section 2.10 of the Stockholders Agreement, but such Shares shall continue to be treated as held by the H&F Stockholders for purposes of calculating IRR), and (ii) any LP Distributions made after the Closing Date; provided, however, that, in connection with a Sell Down Event, the amounts realized by the H&F Stockholders for purposes of measuring IRR shall be deemed to include both Proceeds actually received in respect of the Shares through and including the Sell Down Event together with the value of any Shares then held by the H&F Stockholders immediately following the Sell Down Event, with such share valuation determined based on the 20-day trailing average closing trading price for such shares ending on the date of such Sell Down Event or, if such 20-day trailing average closing trading price is not available, at fair market value. For purposes herein, all non-cash Proceeds shall be valued at their fair market value, as determined in good faith by the Board. For the avoidance of doubt, the transfer of Shares to a Permitted Transferee (as defined in the Stockholders Agreement) of an H&F Stockholder shall not be deemed to give rise to the receipt of any proceeds by the H&F Stockholders or be deemed to be an LP Distribution, in each case, unless such transfer is for cash or securities that are freely tradeable on the New York Stock Exchange or Nasdaq stock market without restriction (excluding, for the avoidance of doubt, any securities received pursuant to a transaction of the type contemplated in Section 2.10 of the Stockholders Agreement) or covered by Section 2.4 of the Stockholders Agreement, and unless such transfer is for cash or securities that are freely tradeable on the New York Stock Exchange or Nasdaq stock market without restriction (excluding, for the avoidance of doubt, any

securities received pursuant to a transaction of the type contemplated in Section 2.10 of the Stockholders Agreement) or covered by Section 2.4 of the Stockholders Agreement, such Shares transferred shall continue to be treated as held by the H&F Stockholders for purposes of calculating IRR.

(k) "LP Distribution" means a distribution of shares of Common Stock by the H&F Stockholders to their limited partner investors, with the value of such shares of Common Stock being deemed to equal their average closing prices, as reported by The Wall Street Journal, for the 10 trading days before and 10 trading days after, the date of the LP Distribution or otherwise at fair market value.

(l) "Marketable Securities" shall have the meaning set forth in the Stockholders Agreement.

(m) "Measurement Date" means (i) prior to the occurrence of a Change in Control, each date upon which the H&F Stockholders receive Proceeds or (ii) the Final Measurement Date.

(n) "Transaction Date Investment" means the aggregate value of shares of Common Stock held by the H&F Stockholders as of the Closing Date.

ARTICLE VI
MISCELLANEOUS

Section 6.1. Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be taken in good faith and shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Option. In its absolute discretion, the Board may at any time, and from time to time, exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 6.2. Option Not Transferable

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, neither the Option nor any interest or right therein or part thereof shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that, to the extent permitted by Applicable Law, this Section 6.2 shall not prevent transfers by will or by the Applicable Laws of descent and distribution.

Section 6.3. Titles; Interpretation

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. Defined terms used in this Agreement shall apply equally to both the singular and plural forms thereof. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The term “hereunder” shall mean this entire Agreement as a whole unless reference to a specific section or provision of this Agreement is made. Any reference to a section, subsection and provision is to this Agreement unless otherwise specified.

Section 6.4. Applicability of the Plan and the Stockholders Agreement

The Option and the Shares issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan and the Stockholders Agreement, to the extent applicable to the Option and such Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. In the event of any conflict between this Agreement or the Plan and the Stockholders Agreement, the terms of the Stockholders Agreement shall control.

Section 6.5. 83(b) Election

If any Shares acquired upon exercise of the Option are subject to a “substantial risk of forfeiture” (within the meaning of Treasury Regulation Section 1.83-3(c)) immediately following such exercise, and the Optionee determines to file an election pursuant to Treasury Regulation Section 1.83-2 with respect to such Shares, the Optionee will furnish the Company with a copy of such filed election no later than 30 days after the date of such exercise.

Section 6.6. Notices

Any notice to be given to the Company pursuant to the provisions of the Plan or this Agreement shall be given by personal delivery, by telecopier or similar facsimile means, by registered or certified first-class U.S. mail, return receipt requested and postage prepaid, or by express courier or recognized overnight delivery service, charges prepaid. If directed to the Company, any such notice shall be addressed to the Company’s principal executive office, to the Company’s Secretary, or to such other address, person or telecopier number as the Company may designate from time to time. If directed to the Optionee, any such notice or communication shall be addressed to him or her at the most recent address of the Optionee on file with the Company. By a notice given pursuant to this Section 6.6, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee’s personal representative if such representative has previously informed the Company of the representative’s status and address by written notice under this Section 6.6. Any notice shall be deemed given: (a) when delivered personally to the recipient; (b) when received, if sent by telecopy or similar facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by telecopy or other facsimile means); (c) on the date five days after the date mailed, if sent by registered or certified first-class

U.S. mail, return receipt requested and postage prepaid; and (d) when delivered (or upon the date of attempted delivery where delivery is refused), if sent by express courier or recognized overnight delivery service, charges prepaid. Whenever the giving of notice is required pursuant to the provisions of the Plan or this Agreement, the giving of such notice may be waived by the party entitled to receive such notice.

Section 6.7. Resolution of Disputes

Any dispute or disagreement which may arise under, or as a result of, or which may in any way relate to, the interpretation, construction or application of this Agreement shall be determined by the Committee, in good faith, whose determination shall be final, binding and conclusive for all purposes.

Section 6.8. No Representations or Warranties

The Company makes no representations or warranties as to the income, estate or other tax consequences to the Optionee of the grant or exercise of the Option or the sale or other disposition of the Shares acquired pursuant to the exercise thereof.

Section 6.9. Submission to Jurisdiction

Each of the Company and the Optionee (i) consents to submit itself to the exclusive personal jurisdiction and venue of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, in any Delaware state or federal court within the State of Delaware) with respect to any suit (whether at law, in equity, in contract, in tort or otherwise) relating to or arising out of this Agreement or any of the transactions contemplated hereby, (ii) agrees that it will not, directly or indirectly, attempt to defeat or deny such personal jurisdiction or venue by motion or otherwise, (iii) agrees that it will not, and it will cause its Affiliates not to, bring or support any such suit in any court other than such courts of the State of Delaware, as described above, (iv) irrevocably agrees that any such suit (whether at law, in equity, in contract, in tort or otherwise) shall be heard and determined exclusively in such courts of the State of Delaware, as described above, (v) agrees to service of process in any such action in any manner prescribed by the laws of the State of Delaware and (vi) agrees that service of process upon such party in any action or proceeding shall be effective if notice is given in accordance with Section 6.6 hereof.

Section 6.10. Enforcement

The Company and the Optionee agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which they are entitled at law or in equity. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available under applicable law. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (i) either party has an

adequate remedy at law or (ii) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction.

Section 6.11. Arbitration

In the event of any controversy among the parties hereto arising out of, or relating to, this Agreement (other than any claim seeking injunctive relief pursuant to Section 6.10), which cannot be settled amicably by the parties, such controversy shall be finally, exclusively, and conclusively settled by mandatory arbitration conducted expeditiously in accordance with the American Arbitration Association rules by a single independent arbitrator. Such arbitration process shall take place within 50 miles of the Company's principal executive offices. The decision of the arbitrator shall be final and binding upon all parties hereto and shall be rendered pursuant to a written decision, which contains a detailed recital of the arbitrator's reasoning. Judgment upon the award rendered may be entered in any court having jurisdiction thereof.

Section 6.12. Governing Law

This Agreement shall be governed in all respects by the laws of the State of Delaware, without regard to conflicts of law principles thereof.

ACCREDITED INVESTOR IDENTIFICATION FORM

Optionee (**is) (is not)** ***[circle one]*** an "accredited investor"[1] under the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder, as the same may be amended from time to time.

Optionee:

_____

(Signature)

Name:

Date:

1 An "Accredited Investor" includes any person who meets one or more of the following tests (other tests may also be applicable, but Optionee is an "accredited investor" if any of these tests is satisfied):

- Any director or executive officer of the Company;
- Any natural person with individual net worth (or joint net worth with spouse) in excess of $1 million. For purposes of this item, "net worth" means the excess of total assets at fair market value, including automobiles and other personal property but excluding the value of the primary residence of such natural person (and including property owned by a spouse other than the primary residence of the spouse), over total liabilities. For purposes of calculating "net worth", the amount of any mortgage or other indebtedness secured by an investor's primary residence should be not included as a "liability", except to the extent that (i) the fair market value of the residence is less than the amount of such mortgage or other indebtedness or (ii) the amount of such mortgage or other indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, in which case the amount of such excess shall be included as a liability; or
- Any natural person who had an individual income (excluding the person's spouse) in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

Exhibit 10.17

Execution Version

GLOBE HOLDING CORP.
2014 STOCK INCENTIVE PLAN

TIME VESTING STOCK OPTION GRANT NOTICE

Globe Holding Corp. (the "Company"), pursuant to the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan"), hereby grants to the "Optionee" identified below an Option to purchase the number of shares of the Company's Common Stock ("Shares") set forth below. This Option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan and the Stockholders Agreement (as defined in the Plan), all of which are attached hereto and incorporated herein in their entirety. Any capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan.

Optionee:	
Date of Grant:	
Number of Shares Subject to Option:	
Type of Common Stock Covered by Option:	Non-Voting
Option Price (Per Share):	
Expiration Date:	The tenth (10th) anniversary of the Date of Grant.
Type of Grant:	Nonqualified Stock Option
Vesting Schedule:	Subject to the Optionee's continued Employment, twenty percent (20%) of the Shares subject to the Option shall vest and become exercisable on each of the first five (5) anniversaries of the Date of Grant; provided, that if a Change in Control occurs during the Optionee's Employment, the Option will, to the extent not vested, become fully vested and exercisable immediately prior to the effective time of such Change in Control.
Additional Terms/Acknowledgements:	The undersigned Optionee acknowledges receipt of, and understands and agrees to, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan. The Optionee further acknowledges that as of the Date of Grant, this Grant Notice, the Option Agreement, the Stockholders Agreement and the Plan set forth the entire understanding between the Optionee and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject with the exception of any stock options previously granted and delivered to the Optionee under the Plan.

GLOBE HOLDING CORP.	**OPTIONEE**
By: _____	By: _____
Name: Pamela Burke	Name: _____
Title: General Counsel	
Date: _____	Date: _____

Attachments: Option Agreement, Globe Holding Corp. 2014 Stock Incentive Plan and Stockholders Agreement.

[Signature Page to Amended and Restated Stock Option Grant Notice]

GLOBE HOLDING CORP.
2014 EQUITY INCENTIVE PLAN

TIME VESTING STOCK OPTION AGREEMENT

ARTICLE I
DEFINITIONS

Capitalized terms not otherwise defined in this Stock Option Agreement (this "Agreement") shall have the same meaning set forth in the Globe Holding Corp. 2014 Stock Incentive Plan, as amended from time to time ("Plan").

ARTICLE II
GRANT OF OPTIONS

Section 2.1. Grant of Options

Pursuant to the Stock Option Grant Notice ("Grant Notice") and this Agreement, Globe Holding Corp. (the "Company") has granted to the Optionee identified in the Grant Notice an Option under the Plan to purchase the number of Shares indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof. For the avoidance of doubt, the terms and conditions of the Grant Notice are a part of the Agreement, unless otherwise specified.

Section 2.2. Option Price

The per Share Option Price of the Shares covered by the Option is indicated in the Grant Notice, subject to the adjustments as set forth in Section 2.4 hereof.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ or service of the Company or any Subsidiary or Affiliate thereof, or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries and Affiliates, which are hereby expressly reserved, to terminate the Employment of the Optionee at any time for any reason whatsoever, with or without Cause, subject to the applicable provisions, if any, of the Optionee's Employment Agreement (if any such agreement is in effect at the time of such termination).

Section 2.4. Adjustments to Option

The Option shall be subject to the provisions of Section 9 of the Plan. Without limiting the foregoing, for the purposes of implementing any required equitable adjustments under Section 9 of the Plan, the Committee may, in the event of an extraordinary cash dividend or distribution to stockholders, as it deems appropriate and equitable, adjust the Option as provided in Section 9 of the Plan, pay to the Optionee a cash bonus in respect of the equity subject to the Option, or a combination thereof, in each case, subject to such conditions or limitations as the Committee may deem reasonable and necessary to preserve the economic value of the Option. Any determinations made by the Committee under this Section 2.4 shall be final and binding upon the Optionee, the Company and all other interested Persons.

ARTICLE III
PERIOD OF VESTING AND EXERCISABILITY

Section 3.1. Vesting and Commencement of Exercisability

(a) Subject to the limitations contained herein, the Option will vest and become exercisable as set forth in the Grant Notice; *provided*, that no portion of the Option shall vest and become exercisable as to any additional Shares following the termination of the Optionee's Employment for any reason, and the portion of the Option that is unvested and unexercisable as of the date of such termination shall immediately expire without consideration or payment therefor.

Section 3.2. Expiration of Option

The Optionee may not exercise any portion of the Option after its term expires. Subject to the provisions of the Plan and this Agreement, the Optionee may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

(a) the Expiration Date indicated in the Grant Notice;

(b) the date on which the Optionee's Employment is terminated by the Company or any of its Affiliates for Cause, or the date on which the Optionee breaches any of the restrictive covenants set forth in Article V hereof or any other restrictive covenant agreement between the Optionee and the Company or any of its Affiliates;

(c) the one (1)-year anniversary of the date of any termination of Employment due to the Optionee's death or Disability; or

(d) the ninetieth (90^{th}) day immediately following the date on which the Optionee's Employment is terminated for any reason other than by the Company or any of its Affiliates for Cause or due to the Optionee's death or Disability.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, the Optionee is the only Person that may exercise the exercisable portion of the Option, unless and until the Optionee dies or suffers a Disability. After the Disability or death of the Optionee, the exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.2 hereof, be exercised by the Optionee's personal representative, guardian or by any person empowered to do so under the Optionee's will or under the then Applicable Laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2 hereof; provided, that any partial exercise shall be for whole Shares only.

Section 4.3. Manner of Exercise

Any exercisable portion of the Option may be exercised solely by delivering to the Office of the Secretary of the Company at the Company's principal office, all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2 hereof:

(a) notice in writing signed by the Optionee or the other Person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) full payment of the aggregate Option Price for the Shares with respect to which such Option or portion thereof is exercised, pursuant to one or more of the following methods: (i) in cash (by check or wire transfer or a combination of the foregoing), or (ii) with the consent of the Committee, a reduction in the number of Shares to be issued upon the exercise of the Option having an aggregate fair market value based on the FMV per Share on the date of exercise equal to such aggregate Option Price;

(c) a bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other Person then entitled to exercise such Option or portion thereof, stating that the Shares are being acquired for the Optionee's own account, for investment and without any present intention of distributing or reselling said Shares or any of them except as may be permitted under the Securities Act;

(d) unless already delivered, a written instrument (a "Joinder") pursuant to which the Optionee agrees to be bound by the terms and conditions of the Stockholders Agreement in form and substance reasonably satisfactory to the Company;

(e) full payment to the Company or any of its Affiliates, as applicable, of all amounts which, under federal, state, local and/or non-U.S. law, such entity is required to withhold upon exercise of the Option; provided, that, solely at the Committee's election, such withholding obligation may be satisfied by the Company withholding from the Shares otherwise issuable to the Optionee that number of Shares having an aggregate fair market value based on the FMV per Share, determined as of the date the withholding tax obligation arises, equal to such withholding tax obligation (but in no event more than the minimum required tax withholding); and

(f) in the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any Person or Persons other than the Optionee, appropriate proof of the right of such Person or Persons to exercise the Option.

Without limiting the generality of the foregoing, any subsequent transfer of Shares shall be subject to the terms and conditions of the Stockholders Agreement and the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of the Option does not violate the Securities Act, and may issue stop-transfer orders covering such Shares. The written representation and agreement referred to in subsection (c) above shall, however, not be required if the subsequent transfer of the Shares to be issued pursuant to such exercise has been registered under the Securities Act, and such registration is then effective in respect of such Shares.

Section 4.4. Conditions to Issuance of Shares

The Company shall not be required to record the ownership by the Optionee of Shares purchased upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

(a) the obtaining of approval or other clearance from any federal, state, local or non-U.S. governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable (and the Company agrees to use commercially reasonable efforts to seek such approval or other clearance);

(b) the lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience (not to exceed three (3) business days) or as may otherwise be required by Applicable Law; and

(c) the execution and delivery of the Joinder by the Optionee to the extent the Optionee is not already party to the Stockholders Agreement.

Section 4.5. Rights as Stockholder

The Optionee shall not be, and shall not have any of the rights or privileges of, stockholders of the Company in respect of any Shares purchasable in connection with the Option or any portion thereof unless and until a book entry representing such Shares has been made on the books and records of the Company.

ARTICLE V
RESTRICTIVE COVENANTS

Section 5.1. Non- Competition

The Optionee shall not at any time during Employment directly or indirectly through an Affiliate or otherwise, own any direct or indirect interest in, manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in any Competitive Business (as defined below). Notwithstanding the foregoing, the Optionee may own securities in any Competitive Business or affiliate of a Competitive Business that is a publicly held corporation, but only to the extent that such Optionee does not own, of record or beneficially, more than 1% (one percent) of the outstanding beneficial ownership of any such Competitive Business or affiliate. The parties intend that this non-competition provision shall be deemed to be a series of separate covenants, one for each and every county, state and political subdivision.

Section 5.2. Non-Disclosure of Confidential Information

The Optionee must maintain all "Confidential Information" (as defined below) in confidence and must not disclose any Confidential Information to anyone outside of the Company Group; and the Optionee must not at any time use any Confidential Information for the benefit of the Optionee or any third party. Nothing in this Agreement, however, prohibits the Optionee from: (1) disclosing any information (or taking any other action) in furtherance of the Optionee's duties to the Company Group while employed by any member of the Company Group; or (2) disclosing Confidential Information to the extent required by law (after giving prompt notice to the Company in order that the Company Group may attempt to obtain a protective order or other assurance that confidential treatment shall be accorded to such information). Upon the Company's request at any time, the Optionee must immediately deliver to the Company all tangible items in the Optionee's possession or control that are or that contain Confidential Information, without keeping any copies.

Section 5.3. Non-Solicitation; No-Hire and Non-Interference

At all times during Employment and for the one-year period following termination of Employment for any reason or no reason (the "Restricted Period"), the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, (i) use any of the Company's Confidential Information to solicit any Persons who are customers of the Company Group, to purchase other than from the Company any goods or services sold by the Company Group relating to the Business or (ii) use any of the Company's Confidential Information to take any action to discourage any Persons who are, or within the one-year period immediately preceding the date of termination of Employment, were, suppliers of the Company Group, from doing business with the Company Group. In addition, at all times during Employment and the Restricted Period, the Optionee covenants and agrees that the Optionee shall not, directly or indirectly, as an officer, director, employee, partner, stockholder, member, proprietor, consultant, joint venturer, investor or in any other capacity, hire or solicit to perform services (as an employee, consultant or otherwise) or take any actions which are intended to persuade any termination of association with any member of the Company Group (as applicable) any Persons who are, or within the six (6) month period immediately preceding the solicitation were, employed by the Company Group; provided, however, that (A) solicitation or hiring by the Optionee or the Optionee's affiliates of an immediate family member of the Optionee shall not constitute a violation of this Section 5.3 and (B) general solicitations of employment published in a journal, newspaper or other publication of general circulation or listed on any internet job site and not specifically directed towards such employees shall not be deemed to constitute solicitation for purposes of this Section 5.3 and the hiring of any person as a result of such permitted solicitations shall not constitute a breach of this Section 5.3.

Section 5.4. Non-Disparagement

The Optionee shall not at any time prior to the date on which the Option has been fully exercised or the date on which the Option otherwise expires for any reason, make (or cause to be made) to any Person any knowingly disparaging, derogatory or other negative statement about the Company Group. The foregoing shall not be violated by (i) 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), or (ii) statements that the Optionee in good faith believes are necessary or appropriate to make in connection with his or her good faith performance of the Optionee's duties to the Company Group.

Section 5.5. Intellectual Property

(a) If the Optionee has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to the start of Optionee's Employment, that are relevant to or implicated by such Employment ("Prior Works"), the Optionee hereby grants the Company and its Affiliates a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company and its Affiliate's current and future business.

(b) If the Optionee creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during the Optionee's Employment and within the scope of such Employment and/or with the use of any Company (or its Affiliate's) resources ("Company Works"), the Optionee shall promptly and fully disclose such works to the Company and hereby irrevocably assigns, transfers, and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company and its Affiliates to the extent ownership of any such rights does not vest originally in the Company or its Affiliates. The Optionee agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings, and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company and its Affiliates at all times.

(c) The Optionee shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's or its Affiliate's rights in the Prior Works and Company Works. If the Company is unable for any reason to secure the Optionee's signature on any document for this purpose, then the Optionee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as the Optionee's agent and attorney-in-fact, to act for and on the Optionee's behalf to execute any documents and to do all other lawfully permitted acts in connection with the foregoing.

Section 5.6. Reasonableness of Restrictions

By virtue of the Optionee's Employment, the Optionee acknowledges that, during the period of Employment, the Optionee will have access to the Confidential Information, will meet and develop relationships with the Company Group's potential and existing customers, and will receive specialized training in, and knowledge of, the Business. The Optionee specifically acknowledges and agrees that the time, geographic and activity restrictions (as applicable) set forth in this Article V are reasonable and properly required for the protection of the Company Group. Should a court of competent jurisdiction or arbitrator determine that the duration or geographical extent of, or business activities covered by, any provision of this Article V be in excess of that which is found to be valid and enforceable under applicable law, then such provision shall be reformed to cover only that duration, extent or activities which is considered valid and enforceable. In the event that such provision is deemed incapable of reformation, such invalid or unenforceable part of such provision shall be considered deleted from this Agreement and the remainder of such provision and of this Agreement shall be unaffected and shall continue in full force and effect. To the extent any provision of this Agreement shall be declared invalid or unenforceable for any reason in any jurisdiction, this Agreement (or provision thereof) shall remain valid and enforceable in each other jurisdiction where it applies.

Section 5.7. Effect of Optionee's Employment Agreement and Restrictive Covenant Agreement

Notwithstanding anything contained in this Article V to the contrary, if the Optionee is subject to a more restrictive non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant in any Employment Agreement or other restrictive covenant agreement, the most restrictive of such non-competition, non-disclosure, non-solicitation, non-interference, or non-disparagement covenant shall apply; it being understood that the activities which the Optionee is prohibited from engaging in contained herein or in such other Employment Agreement or other restrictive covenant agreement shall be deemed to apply for purposes of this Agreement.

Section 5.8. Definitions

For purposes of this Agreement:

(a) "Company Group" means individually and collectively the Company and its Affiliates.

(b) "Competing Grocery Store" means any grocery store, mass merchandise or other store (excluding any convenience store with limited grocery offerings such as a gas station or Seven Eleven store but, for the avoidance of doubt, including Walmart Neighborhood Stores, Aldi and similar stores) that sells (x) discount groceries, or (y) grocery merchandise sourced through opportunistic buying, in each case, that is located within five (5) miles of any grocery store operated by the Company or its subsidiaries or by a Grocery Outlet independent operator as of the Closing Date.

(c) "Competitive Business" means any business, person or entity that, together with its Subsidiaries, directly or indirectly, (a) owns, operates or franchises one or more Competing Grocery Stores (b) sells merchandise through consignment, independent operator or similar arrangement to one or more Competing Grocery Stores, (c) distributes primarily grocery merchandise to one or more Competing Grocery Stores, (d) licenses any trademark or brand for use by one or more Competing Grocery Stores, or (e) otherwise engages in the business of operating or developing one or more Competing Grocery Stores.

(d) "Confidential Information" means proprietary and confidential information regarding the Company Group that is not generally available to the public, including (to the extent that it is not so generally available): (1) information regarding the Company Group's business, operations, financial condition, customers, vendors, sales representatives and other employees; (2) projections, budgets and business plans regarding the Company Group; (3) information regarding the Company Group's planned or pending acquisitions, divestitures or other business combinations; (4) the Company Group's trade secrets and proprietary information; and (5) the Company Group's technical information, discoveries, inventions, improvements, techniques, processes, business methods, equipment, algorithms, software programs, software source documents and formulae. For purposes of the preceding sentence, information is not treated as being generally available to the public if it is made public by the Optionee in violation of this Agreement.

(e) "Employment Agreement" shall mean the employment, severance, change in control, consulting or other similar agreement, if any, specifying the terms of a Participant's Employment by the Company or one of its Affiliates.

ARTICLE VI
MISCELLANEOUS

Section 6.1. Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be taken in good faith and shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Option. In its absolute discretion, the Board may at any time, and from time to time, exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 6.2. Option Not Transferable

Except as otherwise permitted by the Committee in writing or provided in the Stockholders Agreement, neither the Option nor any interest or right therein or part thereof shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that, to the extent permitted by Applicable Law, this Section 6.2 shall not prevent transfers by will or by the Applicable Laws of descent and distribution.

Section 6.3. Titles; Interpretation

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. Defined terms used in this Agreement shall apply equally to both the singular and plural forms thereof. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The term “hereunder” shall mean this entire Agreement as a whole unless reference to a specific section or provision of this Agreement is made. Any reference to a section, subsection and provision is to this Agreement unless otherwise specified.

Section 6.4. Applicability of the Plan and the Stockholders Agreement

The Option and the Shares issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan and the Stockholders Agreement, to the extent applicable to the Option and such Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. In the event of any conflict between this Agreement or the Plan and the Stockholders Agreement, the terms of the Stockholders Agreement shall control.

Section 6.5. 83(b) Election

If any Shares acquired upon exercise of the Option are subject to a “substantial risk of forfeiture” (within the meaning of Treasury Regulation Section 1.83-3(c)) immediately following such exercise, and the Optionee determines to file an election pursuant to Treasury Regulation Section 1.83-2 with respect to such Shares, the Optionee will furnish the Company with a copy of such filed election no later than 30 days after the date of such exercise.

Section 6.6. Notices

Any notice to be given to the Company pursuant to the provisions of the Plan or this Agreement shall be given by personal delivery, by telecopier or similar facsimile means, by registered or certified first-class U.S. mail, return receipt requested and postage prepaid, or by express courier or recognized overnight delivery service, charges prepaid. If directed to the Company, any such notice shall be addressed to the Company’s principal executive office, to the Company’s Secretary, or to such other address, person or telecopier number as the Company may designate from time to time. If directed to the Optionee, any such notice or communication shall be addressed to him or her at the most recent address of the Optionee on file with the Company. By a notice given pursuant to this Section 6.6, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee’s personal representative if such representative has previously informed the Company of the representative’s status and address by written notice under this Section 6.6. Any notice shall be deemed given: (a) when delivered personally to the recipient; (b) when received, if sent by telecopy or similar facsimile means (confirmation of such receipt by confirmed facsimile

transmission being deemed receipt of communications sent by telecopy or other facsimile means); (c) on the date five days after the date mailed, if sent by registered or certified first-class U.S. mail, return receipt requested and postage prepaid; and (d) when delivered (or upon the date of attempted delivery where delivery is refused), if sent by express courier or recognized overnight delivery service, charges prepaid. Whenever the giving of notice is required pursuant to the provisions of the Plan or this Agreement, the giving of such notice may be waived by the party entitled to receive such notice.

Section 6.7. Resolution of Disputes

Any dispute or disagreement which may arise under, or as a result of, or which may in any way relate to, the interpretation, construction or application of this Agreement shall be determined by the Committee, in good faith, whose determination shall be final, binding and conclusive for all purposes.

Section 6.8. No Representations or Warranties

The Company makes no representations or warranties as to the income, estate or other tax consequences to the Optionee of the grant or exercise of the Option or the sale or other disposition of the Shares acquired pursuant to the exercise thereof.

Section 6.9. Submission to Jurisdiction

Each of the Company and the Optionee (i) consents to submit itself to the exclusive personal jurisdiction and venue of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, in any Delaware state or federal court within the State of Delaware) with respect to any suit (whether at law, in equity, in contract, in tort or otherwise) relating to or arising out of this Agreement or any of the transactions contemplated hereby, (ii) agrees that it will not, directly or indirectly, attempt to defeat or deny such personal jurisdiction or venue by motion or otherwise, (iii) agrees that it will not, and it will cause its Affiliates not to, bring or support any such suit in any court other than such courts of the State of Delaware, as described above, (iv) irrevocably agrees that any such suit (whether at law, in equity, in contract, in tort or otherwise) shall be heard and determined exclusively in such courts of the State of Delaware, as described above, (v) agrees to service of process in any such action in any manner prescribed by the laws of the State of Delaware and (vi) agrees that service of process upon such party in any action or proceeding shall be effective if notice is given in accordance with Section 6.6 hereof.

Section 6.10. Enforcement

The Company and the Optionee agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which they are entitled at law or in equity. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available under applicable

law. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (i) either party has an adequate remedy at law or (ii) an award of specific performance is not an appropriate remedy for any reason at law or equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction.

Section 6.11. Arbitration

In the event of any controversy among the parties hereto arising out of, or relating to, this Agreement (other than any claim seeking injunctive relief pursuant to Section 6.10), which cannot be settled amicably by the parties, such controversy shall be finally, exclusively, and conclusively settled by mandatory arbitration conducted expeditiously in accordance with the American Arbitration Association rules by a single independent arbitrator. Such arbitration process shall take place within 50 miles of the Company's principal executive offices. The decision of the arbitrator shall be final and binding upon all parties hereto and shall be rendered pursuant to a written decision, which contains a detailed recital of the arbitrator's reasoning. Judgment upon the award rendered may be entered in any court having jurisdiction thereof.

Section 6.12. Governing Law

This Agreement shall be governed in all respects by the laws of the State of Delaware, without regard to conflicts of law principles thereof.

ACCREDITED INVESTOR IDENTIFICATION FORM

Optionee (**is) (is not)** ***[circle one]*** an "accredited investor"[1] under the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder, as the same may be amended from time to time.

Optionee:

_____

(Signature)

Name:

Date:

1 An "Accredited Investor" includes any person who meets one or more of the following tests (other tests may also be applicable, but Optionee is an "accredited investor" if any of these tests is satisfied):

- Any director or executive officer of the Company;
- Any natural person with individual net worth (or joint net worth with spouse) in excess of $1 million. For purposes of this item, "net worth" means the excess of total assets at fair market value, including automobiles and other personal property but excluding the value of the primary residence of such natural person (and including property owned by a spouse other than the primary residence of the spouse), over total liabilities. For purposes of calculating "net worth", the amount of any mortgage or other indebtedness secured by an investor's primary residence should be not included as a "liability", except to the extent that (i) the fair market value of the residence is less than the amount of such mortgage or other indebtedness or (ii) the amount of such mortgage or other indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, in which case the amount of such excess shall be included as a liability; or
- Any natural person who had an individual income (excluding the person's spouse) in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

Exhibit 10.22

EXECUTION VERSION

GROCERY OUTLET INC.

AMENDED AND RESTATED

EXECUTIVE EMPLOYMENT AGREEMENT

This Amended and Restated Executive Employment Agreement ("Agreement") is entered into as of the 7th day of October, 2014 (the "Effective Date"), by and between Eric J. Lindberg, Jr. ("Executive"), Grocery Outlet Inc. (the "Company") and Globe Holding Corp. ("Globe").

WHEREAS, the Company and Executive are a party to that certain Executive Employment Agreement dated as of September 8, 2009 (the "Prior Agreement");

WHEREAS, the Company desires to continue to employ Executive to provide personal services to the Company, and wishes to provide Executive with certain compensation and benefits in return for Executive's services;

WHEREAS, Executive wishes to continue to be employed by the Company and provide personal services to the Company in return for certain compensation and benefits; and

WHEREAS, the Company and Executive desire to amend and restate the Prior Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the parties hereto as follows:

ARTICLE I
DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

1.1 "Board" means the Board of Directors of Globe.

1.2 "Cause" means:

(a) Executive's willful and continued breach of this Agreement or failure to perform his duties to the Company or its successor after a written demand for substantial performance is delivered to him by the Company or its successor which demand specifically identifies the manner in which the Company or its successor believe that he has not substantially performed his duties;

(b) his conviction of or plea of guilty or *nolo contendere* to felony criminal conduct; or

(c) his breach of the terms of that certain Restrictive Covenants Agreement dated September 13, 2014 between Executive and Globe.

No act or failure to act by Executive shall be deemed "willful" if done, or omitted to be done, by Executive in good faith and with the reasonable belief that Executive's action or omission was in the best interest of the Company.

1.3 "Company" means Grocery Outlet Inc. together with its successors or assigns.

1.4 "Date of Termination" shall mean (i) if the Executive's employment is terminated by his death, the date of his death; (ii) if the Executive's employment is terminated due to his Disability, the date determined pursuant to Section 4.1(a)(ii); or (iii) if the Executive's employment is terminated pursuant to Section 4.1(a)(iii)-(vi) either the date indicated in the Notice of Termination or the date specified by the Company pursuant to Section 4.1(b), whichever is earlier.

1.5 "Disability" shall mean the Executive is unable to perform the essential functions of his position hereunder by reason of any medically determinable physical or mental impairment for a total of three (3) months during any twelve (12) month period, and such impairment can reasonably be expected to result in death or to last for a continuous period of at least twelve months. Determinations as to Executive's Disability shall be made by a physician selected by the Board or its insurers and acceptable to the Executive or the Executive's legal representative, such agreement as to acceptability not to be unreasonably withheld or delayed.

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

1.7 "Globe Group" means Globe, the Company, and their direct and indirect subsidiaries.

1.8 "Good Reason" means that any of the following are undertaken without Executive's express written consent:

(a) the assignment to Executive of any duties or responsibilities or a change in Executive's title, position or status that results in a material diminution or adverse change of Executive's authority, duties or responsibilities;

(b) a material reduction by the Company in Executive's Annual Base Salary as in effect from time to time;

(c) the taking of any action by the Company that would materially and adversely affect Executive's participation in, or materially reduce Executive's benefits under, the Company's benefit plans (excluding equity benefits), except to the extent the benefits of all other executives of the Company are similarly reduced;

(d) a material relocation by the Company of Executive's principal office to a location more than forty (40) miles from the location at which Executive was performing Executive's duties immediately prior to such relocation, except for required travel by Executive on the Company's business; or

(e) any material breach by the Company of any provision of this Agreement.

Notwithstanding the foregoing, any of the circumstances described above may not serve as a basis for resignation for "Good Reason" by the Executive unless (A) the Executive notifies the Company of any event constituting Good Reason within ninety (90) days following the initial existence of such circumstance and the Company has failed to cure such circumstance within thirty (30) days following such notice; and (B) the Executive's Separation from Service due to such circumstance occurs within the two (2) year period following the initial existence of such circumstance.

1.9 "Separation from Service" shall mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), as determined by the Company as of the Date of Termination in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(h) and any successor provision thereto).

ARTICLE II
EMPLOYMENT BY THE COMPANY

2.1 Position and Duties. Subject to terms set forth herein, the Company agrees to continue to employ Executive in the position of Co-Chief Executive Officer and Executive hereby accepts such continued employment. Executive shall serve in an executive capacity and shall perform such duties as are customarily associated with the position of Co-Chief Executive Officer and such other duties as are assigned to Executive by the Board. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention (except for vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies or as otherwise set forth in this Agreement) to the business of the Company.

2.2 Employment at Will. Both the Company and Executive shall have the right to terminate Executive's employment with the Company at any time, with or without Cause, and without prior notice. If Executive's employment with the Company is terminated, Executive will be eligible to receive severance benefits to the extent provided in this Agreement.

2.3 Employment Policies. The employment relationship between the parties shall also be governed by the general employment policies and practices of the Company, including those relating to protection of confidential information and assignment of inventions, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

ARTICLE III
COMPENSATION

3.1 Base Salary. Executive shall receive for services to be rendered hereunder an annual base salary of $504,000, payable on the regular payroll dates of the Company, subject to increase in the sole discretion of the Board (the "Annual Base Salary").

3.2 Annual Bonus. Each calendar year, Executive shall be eligible to participate in a performance-based bonus compensation program pursuant to which Executive may be paid an amount up to 100% of Executive' s Annual Base Salary (the "Target Bonus"), as determined by

the Board in its discretion (the "Annual Bonus"). The amount, if any, of such Annual Bonus for each such calendar year shall be determined based upon the attainment of reasonable performance goals approved by the Board in its sole discretion. Each such Annual Bonus shall be payable during the calendar year following the year for which such Annual Bonus is earned.

3.3 Standard Company Benefits. Executive shall be entitled to all rights and benefits for which Executive is eligible under the terms and conditions of the standard Company benefits and compensation practices that may be in effect from time to time and are provided by the Company to its executive employees generally.

ARTICLE IV
TERMINATION OF EMPLOYMENT; SEVERANCE

4.1 Termination. The Executive's employment hereunder may be terminated by the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances:

(a) Circumstances

(i) Death. The Executive's employment hereunder shall terminate upon his death.

(ii) Disability. If the Executive incurs a Disability, the Company may give the Executive written notice of its intention to terminate the Executive's employment. In that event, the Executive's employment with the Company shall terminate effective on the later of the 30th day after receipt of such notice by the Executive or the date specified in such notice, *provided* that within the 30 days after such receipt, the Executive shall not have returned to full-time performance of his duties.

(iii) Termination for Cause. The Company may terminate the Executive's employment for Cause.

(iv) Termination without Cause. The Company may terminate the Executive's employment without Cause.

(v) Resignation for Good Reason. The Executive may resign his employment hereunder for Good Reason.

(vi) Resignation without Good Reason. The Executive may resign his employment hereunder without Good Reason.

(b) Notice of Termination. Any termination of the Executive's employment by the Company or by the Executive under this Section 4.1 (other than termination pursuant to paragraph (a)(i)) shall be communicated by a written notice to the other party hereto indicating (i) the specific termination provision in this Agreement relied upon, (ii) except with respect to a termination pursuant to Section 4.1(a)(iv) or 4.1(a)(vi), setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) specifying a Date of Termination which, (A) if

submitted by the Executive, shall be at least 30 days following the date of such notice, or (B) if submitted by the Company, may, in the case of a termination pursuant to Section 4.1(a)(iii) or Section 4.1(a)(iv), be the date the Executive receives such notice, or any date thereafter elected by the Company in its sole discretion or, in the case of a termination pursuant to Section 4.1(a)(ii), the date determined pursuant to Section 4.1(a)(ii) (each, a "Notice of Termination"); *provided, however*, that in the event that the Executive delivers a Notice of Termination to the Company, the Company may, in its sole discretion, change the Date of Termination to any date that occurs during the period beginning on the date of Company's receipt of such Notice of Termination and ending on the date specified in such Notice of Termination. The failure by the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Cause shall not waive any right of the Company hereunder or preclude the Company from asserting such fact or circumstance in enforcing the Company's rights hereunder. Notwithstanding the foregoing, a termination pursuant to Section 4.1(a)(iii) shall be deemed to include a determination following the Executive's termination of employment for any reason if the circumstances existing prior to such termination would have entitled the Company to have terminated the Executive's employment pursuant to Section 4.1(a)(iii).

4.2 Company Obligations Upon Termination of Employment.

(a) In General. Upon a termination of the Executive's employment for any reason, the Executive (or the Executive's estate) shall be entitled to receive the sum of the Executive's Annual Base Salary through the Date of Termination not theretofore paid; and any amount arising from the Executive's participation in, or benefits under, any employee benefit plans, programs or arrangements under Section 3.2 (including without limitation, any disability or life insurance benefit plans, programs or arrangements), which amounts shall be payable in accordance with the terms and conditions of such employee benefit plans, programs or arrangements.

(b) Termination without Cause or for Good Reason. If the Executive's employment shall be terminated by the Company without Cause or by the Executive for Good Reason (but not by reason of the Executive's death, Disability, termination by the Company for Cause or resignation by the Executive without Good Reason), then, in addition to the payments described in Section 4.2(a), the Company shall:

(i) For a period of 24 months following the Date of Termination, continue to pay to the Executive, the Executive's Annual Base Salary as in effect immediately prior to the Date of Termination in equal installments in accordance with the Company's regular payroll practices starting on the first regularly scheduled payroll date on or after the 60th day following the Date of Termination (with the portion of such amounts that would have been payable between the Date of Termination and such date paid in a lump sum on such date);

(ii) Pay to the Executive, an amount equal to two (2) times the Executive's Target Bonus for the year in which the Date of Termination occurs, payable in equal installments in accordance with the Company's regular payroll practices for a period of 24 months following the Date of Termination, starting on the first regularly scheduled payroll date on or after the 60th day following the Date of Termination (with the portion of such amounts that would have been payable between the Date of Termination and such date paid in a lump sum on such date); and

(iii) For the period beginning on the Date of Termination and ending on the earlier of (A) the date which is eighteen (18) full months following the Date of Termination, or (B) the date on which the Executive accepts employment with another employer that provides comparable benefits in terms of cost and scope of coverage, the Company shall pay for and provide the Executive and his or her dependents with medical and dental benefits which are substantially the same as the group health benefits provided to the Executive immediately prior to the Date of Termination, including, in the Company's discretion, paying the costs associated with continuation coverage pursuant to COBRA.

(c) Termination upon Death or Disability. If the Executive's employment shall be terminated by reason of his death or Disability, then, in addition to the payments described in Section 4.2(a), as soon as reasonably practicable following the Date of Termination the Company shall pay to the Executive in a lump sum, an amount equal to the Executive's Target Bonus for the year in which the Date of Termination occurs, prorated based on the ratio of the number of days during such year that the Executive was employed to 365.

(d) Section 409A. Notwithstanding any provision to the contrary in this Agreement: (i) no amount shall be payable pursuant to Section 4.2(b) unless the Executive's termination of employment constitutes a Separation from Service and unless, prior to the 60th day following the Date of Termination the Executive executes a waiver and release of claims agreement in the Company's customary form and does not subsequently revoke such waiver and release of claims agreement and (ii) if at the time of the Executive's Separation from Service the Executive is determined to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (B) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 4.2(d) shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein. For purposes of Section 409A of the Code, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of any expense under Sections 3.3 or 4.2 or in-kind benefits provided under this Agreement are deemed to constitute taxable compensation to the Executive, such amounts will be reimbursed or provided no later than December 31 of the year following the year in which the expense was incurred. The amount of any such expenses reimbursed or in-kind benefits provided in one year shall not affect the expenses or in-kind benefits eligible for reimbursement or payment in any subsequent year, and the Executive's right to such reimbursement or payment of any such expenses will not be subject to liquidation or exchange for any other benefit. The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his Separation from Service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(i) and any successor provision thereto).

4.3 Mitigation. Executive shall not be required to mitigate damages or the amount of any payment provided under this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for under this Agreement be reduced by any compensation earned by Executive as a result of employment by another employer or by any retirement benefits received by Executive after the Date of Termination, or otherwise.

ARTICLE V
PROPRIETARY INFORMATION OBLIGATIONS

Confidentiality. Executive agrees to execute and abide by the Company's customary form of Confidentiality Agreement (the "Confidentiality Agreement"). Without limiting the foregoing, Executive acknowledges that the Company has a legitimate and continuing proprietary interest in the Company's confidential and proprietary information which the Company has expended great sums to develop and maintain. Except as required by law, including disclosure required by judicial process, or as otherwise necessary to fulfill his duties to the Company, the Executive shall not use, exploit, publish or disclose in any manner, and the Executive shall maintain in the strictest confidence, all confidential or proprietary information concerning the Company's business and operations (including information regarding suppliers, customers, details of contracts, pricing policies, market information, operational methods or future plans), and shall keep all such information confidential so long as such information does not become known to third persons other than by reason of an improper disclosure of such information by the Executive.

5.1 Remedies. Executive's duties under the Confidentiality Agreement shall survive termination of Executive's employment with the Company and the termination of this Agreement. Executive acknowledges that a remedy at law for any breach or threatened breach by Executive of the provisions of the Confidentiality Agreement would be inadequate, and Executive therefore agrees that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach.

ARTICLE VI
OUTSIDE ACTIVITIES

6.1 Other Activities. Except with the prior written consent of the Board, Executive shall not during the term of this Agreement undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor. Executive may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of Executive's duties hereunder.

6.2 Competition/Investments. During the term of Executive's employment by the Company, except on behalf of the Globe Group, Executive shall not directly or indirectly, whether as an officer, director, stockholder, partner, proprietor, associate, representative, consultant, or in any capacity whatsoever engage in, become financially interested in, be employed by or have any business connection with any other person, corporation, firm, partnership or other entity whatsoever which were known by Executive to compete directly with the Globe Group, throughout the United States, in any line of business engaged in (or planned to be engaged in) by the Globe Group; provided, however, that anything above to the contrary

notwithstanding, Executive may own, as a passive investor, securities of any competitor corporation, so long as Executive's direct holdings in any one such corporation shall not in the aggregate constitute more than 5% of the voting stock of such corporation.

ARTICLE VII
NONINTERFERENCE

While employed by, or providing services to, the Company, and for one (1) year immediately following the later of the Date of Termination or the date Executive otherwise ceases providing services to the Company, Executive agrees not to interfere with the business of the Company by soliciting or attempting to solicit any employee of the Company to terminate such employee's employment in order to become an employee, consultant or independent contractor to or for any other entity. For the avoidance of doubt, a bona fide advertisement for employment placed by any party any not specifically targeted at employees of the Company shall not constitute a violation of this Article 7. Executive's duties under this Article 7 shall survive termination of Executive's employment with the Company and the termination of this Agreement.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Notices. Any notices provided hereunder must be in writing and shall be deemed effective upon the earlier of personal delivery (including personal delivery by facsimile) or the third day after mailing by first class mail, to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll.

8.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement 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 Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

8.3 Waiver. If either party should waive any breach of any provisions of this Agreement, they shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

8.4 Complete Agreement. The terms of this Agreement (together with any other agreements and instruments contemplated hereby or referred to herein) is intended by the parties to be the final expression of their agreement with respect to the employment of the Executive by the Company and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement shall supersede all undertakings or agreements, whether written or oral, previously entered into by the Executive and the Company or any predecessor thereto or affiliate thereof with respect to the employment of the Executive by the Company or with respect to severance payable by the Company upon termination of employment (including, without limitation, the Prior Agreement and that certain Executive Change in Control Agreement entered

into by the Company and Executive dated October 5, 2006). The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein or therein, and cannot be modified or amended except in a writing signed by an officer of the Company and Executive.

8.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

8.6 Headings. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

8.7 Successors and Assigns. The Company may assign its rights and obligations under this Agreement to any entity, including any successor to all or substantially all the assets of the Company, by merger or otherwise, and may assign or encumber this Agreement and its rights hereunder as security for indebtedness of the Company and its affiliates. The Executive may not assign the Executive's rights or obligations under this Agreement to any individual or entity. This Agreement shall be binding upon and inure to the benefit of the Company, the Executive and their respective successors, assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.

8.8 Arbitration. To ensure the timely and economical resolution of disputes that arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in San Francisco, California, conducted by Judicial Arbitration and Mediation Services, Inc. ("JAMS") under the applicable JAMS employment rules. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

8.9 Attorneys' Fees. If either party hereto brings any action to enforce rights hereunder, each party in any such action shall be responsible for its own attorneys' fees and costs incurred in connection with such action.

8.10 Withholding. The Company shall be entitled to withhold from any amounts payable under this Agreement any federal, state, local or foreign withholding or other taxes or charges which the Company is required to withhold. The Company shall be entitled to rely on an opinion of counsel if any questions as to the amount or requirement of withholding shall arise.

8.11 Section 409A. The parties acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and the parties agree to use their best efforts to achieve timely compliance with, Section 409A of the Code, and the Department of Treasury Regulations and other interpretive guidance issued thereunder ("Section 409A"), including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any compensation or benefits payable or provided under this Agreement may be subject to Section 409A, the Company reserves the right to (without any obligation to do so or to indemnify the Executive for failure to do so) adopt such limited amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company reasonably determines are necessary or appropriate to (a) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of the compensation and benefits provided with respect to this Agreement or (b) comply with the requirements of Section 409A, and thereby avoid the application of penalty taxes thereunder.

8.12 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the law of the State of California without regard to the conflicts of law provisions thereof.

8.13 Grant of Stock Options. Within two (2) weeks of the Effective Date Globe shall make a grant of stock options to acquire shares of its common stock to Executive in final forms mutually agreed between Executive and Globe consistent with the terms set forth in Exhibit A of the Transfer Contribution and Support Agreement between Executive, the Lindberg Revocable Trust u/a/d 2/14/06 and Globe (formerly known as Cannery Sales Holding Corp.) dated September 13, 2014.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

GROCERY OUTLET INC.

By: /s/ S. MacGregor Read, Jr.
Name: S. MacGregor Read, Jr.
Title: Co-Chief Executive Officer

GLOBE HOLDING CORP.

By: /s/ S. MacGregor Read, Jr.
Name: S. MacGregor Read, Jr.
Title: Co-Chief Executive Officer

Accepted and agreed:

/s/ Eric J. Lindberg, Jr.
ERIC J. LINDBERG, JR.

Exhibit 10.23

EXECUTION VERSION

GROCERY OUTLET INC.

AMENDED AND RESTATED

EXECUTIVE EMPLOYMENT AGREEMENT

This Amended and Restated Executive Employment Agreement ("Agreement") is entered into as of the 7th day of October, 2014 (the "Effective Date"), by and between S. MacGregor Read, Jr. ("Executive"), Grocery Outlet Inc. (the "Company") and Globe Holding Corp. ("Globe").

WHEREAS, the Company and Executive are a party to that certain Executive Employment Agreement dated as of September 8, 2009 (the "Prior Agreement");

WHEREAS, the Company desires to continue to employ Executive to provide personal services to the Company, and wishes to provide Executive with certain compensation and benefits in return for Executive's services;

WHEREAS, Executive wishes to continue to be employed by the Company and provide personal services to the Company in return for certain compensation and benefits; and

WHEREAS, the Company and Executive desire to amend and restate the Prior Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the parties hereto as follows:

ARTICLE I
DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

1.1 "Board" means the Board of Directors of Globe.

1.2 "Cause" means:

(a) Executive's willful and continued breach of this Agreement or failure to perform his duties to the Company or its successor after a written demand for substantial performance is delivered to him by the Company or its successor which demand specifically identifies the manner in which the Company or its successor believe that he has not substantially performed his duties;

(b) his conviction of or plea of guilty or *nolo contendere* to felony criminal conduct; or

(c) his breach of the terms of that certain Restrictive Covenants Agreement dated September 13, 2014 between Executive and Globe.

No act or failure to act by Executive shall be deemed "willful" if done, or omitted to be done, by Executive in good faith and with the reasonable belief that Executive's action or omission was in the best interest of the Company.

1.3 "Company" means Grocery Outlet Inc. together with its successors or assigns.

1.4 "Date of Termination" shall mean (i) if the Executive's employment is terminated by his death, the date of his death; (ii) if the Executive's employment is terminated due to his Disability, the date determined pursuant to Section 4.1(a)(ii); or (iii) if the Executive's employment is terminated pursuant to Section 4.1(a)(iii)-(vi) either the date indicated in the Notice of Termination or the date specified by the Company pursuant to Section 4.1(b), whichever is earlier.

1.5 "Disability" shall mean the Executive is unable to perform the essential functions of his position hereunder by reason of any medically determinable physical or mental impairment for a total of three (3) months during any twelve (12) month period, and such impairment can reasonably be expected to result in death or to last for a continuous period of at least twelve months. Determinations as to Executive's Disability shall be made by a physician selected by the Board or its insurers and acceptable to the Executive or the Executive's legal representative, such agreement as to acceptability not to be unreasonably withheld or delayed.

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

1.7 "Globe Group" means Globe, the Company, and their direct and indirect subsidiaries.

1.8 "Good Reason" means that any of the following are undertaken without Executive's express written consent:

(a) the assignment to Executive of any duties or responsibilities or a change in Executive's title, position or status that results in a material diminution or adverse change of Executive's authority, duties or responsibilities;

(b) a material reduction by the Company in Executive's Annual Base Salary as in effect from time to time;

(c) the taking of any action by the Company that would materially and adversely affect Executive's participation in, or materially reduce Executive's benefits under, the Company's benefit plans (excluding equity benefits), except to the extent the benefits of all other executives of the Company are similarly reduced;

(d) a material relocation by the Company of Executive's principal office to a location more than forty (40) miles from the location at which Executive was performing Executive's duties immediately prior to such relocation, except for required travel by Executive on the Company's business; or

(e) any material breach by the Company of any provision of this Agreement.

Notwithstanding the foregoing, any of the circumstances described above may not serve as a basis for resignation for "Good Reason" by the Executive unless (A) the Executive notifies the Company of any event constituting Good Reason within ninety (90) days following the initial existence of such circumstance and the Company has failed to cure such circumstance within thirty (30) days following such notice; and (B) the Executive's Separation from Service due to such circumstance occurs within the two (2) year period following the initial existence of such circumstance.

1.9 "Separation from Service" shall mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), as determined by the Company as of the Date of Termination in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(h) and any successor provision thereto).

ARTICLE II
EMPLOYMENT BY THE COMPANY

2.1 Position and Duties. Subject to terms set forth herein, the Company agrees to continue to employ Executive in the position of Co-Chief Executive Officer and Executive hereby accepts such continued employment. Executive shall serve in an executive capacity and shall perform such duties as are customarily associated with the position of Co-Chief Executive Officer and such other duties as are assigned to Executive by the Board. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention (except for vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies or as otherwise set forth in this Agreement) to the business of the Company.

2.2 Employment at Will. Both the Company and Executive shall have the right to terminate Executive's employment with the Company at any time, with or without Cause, and without prior notice. If Executive's employment with the Company is terminated, Executive will be eligible to receive severance benefits to the extent provided in this Agreement.

2.3 Employment Policies. The employment relationship between the parties shall also be governed by the general employment policies and practices of the Company, including those relating to protection of confidential information and assignment of inventions, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

ARTICLE III
COMPENSATION

3.1 Base Salary. Executive shall receive for services to be rendered hereunder an annual base salary of $504,000, payable on the regular payroll dates of the Company, subject to increase in the sole discretion of the Board (the "Annual Base Salary").

3.2 Annual Bonus. Each calendar year, Executive shall be eligible to participate in a performance-based bonus compensation program pursuant to which Executive may be paid an amount up to 100% of Executive's Annual Base Salary (the "Target Bonus"), as determined by

the Board in its discretion (the "Annual Bonus"). The amount, if any, of such Annual Bonus for each such calendar year shall be determined based upon the attainment of reasonable performance goals approved by the Board in its sole discretion. Each such Annual Bonus shall be payable during the calendar year following the year for which such Annual Bonus is earned.

3.3 Standard Company Benefits. Executive shall be entitled to all rights and benefits for which Executive is eligible under the terms and conditions of the standard Company benefits and compensation practices that may be in effect from time to time and are provided by the Company to its executive employees generally.

ARTICLE IV
TERMINATION OF EMPLOYMENT; SEVERANCE

4.1 Termination. The Executive's employment hereunder may be terminated by the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances:

(a) Circumstances

(i) Death. The Executive's employment hereunder shall terminate upon his death.

(ii) Disability. If the Executive incurs a Disability, the Company may give the Executive written notice of its intention to terminate the Executive's employment. In that event, the Executive's employment with the Company shall terminate effective on the later of the 30th day after receipt of such notice by the Executive or the date specified in such notice, *provided* that within the 30 days after such receipt, the Executive shall not have returned to full-time performance of his duties.

(iii) Termination for Cause. The Company may terminate the Executive's employment for Cause.

(iv) Termination without Cause. The Company may terminate the Executive's employment without Cause.

(v) Resignation for Good Reason. The Executive may resign his employment hereunder for Good Reason.

(vi) Resignation without Good Reason. The Executive may resign his employment hereunder without Good Reason.

(b) Notice of Termination. Any termination of the Executive's employment by the Company or by the Executive under this Section 4.1 (other than termination pursuant to paragraph (a)(i)) shall be communicated by a written notice to the other party hereto indicating (i) the specific termination provision in this Agreement relied upon, (ii) except with respect to a termination pursuant to Section 4.1(a)(iv) or 4.1(a)(vi), setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) specifying a Date of Termination which, (A) if

submitted by the Executive, shall be at least 30 days following the date of such notice, or (B) if submitted by the Company, may, in the case of a termination pursuant to Section 4.1(a)(iii) or Section 4.1(a)(iv), be the date the Executive receives such notice, or any date thereafter elected by the Company in its sole discretion or, in the case of a termination pursuant to Section 4.1(a)(ii), the date determined pursuant to Section 4.1(a)(ii) (each, a "Notice of Termination"); *provided, however*, that in the event that the Executive delivers a Notice of Termination to the Company, the Company may, in its sole discretion, change the Date of Termination to any date that occurs during the period beginning on the date of Company's receipt of such Notice of Termination and ending on the date specified in such Notice of Termination. The failure by the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Cause shall not waive any right of the Company hereunder or preclude the Company from asserting such fact or circumstance in enforcing the Company's rights hereunder. Notwithstanding the foregoing, a termination pursuant to Section 4.1(a)(iii) shall be deemed to include a determination following the Executive's termination of employment for any reason if the circumstances existing prior to such termination would have entitled the Company to have terminated the Executive's employment pursuant to Section 4.1(a)(iii).

4.2 Company Obligations Upon Termination of Employment.

(a) In General. Upon a termination of the Executive's employment for any reason, the Executive (or the Executive's estate) shall be entitled to receive the sum of the Executive's Annual Base Salary through the Date of Termination not theretofore paid; and any amount arising from the Executive's participation in, or benefits under, any employee benefit plans, programs or arrangements under Section 3.2 (including without limitation, any disability or life insurance benefit plans, programs or arrangements), which amounts shall be payable in accordance with the terms and conditions of such employee benefit plans, programs or arrangements.

(b) Termination without Cause or for Good Reason. If the Executive's employment shall be terminated by the Company without Cause or by the Executive for Good Reason (but not by reason of the Executive's death, Disability, termination by the Company for Cause or resignation by the Executive without Good Reason), then, in addition to the payments described in Section 4.2(a), the Company shall:

(i) For a period of 24 months following the Date of Termination, continue to pay to the Executive, the Executive's Annual Base Salary as in effect immediately prior to the Date of Termination in equal installments in accordance with the Company's regular payroll practices starting on the first regularly scheduled payroll date on or after the 60th day following the Date of Termination (with the portion of such amounts that would have been payable between the Date of Termination and such date paid in a lump sum on such date);

(ii) Pay to the Executive, an amount equal to two (2) times the Executive's Target Bonus for the year in which the Date of Termination occurs, payable in equal installments in accordance with the Company's regular payroll practices for a period of 24 months following the Date of Termination, starting on the first regularly scheduled payroll date on or after the 60th day following the Date of Termination (with the portion of such amounts that would have been payable between the Date of Termination and such date paid in a lump sum on such date); and

(iii) For the period beginning on the Date of Termination and ending on the earlier of (A) the date which is eighteen (18) full months following the Date of Termination, or (B) the date on which the Executive accepts employment with another employer that provides comparable benefits in terms of cost and scope of coverage, the Company shall pay for and provide the Executive and his or her dependents with medical and dental benefits which are substantially the same as the group health benefits provided to the Executive immediately prior to the Date of Termination, including, in the Company's discretion, paying the costs associated with continuation coverage pursuant to COBRA.

(c) Termination upon Death or Disability. If the Executive's employment shall be terminated by reason of his death or Disability, then, in addition to the payments described in Section 4.2(a), as soon as reasonably practicable following the Date of Termination the Company shall pay to the Executive in a lump sum, an amount equal to the Executive's Target Bonus for the year in which the Date of Termination occurs, prorated based on the ratio of the number of days during such year that the Executive was employed to 365.

(d) Section 409A. Notwithstanding any provision to the contrary in this Agreement: (i) no amount shall be payable pursuant to Section 4.2(b) unless the Executive's termination of employment constitutes a Separation from Service and unless, prior to the 60th day following the Date of Termination the Executive executes a waiver and release of claims agreement in the Company's customary form and does not subsequently revoke such waiver and release of claims agreement and (ii) if at the time of the Executive's Separation from Service the Executive is determined to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (B) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 4.2(d) shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein. For purposes of Section 409A of the Code, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of any expense under Sections 3.3 or 4.2 or in-kind benefits provided under this Agreement are deemed to constitute taxable compensation to the Executive, such amounts will be reimbursed or provided no later than December 31 of the year following the year in which the expense was incurred. The amount of any such expenses reimbursed or in-kind benefits provided in one year shall not affect the expenses or in-kind benefits eligible for reimbursement or payment in any subsequent year, and the Executive's right to such reimbursement or payment of any such expenses will not be subject to liquidation or exchange for any other benefit. The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his Separation from Service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(i) and any successor provision thereto).

4.3 Mitigation. Executive shall not be required to mitigate damages or the amount of any payment provided under this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for under this Agreement be reduced by any compensation earned by Executive as a result of employment by another employer or by any retirement benefits received by Executive after the Date of Termination, or otherwise.

ARTICLE V
PROPRIETARY INFORMATION OBLIGATIONS

Confidentiality. Executive agrees to execute and abide by the Company's customary form of Confidentiality Agreement (the "Confidentiality Agreement"). Without limiting the foregoing, Executive acknowledges that the Company has a legitimate and continuing proprietary interest in the Company's confidential and proprietary information which the Company has expended great sums to develop and maintain. Except as required by law, including disclosure required by judicial process, or as otherwise necessary to fulfill his duties to the Company, the Executive shall not use, exploit, publish or disclose in any manner, and the Executive shall maintain in the strictest confidence, all confidential or proprietary information concerning the Company's business and operations (including information regarding suppliers, customers, details of contracts, pricing policies, market information, operational methods or future plans), and shall keep all such information confidential so long as such information does not become known to third persons other than by reason of an improper disclosure of such information by the Executive.

5.1 Remedies. Executive's duties under the Confidentiality Agreement shall survive termination of Executive's employment with the Company and the termination of this Agreement. Executive acknowledges that a remedy at law for any breach or threatened breach by Executive of the provisions of the Confidentiality Agreement would be inadequate, and Executive therefore agrees that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach.

ARTICLE VI
OUTSIDE ACTIVITIES

6.1 Other Activities. Except with the prior written consent of the Board, Executive shall not during the term of this Agreement undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor. Executive may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of Executive's duties hereunder.

6.2 Competition/Investments. During the term of Executive's employment by the Company, except on behalf of the Globe Group, Executive shall not directly or indirectly, whether as an officer, director, stockholder, partner, proprietor, associate, representative, consultant, or in any capacity whatsoever engage in, become financially interested in, be employed by or have any business connection with any other person, corporation, firm, partnership or other entity whatsoever which were known by Executive to compete directly with the Globe Group, throughout the United States, in any line of business engaged in (or planned to be engaged in) by the Globe Group; provided, however, that anything above to the contrary

notwithstanding, Executive may own, as a passive investor, securities of any competitor corporation, so long as Executive's direct holdings in any one such corporation shall not in the aggregate constitute more than 5% of the voting stock of such corporation.

ARTICLE VII
NONINTERFERENCE

While employed by, or providing services to, the Company, and for one (1) year immediately following the later of the Date of Termination or the date Executive otherwise ceases providing services to the Company, Executive agrees not to interfere with the business of the Company by soliciting or attempting to solicit any employee of the Company to terminate such employee's employment in order to become an employee, consultant or independent contractor to or for any other entity. For the avoidance of doubt, a bona fide advertisement for employment placed by any party any not specifically targeted at employees of the Company shall not constitute a violation of this Article 7. Executive's duties under this Article 7 shall survive termination of Executive's employment with the Company and the termination of this Agreement.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Notices. Any notices provided hereunder must be in writing and shall be deemed effective upon the earlier of personal delivery (including personal delivery by facsimile) or the third day after mailing by first class mail, to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll.

8.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement 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 Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

8.3 Waiver. If either party should waive any breach of any provisions of this Agreement, they shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

8.4 Complete Agreement. The terms of this Agreement (together with any other agreements and instruments contemplated hereby or referred to herein) is intended by the parties to be the final expression of their agreement with respect to the employment of the Executive by the Company and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement shall supersede all undertakings or agreements, whether written or oral, previously entered into by the Executive and the Company or any predecessor thereto or affiliate thereof with respect to the employment of the Executive by the Company or with respect to severance payable by the Company upon termination of employment (including, without limitation, the Prior Agreement and that certain Executive Change in Control Agreement entered

into by the Company and Executive dated October 5, 2006). The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein or therein, and cannot be modified or amended except in a writing signed by an officer of the Company and Executive.

8.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

8.6 Headings. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

8.7 Successors and Assigns. The Company may assign its rights and obligations under this Agreement to any entity, including any successor to all or substantially all the assets of the Company, by merger or otherwise, and may assign or encumber this Agreement and its rights hereunder as security for indebtedness of the Company and its affiliates. The Executive may not assign the Executive's rights or obligations under this Agreement to any individual or entity. This Agreement shall be binding upon and inure to the benefit of the Company, the Executive and their respective successors, assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.

8.8 Arbitration. To ensure the timely and economical resolution of disputes that arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in San Francisco, California, conducted by Judicial Arbitration and Mediation Services, Inc. ("JAMS") under the applicable JAMS employment rules. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

8.9 Attorneys' Fees. If either party hereto brings any action to enforce rights hereunder, each party in any such action shall be responsible for its own attorneys' fees and costs incurred in connection with such action.

8.10 Withholding. The Company shall be entitled to withhold from any amounts payable under this Agreement any federal, state, local or foreign withholding or other taxes or charges which the Company is required to withhold. The Company shall be entitled to rely on an opinion of counsel if any questions as to the amount or requirement of withholding shall arise.

8.11 Section 409A. The parties acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and the parties agree to use their best efforts to achieve timely compliance with, Section 409A of the Code, and the Department of Treasury Regulations and other interpretive guidance issued thereunder ("Section 409A"), including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any compensation or benefits payable or provided under this Agreement may be subject to Section 409A, the Company reserves the right to (without any obligation to do so or to indemnify the Executive for failure to do so) adopt such limited amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company reasonably determines are necessary or appropriate to (a) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of the compensation and benefits provided with respect to this Agreement or (b) comply with the requirements of Section 409A, and thereby avoid the application of penalty taxes thereunder.

8.12 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the law of the State of California without regard to the conflicts of law provisions thereof.

8.13 Grant of Stock Options. Within two (2) weeks of the Effective Date Globe shall make a grant of stock options to acquire shares of its common stock to Executive in final forms mutually agreed between Executive and Globe consistent with the terms set forth in Exhibit A of the Transfer Contribution and Support Agreement between Executive, the 2012 Separate Property Trust dated 1/23/12, the Tuckernuck Trust and Globe (formerly known as Cannery Sales Holding Corp.) dated September 13, 2014.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

GROCERY OUTLET INC.

By: /s/ Eric J. Lindberg, Jr.
Name: Eric J. Lindberg, Jr.
Title: Co-Chief Executive Officer

GLOBE HOLDING CORP.

By: /s/ Eric J. Lindberg, Jr.
Name: Eric J. Lindberg, Jr.
Title: Co-Chief Executive Officer

Accepted and agreed:

/s/ S. MacGregor Read, Jr.
S. MACGREGOR READ, JR.

Exhibit 10.24

RESTRICTIVE COVENANT AGREEMENT

This RESTRICTIVE COVENANT AGREEMENT (this "Agreement"), is dated as of the 13th day of September, 2014, between Cannery Sales Holding Corp., a Delaware corporation ("Buyer"), Eric J. Lindberg (the "Executive") and certain trusts identified on the signature pages hereto that are owned and/or controlled by, or for the benefit of, the Executive or one or more family members of the Executive (the "Trust" and together with the Executive, the "Selling Stockholder").

RECITALS:

WHEREAS, Eric J. Lindberg (the "Trustee") is trustee of the Trust which is stockholder of GOBP Holdings, Inc. (the "Company");

WHEREAS, as trustee of the Trust, the Trustee have the authority to act on behalf of the Trust and desire to enter into this Agreement on behalf of the Trust;

WHEREAS, the Selling Stockholders acknowledge that the Company, through its subsidiaries, is engaged in the business of developing, operating and supplying grocery stores and of developing grocery stores and selling goods and merchandise through such grocery stores;

WHEREAS, the Selling Stockholders acknowledge that the Company is, concurrently with the execution of this Agreement, entering into an Agreement and Plan of Merger, dated as of September 13, 2014 (as amended, rested, modified or supplemented from time to time, the "Merger Agreement"), by and among Buyer, Cannery Sales Merger Corp., a Delaware corporation and wholly owned subsidiary of Buyer ("Merger Sub"), the Company and BSR LLC, acting as the Stockholders' Representative, pursuant to which, upon the terms and subject to the conditions set forth therein, Merger Sub will merge with and into the Company (the "Merger"), with the Company surviving as the Merger as the surviving corporation, and solely as a result thereof, the Selling Stockholders are receiving a significant amount of proceeds in respect of the Selling Stockholders' equity interests held in the Company (the "Merger Proceeds");

WHEREAS, the Selling Stockholders further acknowledge that: (i) the protections set forth in this Agreement constitute an essential premise of the willingness of Buyer to enter into the transactions contemplated under the Merger Agreement and pay the Merger Proceeds, (ii) without such Merger Agreement transaction the Selling Stockholders would not be entitled to any Merger Proceeds, (iii) it is essential to the success of Buyer and the Company after the Closing Date (as defined in the Merger Agreement) that the Selling Stockholders enter into the protections set forth herein and the business of the Company would suffer significant and irreparable harm by the Selling Stockholders competing with the businesses of the Company and its subsidiaries (as defined in the Merger Agreement) for a period of time after the Closing Date, and (iv) Buyer would be unwilling to enter into the transaction contemplated under the Merger Agreement in the absence of the protections set forth herein and in the absence of the Selling Stockholders' agreement to execute this Agreement;

WHEREAS, by the transactions pursuant to the Merger Agreement, the entirety of the Selling Stockholders' goodwill with respect to the Company, *inter alia*, is being transferred to Buyer;

WHEREAS, Buyer seeks to preserve and protect the goodwill of the Company following the Closing (as defined in the Merger Agreement) of the transactions pursuant to the Merger Agreement; and

WHEREAS, the Selling Stockholders agree that the restrictions set forth herein are reasonable and necessary in order to protect the goodwill, confidential information and other legitimate business interests of the Company and its Affiliates (as defined in the Merger Agreement) after the Closing Date.

NOW, THEREFORE, in consideration of all of the foregoing, and the mutual terms, covenants, agreements and conditions hereinafter set forth, Buyer and the Selling Stockholders hereby agree, subject to the closing of the Merger (as defined in the Merger Agreement) as follows:

1. The Selling Stockholders agree that from the Closing Date until the five (5) year anniversary of the Closing Date (or, if earlier, the two (2) year anniversary of termination of Executive's employment with the Buyer and its Subsidiaries (as defined in the Merger Agreement) in the event such employment is terminated by the Buyer and its Subsidiaries without Cause or by Executive's resignation for Good Reason, as such terms are defined in the Selling Stockholders employment agreement with the Company) (the "Restricted Period"), the Selling Stockholders shall not, directly or indirectly through an Affiliate (as defined in the Merger Agreement) or otherwise, own any direct or indirect interest in, manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in any Competitive Business. As used herein, the following terms have the meanings set forth below:

(i) "Competitive Business" means any business, person or entity that, together with its Subsidiaries, directly or indirectly, (a) owns, operates or franchises one or more Competing Grocery Stores (b) sells merchandise through consignment, independent operator or similar arrangement to one or more Competing Grocery Stores, (c) distributes primarily grocery merchandise to one or more Competing Grocery Stores, (d) licenses any trademark or brand for use by one or more Competing Grocery Stores, or (e) otherwise engages in the business of operating or developing one or more Competing Grocery Stores.

(ii) "Competing Grocery Store" means any grocery store, mass merchandise or other store (excluding any convenience store with limited grocery offerings such as a gas station or Seven Eleven store but, for the avoidance of doubt, including Walmart Neighborhood Stores, Aldi and similar stores) that sells (x) discount groceries, or (y) grocery merchandise sourced through opportunistic buying, in each case, that is located within five (5) miles of any grocery store operated by the Company or its subsidiaries or by a Grocery Outlet independent operator as of the Closing Date.

Notwithstanding the foregoing, the Executive shall be permitted to provide services to (1) a private equity fund that owns a Competitive Business or (2) a conglomerate company that together with its Subsidiaries is not primarily engaged in a Competitive Business, in either case, as long as the Executive does not, directly or indirectly manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in such Competitive Business.

2. Nothing herein shall prohibit the Selling Stockholders during the Restricted Period from being a passive owner of not more than one percent (1%) of the outstanding stock of any class of a corporation which is publicly traded and that engages in a Competitive Business, so long as the Selling Stockholders have no active participation in the business or management of such corporation, its subsidiaries or its or their businesses or operations.

3. The Selling Stockholders agree that during the Restricted Period, the Selling Stockholders shall not, directly or indirectly through an Affiliate or otherwise, (i) cause, solicit, induce or encourage any employees of the Company or the subsidiaries as of the Closing Date to leave such employment (other than through general advertisements or executive searches not specifically directed at any of the Company or the subsidiaries or any of their respective employees) or (ii) cause, induce or encourage any material actual or prospective supplier or licensor of the Company or the subsidiaries as of the Closing Date or any other Person who has a material business relationship with the Company or the subsidiaries as of the Closing Date to terminate or modify any such actual or prospective relationship.

4. In the event of the breach or a threatened breach by the Selling Stockholders of any of the provisions of any of Sections 1 through 3 above, Buyer, in addition and supplementary to other rights and remedies existing in its favor, may apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security).

5. This Agreement shall, except with respect to Sections 6 and 7 (which shall survive the termination of this Agreement indefinitely) terminate on the earlier of (i) the date on which the Merger Agreement terminates in accordance with its terms, and (ii) with respect to a Competitive Business, the time that the Company and its subsidiaries cease to (A) own, operate or have an economic interest in any grocery store within five (5) miles of any Competing Grocery Store of such Competitive Business and (B) sell any goods or merchandise through any grocery store within five (5) miles of any Competing Grocery Store of such Competitive Business.

6. It is the intent of the parties hereto that all questions with respect to the construction of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof that would call for the application of the substantive law of any jurisdiction other than the State of Delaware. Each party irrevocably agrees for the exclusive benefit of the other that any and all suits, actions or proceedings relating to this Agreement shall be maintained in either the courts of the State of Delaware or the federal District Courts sitting in Wilmington, Delaware (the "Chosen Courts") and that the Chosen Courts shall have exclusive jurisdiction over any proceeding and that any such proceedings shall only be brought in the Chosen Courts. Each of the parties hereto agrees that this Agreement involves at least $100,000 and that this Agreement has been entered into in express reliance on Section 2708 of Title 6 of the Delaware Code. Each of the parties hereto irrevocably and unconditionally agrees that, to the extent such party is not otherwise subject to service of process in the State of Delaware, service of process may be made on such party by pre-paid certified mail with a validated proof of mailing receipt constituting evidence of valid service sent to such party at the last address provided by either party to the other, and that service sent made pursuant to this Section 6 shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

7. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG THE PARTIES HERETO ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OTHER AGREEMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR FOR ANY COUNTERCLAIM THEREIN. THE PARTIES HERETO MAY FILE AN ORIGINAL COUNTERPART OR COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

8. The Selling Stockholders agree that (i) the covenants contained herein are reasonable and lawful under the circumstances (*e.g.*, in connection with the disposition of the Selling Stockholders' ownership interests in the Company and its Subsidiaries and the Selling Stockholders' goodwill related thereto in connection with the transactions described in the Merger Agreement, in return for which the Selling Stockholders are receiving cash and other good and valuable consideration), (ii) the Selling Stockholders have consulted with counsel of the Selling Stockholders' choosing, and based upon such counsel's advice, the covenants contained herein constitute a valid and enforceable agreement under Section 16601 of the California Business and Professional Code, and (iii) the Selling Stockholders will not contest the validity or unenforceability of this Agreement during the Restricted Period. It is expressly understood and agreed that although the Selling Stockholders and the Company consider the restrictions contained in this Agreement to be reasonable and lawful, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Agreement is an unenforceable restriction against the Selling Stockholders, the provisions of this Agreement shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Agreement is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein

9. This Agreement and the Merger Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any other agreement by the parties with respect to the subject matter hereof. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties with respect to the subject matter herein other than those expressly set forth herein. This Agreement may not be altered, modified, or amended except by written instrument signed by the parties hereto.

10. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

11. This Agreement shall not be assignable by the Selling Stockholders. This Agreement may only be assigned by Buyer to any Affiliate or successor of Buyer that in either case is a successor in interest to the business of Buyer and its Subsidiaries. Upon such assignment in accordance herewith, the rights and obligations of Buyer hereunder shall become the rights and obligations of such successor.

12. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assignees of the parties hereto. Notwithstanding anything in this Agreement, the Selling Stockholders acknowledge and agrees that Buyer, its Subsidiaries and any of their respective Affiliates shall be entitled to injunctive or other relief in order to enforce the covenants as set forth in Sections 1 through 3 of this Agreement.

13. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first set forth above.

SELLING STOCKHOLDER:

/s/ Eric Lindberg
Eric Lindberg

THE LINDBERG REVOCABLE TRUST U/A/D 02/14/06

By: /s/ Eric Lindberg
Name: Eric Lindberg
Title: Co-Trustee

[Signature Page to Restrictive Covenant Agreement]

CANNERY SALES HOLDING CORP.

By: /s/ Erik Ragatz
Name: Erik Ragatz
Title: President

[Signature Page to Restrictive Covenant Agreement]

Exhibit 10.25

RESTRICTIVE COVENANT AGREEMENT

This RESTRICTIVE COVENANT AGREEMENT (this "Agreement"), is dated as of the 13th day of September, 2014, between Cannery Sales Holding Corp., a Delaware corporation ("Buyer"), Steven MacGregor Read, Jr. (the "Executive") and certain trusts identified on the signature pages hereto that are owned and/or controlled by, or for the benefit of, the Executive or one or more family members of the Executive (the "Trusts" and together with the Executive, the "Selling Stockholder").

RECITALS:

WHEREAS, Eric Lindberg and Steven MacGregor Read, Jr. (collectively, the "Trustees") are trustees of the Trusts which are stockholders of GOBP Holdings, Inc. (the "Company");

WHEREAS, as trustees of the Trusts, the Trustees have the authority to act on behalf of the Trusts and desire to enter into this Agreement on behalf of the Trust;

WHEREAS, the Selling Stockholders acknowledge that the Company, through its subsidiaries, is engaged in the business of developing, operating and supplying grocery stores and of developing grocery stores and selling goods and merchandise through such grocery stores;

WHEREAS, the Selling Stockholders acknowledge that the Company is, concurrently with the execution of this Agreement, entering into an Agreement and Plan of Merger, dated as of September 13, 2014 (as amended, rested, modified or supplemented from time to time, the "Merger Agreement"), by and among Buyer, Cannery Sales Merger Corp., a Delaware corporation and wholly owned subsidiary of Buyer ("Merger Sub"), the Company and BSR LLC, acting as the Stockholders' Representative, pursuant to which, upon the terms and subject to the conditions set forth therein, Merger Sub will merge with and into the Company (the "Merger"), with the Company surviving as the Merger as the surviving corporation, and solely as a result thereof, the Selling Stockholders are receiving a significant amount of proceeds in respect of the Selling Stockholders' equity interests held in the Company (the "Merger Proceeds");

WHEREAS, the Selling Stockholders further acknowledge that: (i) the protections set forth in this Agreement constitute an essential premise of the willingness of Buyer to enter into the transactions contemplated under the Merger Agreement and pay the Merger Proceeds, (ii) without such Merger Agreement transaction the Selling Stockholders would not be entitled to any Merger Proceeds, (iii) it is essential to the success of Buyer and the Company after the Closing Date (as defined in the Merger Agreement) that the Selling Stockholders enter into the protections set forth herein and the business of the Company would suffer significant and irreparable harm by the Selling Stockholders competing with the businesses of the Company and its subsidiaries (as defined in the Merger Agreement) for a period of time after the Closing Date, and (iv) Buyer would be unwilling to enter into the transaction contemplated under the Merger Agreement in the absence of the protections set forth herein and in the absence of the Selling Stockholders' agreement to execute this Agreement;

WHEREAS, by the transactions pursuant to the Merger Agreement, the entirety of the Selling Stockholders' goodwill with respect to the Company, *inter alia*, is being transferred to Buyer;

WHEREAS, Buyer seeks to preserve and protect the goodwill of the Company following the Closing (as defined in the Merger Agreement) of the transactions pursuant to the Merger Agreement; and WHEREAS, the Selling Stockholders agree that the restrictions set forth herein are reasonable and necessary in order to protect the goodwill, confidential information and other legitimate business interests of the Company and its Affiliates (as defined in the Merger Agreement) after the Closing Date.

NOW, THEREFORE, in consideration of all of the foregoing, and the mutual terms, covenants, agreements and conditions hereinafter set forth, Buyer and the Selling Stockholders hereby agree, subject to the closing of the Merger (as defined in the Merger Agreement) as follows:

1. The Selling Stockholders agree that from the Closing Date until the five (5) year anniversary of the Closing Date (or, if earlier, the two (2) year anniversary of termination of Executive's employment with the Buyer and its Subsidiaries (as defined in the Merger Agreement) in the event such employment is terminated by the Buyer and its Subsidiaries without Cause or by Executive's resignation for Good Reason, as such terms are defined in the Selling Stockholders employment agreement with the Company) (the "Restricted Period"), the Selling Stockholders shall not, directly or indirectly through an Affiliate (as defined in the Merger Agreement) or otherwise, own any direct or indirect interest in, manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in any Competitive Business. As used herein, the following terms have the meanings set forth below:

(i) "Competitive Business" means any business, person or entity that, together with its Subsidiaries, directly or indirectly, (a) owns, operates or franchises one or more Competing Grocery Stores (b) sells merchandise through consignment, independent operator or similar arrangement to one or more Competing Grocery Stores, (c) distributes primarily grocery merchandise to one or more Competing Grocery Stores, (d) licenses any trademark or brand for use by one or more Competing Grocery Stores, or (e) otherwise engages in the business of operating or developing one or more Competing Grocery Stores.

(ii) "Competing Grocery Store" means any grocery store, mass merchandise or other store (excluding any convenience store with limited grocery offerings such as a gas station or Seven Eleven store but, for the avoidance of doubt, including Walmart Neighborhood Stores, Aldi and similar stores) that sells (x) discount groceries, or (y) grocery merchandise sourced through opportunistic buying, in each case, that is located within five (5) miles of any grocery store operated by the Company or its subsidiaries or by a Grocery Outlet independent operator as of the Closing Date.

Notwithstanding the foregoing, the Executive shall be permitted to provide services to (1) a private equity fund that owns a Competitive Business or (2) a conglomerate company that together with its Subsidiaries is not primarily engaged in a Competitive Business, in either case, as long as the Executive does not, directly or indirectly manage, control, serve as a director of, participate in, consult with, render services for, or in any manner engage in such Competitive Business.

2. Nothing herein shall prohibit the Selling Stockholders during the Restricted Period from being a passive owner of not more than one percent (1%) of the outstanding stock of any class of a corporation which is publicly traded and that engages in a Competitive Business, so long as the Selling Stockholders have no active participation in the business or management of such corporation, its subsidiaries or its or their businesses or operations.

3. The Selling Stockholders agree that during the Restricted Period, the Selling Stockholders shall not, directly or indirectly through an Affiliate or otherwise, (i) cause, solicit, induce or encourage any employees of the Company or the subsidiaries as of the Closing Date to leave such employment (other than through general advertisements or executive searches not specifically directed at any of the Company or the subsidiaries or any of their respective employees) or (ii) cause, induce or encourage any material actual or prospective supplier or licensor of the Company or the subsidiaries as of the Closing Date or any other Person who has a material business relationship with the Company or the subsidiaries as of the Closing Date to terminate or modify any such actual or prospective relationship.

4. In the event of the breach or a threatened breach by the Selling Stockholders of any of the provisions of any of Sections 1 through 3 above, Buyer, in addition and supplementary to other rights and remedies existing in its favor, may apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security).

5. This Agreement shall, except with respect to Sections 6 and 7 (which shall survive the termination of this Agreement indefinitely) terminate on the earlier of (i) the date on which the Merger Agreement terminates in accordance with its terms, and (ii) with respect to a Competitive Business, the time that the Company and its subsidiaries cease to (A) own, operate or have an economic interest in any grocery store within five (5) miles of any Competing Grocery Store of such Competitive Business and (B) sell any goods or merchandise through any grocery store within five (5) miles of any Competing Grocery Store of such Competitive Business.

6. It is the intent of the parties hereto that all questions with respect to the construction of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof that would call for the application of the substantive law of any jurisdiction other than the State of Delaware. Each party irrevocably agrees for the exclusive benefit of the other that any and all suits, actions or proceedings relating to this Agreement shall be maintained in either the courts of the State of Delaware or the federal District Courts sitting in Wilmington, Delaware (the "Chosen Courts") and that the Chosen Courts shall have exclusive jurisdiction over any proceeding and that any such proceedings shall only be brought in the Chosen Courts. Each of the parties hereto agrees that this Agreement involves at least $100,000 and that this Agreement has been entered into in express reliance on Section 2708 of Title 6 of the Delaware Code. Each of the parties hereto irrevocably and unconditionally agrees that, to the extent such party is not otherwise subject to service of process in the State of Delaware, service of process may be made on such party by pre-paid certified mail with a validated proof of mailing receipt constituting evidence of valid service sent to such party at the last address provided by either party to the other, and that service sent made pursuant to this Section 6 shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

7. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG THE PARTIES HERETO ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OTHER AGREEMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR FOR ANY COUNTERCLAIM THEREIN. THE PARTIES HERETO MAY FILE AN ORIGINAL COUNTERPART OR COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

8. The Selling Stockholders agree that (i) the covenants contained herein are reasonable and lawful under the circumstances (*e.g.*, in connection with the disposition of the Selling Stockholders' ownership interests in the Company and its Subsidiaries and the Selling Stockholders' goodwill related thereto in connection with the transactions described in the Merger Agreement, in return for which the Selling Stockholders are receiving cash and other good and valuable consideration), (ii) the Selling Stockholders have consulted with counsel of the Selling Stockholders' choosing, and based upon such counsel's advice, the covenants contained herein constitute a valid and enforceable agreement under Section 16601 of the California Business and Professional Code, and (iii) the Selling Stockholders will not contest the validity or unenforceability of this Agreement during the Restricted Period. It is expressly understood and agreed that although the Selling Stockholders and the Company consider the restrictions contained in this Agreement to be reasonable and lawful, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Agreement is an unenforceable restriction against the Selling Stockholders, the provisions of this Agreement shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Agreement is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein

9. This Agreement and the Merger Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any other agreement by the parties with respect to the subject matter hereof. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties with respect to the subject matter herein other than those expressly set forth herein. This Agreement may not be altered, modified, or amended except by written instrument signed by the parties hereto.

10. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

11. This Agreement shall not be assignable by the Selling Stockholders. This Agreement may only be assigned by Buyer to any Affiliate or successor of Buyer that in either case is a successor in interest to the business of Buyer and its Subsidiaries. Upon such assignment in accordance herewith, the rights and obligations of Buyer hereunder shall become the rights and obligations of such successor.

12. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assignees of the parties hereto. Notwithstanding anything in this Agreement, the Selling Stockholders acknowledge and agrees that Buyer, its Subsidiaries and any of their respective Affiliates shall be entitled to injunctive or other relief in order to enforce the covenants as set forth in Sections 1 through 3 of this Agreement.

13. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first set forth above.

SELLING STOCKHOLDER:

/s/ Steven MacGregor Read, Jr.
Steven MacGregor Read, Jr.

2012 SEPARATE PROPERTY TRUST DATED 01/23/12

By: /s/ Steven MacGregor Read, Jr.
Name: Steven MacGregor Read, Jr.
Title: Trustee

TUCKERNUCK TRUST

By: /s/ Eric Lindberg
Name: Eric Lindberg
Title: Trustee

[Signature Page to Restrictive Covenant Agreement]

CANNERY SALES HOLDING CORP.

By: /s/ Erik Ragatz
Name: Erik Ragatz
Title: President

[Signature Page to Restrictive Covenant Agreement]

Exhibit 10.26

GROCERY OUTLET INC.

EXECUTIVE CHANGE IN CONTROL AGREEMENT

This Executive Employment Agreement ("Agreement") is entered into as of the 7th day of October, 2014 (the "Effective Date"), by and between Charles Bracher ("Executive"), Grocery Outlet Inc. (the "Company"), and Globe Holding Corp. ("Globe") (Globe, the Company, and their direct and indirect subsidiaries, the ("Globe Group").

WHEREAS, the Company desires to continue to employ Executive to provide personal services to the Company, and wishes to provide Executive with certain compensation and benefits in return for Executive's services; and

WHEREAS, Executive wishes to continue to be employed by the Company and provide personal services to the Company in return for certain compensation and benefits.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the parties hereto as follows:

ARTICLE I
DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

1.1 "Board" means the Board of Directors of Globe.

1.2 "**Cause**" means:

(a) Executive's willful and continued breach of this Agreement or failure to perform his duties to the Company or its successor after a written demand for substantial performance is delivered to him by the Company or its successor which demand specifically identifies the manner in which the Company or its successor believe that he has not substantially performed his duties;

(b) his conviction of or plea of guilty or *nobo contendere* to felony criminal conduct; or

(c) his breach of the terms of any restrictive covenants agreement between Executive and any member of the Globe Group (whether such agreement is an independent agreement, contained in this Agreement, or contained in the terms of any equity award agreement or otherwise).

No act or failure to act by Executive shall be deemed "willful" if done, or omitted to be done, by Executive in good faith and with the reasonable belief that Executive's action or omission was in the best interest of the Company.

1.3 "Change in Control" shall mean the consummation of the transaction contemplated by that certain Agreement and Plan of Merger by and among GOPB Holding, Inc., Globe (formerly known as Cannery Sales Holding Corp.), Globe Merger Corp. (formerly known as Cannery Sales Merger Corp.), and BSR LLC, dated as of September 13, 2014, as amended (the "Globe Merger Agreement").

1.4 "Company" means Grocery Outlet Inc.

1.5 "Covered Termination" means (i) an Involuntary Termination Without Cause that occurs within the eighteen (18) month period commencing on the effective date of the Change in Control, or (ii) a voluntary termination for Good Reason that occurs within the eighteen (18) month period commencing on the effective date of the Change in Control.

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

1.7 "Globe" means Globe Holding Corp.

1.8 "Globe Group" means Globe, the Company, and their direct and indirect subsidiaries.

1.9 "Good Reason" means that any of the following are undertaken without Executive's express written consent:

(a) the assignment to Executive of any duties or responsibilities that results in any diminution or adverse change of Executive's position, status, title, authority, circumstances of employment or scope of responsibilities;

(b) a reduction by the Company in Executive's annual base salary as in effect on the effective date of the Change in Control;

(c) the taking of any action by the Company that would adversely affect Executive's participation in, or reduce Executive's benefits under, the Company's benefit plans (excluding equity benefits) as of the effective date of the Change in Control, except to the extent the benefits of all other executives of the Company are similarly reduced;

(d) a relocation of Executive's principal office to a location more than forty (40) miles from the location at which Executive was performing Executive's duties as of the effective date of the Change in Control, except for required travel by Executive on the Company's business;

(e) any material breach by the Company of any provision of this Agreement; or

(f) any failure by the Company to obtain the assumption of this Agreement by any successor or assign of the Company.

1.10 "Involuntary Termination Without Cause" means Executive's dismissal or discharge other than for Cause. The termination of Executive's employment as a result of Executive's death or disability will not be deemed to be an Involuntary Termination Without Cause.

1.11 "Read Family" means the Company; Steven Read; Peter Read; any member of either Steven Read's or Peter Read's family by blood or marriage to and including the level of first cousin; any trust or estate in which any of the preceding persons is a trustee or has a beneficiary interest or any person controlled directly or indirectly by one or more of the preceding persons.

1.12 "Separation from Service" shall mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), as determined by the Company on the date of a Covered Termination in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(h) and any successor provision thereto).

ARTICLE II
EMPLOYMENT BY THE COMPANY

2.1 Position and Duties. Subject to terms set forth herein, the Company agrees to continue to employ Executive in the position of Chief Financial Officer and Executive hereby accepts such continued employment. Executive shall serve in an executive capacity and shall perform such duties as are customarily associated with the position of Chief Financial Officer and such other duties as are assigned to Executive by the Company's Chief Executive Officer. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention (except for vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies or as otherwise set forth in this Agreement) to the business of the Company.

2.2 Employment at Will. Both the Company and Executive shall have the right to terminate Executive's employment with the Company at any time, with or without Cause, and without prior notice. If Executive's employment with the Company is terminated, Executive will be eligible to receive severance benefits to the extent provided in this Agreement.

2.3 Employment Policies. The employment relationship between the parties shall also be governed by the general employment policies and practices of the Company, including those relating to protection of confidential information and assignment of inventions, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

ARTICLE III
COMPENSATION

3.1 Base Salary. Executive shall receive for services to be rendered hereunder an annual base salary of $450,883, payable on the regular payroll dates of the Company, subject to increase in the sole discretion of the Board.

3.2 Standard Company Benefits. Executive shall be entitled to all rights and benefits for which Executive is eligible under the terms and conditions of the standard Company benefits and compensation practices that may be in effect from time to time and are provided by the Company to its executive employees generally.

ARTICLE IV
SEVERANCE AND CHANGE IN CONTROL BENEFITS

4.1 Severance Benefits. If Executive's employment terminates due to a Covered Termination, Executive shall receive any annual base salary that has accrued but is unpaid as of the date of such Covered Termination. Executive shall also be entitled to receive payments equal to the sum of (a) one hundred fifty percent (150%) of Executive's annual base salary as in effect during the last regularly scheduled payroll period immediately preceding the Covered Termination and (b) Executive's target annual bonus for the year in which the Covered Termination occurs, pro-rated for the portion of the applicable performance period within which the Covered Termination occurs and determined assuming that any performance goals relating to such annual bonus have been attained at their targeted levels as of the date of the Covered Termination, subject to applicable tax withholding (the "Severance Benefits"). The Severance Benefits shall be payable in a single lump sum on the first regularly scheduled payroll date on or after the 60th day following the date the Covered Termination occurs.

4.2 Mitigation. Executive shall not be required to mitigate damages or the amount of any payment provided under this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for under this Agreement be reduced by any compensation earned by Executive as a result of employment by another employer or by any retirement benefits received by Executive after the date of the Covered Termination, or otherwise.

4.3 Section 409A. Notwithstanding any provision to the contrary in this Agreement: (i) no amount shall be payable pursuant to Section 4.1 unless the Executive's termination of employment constitutes a Separation from Service and unless, on or prior to the 60th day following the date of Executive's Covered Termination, Executive executes a waiver and release of claims agreement in the Company's customary form and does not subsequently revoke such waiver and release of claims agreement and (ii) if at the time of the Executive's Separation from Service the Executive is determined to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (B) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 4.3 shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein. For purposes of Section 409A of the Code, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of any expense under Sections 3.2 or 4.1 or in-kind benefits provided under this Agreement are deemed to constitute taxable compensation to the Executive, such amounts will be reimbursed or provided no later than December 31 of the year following the year in which the expense was incurred. The amount of any such expenses reimbursed or in-kind benefits provided in one year shall not affect the expenses or in-kind benefits eligible for reimbursement or payment in any subsequent year, and the Executive's right to such reimbursement or payment of any such expenses will not be subject to liquidation or exchange for any other benefit. The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his Separation from Service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(i) and any successor provision thereto).

ARTICLE V
PROPRIETARY INFORMATION OBLIGATIONS

5.1 Confidentiality. Executive agrees to execute and abide by the Company's customary form of Confidentiality Agreement (the "Confidentiality Agreement"). Without limiting the foregoing, Executive agrees the terms of this Agreement and its subject matter are sensitive and should be kept confidential and that without the prior authorization of the Company Executive shall not disclose to any third party any and all information, whether written or oral, relating to any transaction involving the Company that, if consummated, could constitute a change in control, other than information that (a) is or becomes generally available to the public other than as a result of a breach of this Agreement by Executive; or (b) becomes available to Executive on a non-confidential basis from a source other than the Company or a member of the Read Family, provided that such source is not to your knowledge, after reasonable investigation, bound by a confidentiality agreement or other legal or fiduciary obligation of secrecy to the Company or any of its affiliates.

5.2 Remedies. Executive's duties under the Confidentiality Agreement shall survive termination of Executive's employment with the Company and the termination of this Agreement. Executive acknowledges that a remedy at law for any breach or threatened breach by Executive of the provisions of the Confidentiality Agreement would be inadequate, and Executive therefore agrees that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach.

ARTICLE VI
OUTSIDE ACTIVITIES

6.1 Other Activities. Except with the prior written consent of the Board, Executive shall not during the term of this Agreement undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor. Executive may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of Executive's duties hereunder.

6.2 Competition/Investments. During the term of Executive's employment by the Company, except on behalf of the Globe Group, Executive shall not directly or indirectly, whether as an officer, director, stockholder, partner, proprietor, associate, representative, consultant, or in any capacity whatsoever engage in, become financially interested in, be employed by or have any business connection with any other person, corporation, firm, partnership or other entity whatsoever which were known by Executive to compete directly with the Globe Group, throughout the United States, in any line of business engaged in (or planned to be engaged in) by the Globe Group; provided, however, that anything above to the contrary notwithstanding, Executive may own, as a passive investor, securities of any competitor corporation, so long as Executive's direct holdings in any one such corporation shall not in the aggregate constitute more than 5% of the voting stock of such corporation.

ARTICLE VII
NONINTERFERENCE

While employed by the Company, and for one (1) year immediately following the date on which Executive terminates employment or otherwise ceases providing services to the Company, Executive agrees not to interfere with the business of the Company by soliciting or attempting to solicit any employee of the Company to terminate such employee's employment in order to become an employee, consultant or independent contractor to or for any other entity. For the avoidance of doubt, a bona fide advertisement for employment placed by any party any not specifically targeted at employees of the Company shall not constitute a violation of this Article 7. Executive's duties under this Article 7 shall survive termination of Executive's employment with the Company and the termination of this Agreement.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Notices. Any notices provided hereunder must be in writing and shall be deemed effective upon the earlier of personal delivery (including personal delivery by facsimile) or the third day after mailing by first class mail, to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll.

8.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement 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 Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

8.3 Waiver. If either party should waive any breach of any provisions of this Agreement, they shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

8.4 Complete Agreement. This Agreement constitutes the entire agreement between Executive and the Company and is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter. This Agreement shall supersede all undertakings or agreements, whether written or oral, previously entered into by the Executive and the Company or any predecessor thereto or affiliate thereof with respect to the employment of the Executive by the Company or with respect to severance payable by the Company upon termination of employment. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein or therein, and cannot be modified or amended except in a writing signed by an officer of the Company and Executive.

8.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

8.6 Headings. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

8.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company, and Globe, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

8.8 Arbitration. To ensure the timely and economical resolution of disputes that arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in San Francisco, California, conducted by Judicial Arbitration and Mediation Services, Inc. ("JAMS") under the applicable JAMS employment rules. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

8.9 Attorneys' Fees. If either party hereto brings any action to enforce rights hereunder, each party in any such action shall be responsible for its own attorneys' fees and costs incurred in connection with such action.

8.10 Section 409A. This Agreement shall be interpreted, construed and administered in a manner that satisfies the requirements of Section 409A of the Internal Revenue Code of 1986, as amended and the final and proposed Department of Treasury Regulations promulgated thereunder.

8.11 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the law of the State of California without regard to the conflicts of law provisions thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

GROCERY OUTLET INC.

By: /s/ Eric Lindberg

GLOBE HOLDING CORP.

By: /s/ Eric Lindberg

Accepted and agreed:

/s/ Charles Bracher
CHARLES BRACHER

Exhibit 10.27

GROCERY OUTLET INC.

EXECUTIVE CHANGE IN CONTROL AGREEMENT

This Executive Employment Agreement ("Agreement") is entered into as of the 7th day of October, 2014 (the "Effective Date"), by and between Robert J. Sheedy ("Executive"), Grocery Outlet Inc. (the "Company"), and Globe Holding Corp. ("Globe") (Globe, the Company, and their direct and indirect subsidiaries, the ("Globe Group").

WHEREAS, the Company desires to continue to employ Executive to provide personal services to the Company, and wishes to provide Executive with certain compensation and benefits in return for Executive's services; and

WHEREAS, Executive wishes to continue to be employed by the Company and provide personal services to the Company in return for certain compensation and benefits.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the parties hereto as follows:

ARTICLE I
DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

1.1 "Board" means the Board of Directors of Globe.

1.2 "**Cause**" means:

(a) Executive's willful and continued breach of this Agreement or failure to perform his duties to the Company or its successor after a written demand for substantial performance is delivered to him by the Company or its successor which demand specifically identifies the manner in which the Company or its successor believe that he has not substantially performed his duties;

(b) his conviction of or plea of guilty or *nobo contendere* to felony criminal conduct; or

(c) his breach of the terms of any restrictive covenants agreement between Executive and any member of the Globe Group (whether such agreement is an independent agreement, contained in this Agreement, or contained in the terms of any equity award agreement or otherwise).

No act or failure to act by Executive shall be deemed "willful" if done, or omitted to be done, by Executive in good faith and with the reasonable belief that Executive's action or omission was in the best interest of the Company.

1.3 "Change in Control" shall mean the consummation of the transaction contemplated by that certain Agreement and Plan of Merger by and among GOPB Holding, Inc., Globe (formerly known as Cannery Sales Holding Corp.), Globe Merger Corp. (formerly known as Cannery Sales Merger Corp.), and BSR LLC, dated as of September 13, 2014, as amended (the "Globe Merger Agreement").

1.4 "Company" means Grocery Outlet Inc.

1.5 "Covered Termination" means (i) an Involuntary Termination Without Cause that occurs within the eighteen (18) month period commencing on the effective date of the Change in Control, or (ii) a voluntary termination for Good Reason that occurs within the eighteen (18) month period commencing on the effective date of the Change in Control.

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

1.7 "Globe" means Globe Holding Corp.

1.8 "Globe Group" means Globe, the Company, and their direct and indirect subsidiaries.

1.9 "Good Reason" means that any of the following are undertaken without Executive's express written consent:

(a) the assignment to Executive of any duties or responsibilities that results in any diminution or adverse change of Executive's position, status, title, authority, circumstances of employment or scope of responsibilities;

(b) a reduction by the Company in Executive's annual base salary as in effect on the effective date of the Change in Control;

(c) the taking of any action by the Company that would adversely affect Executive's participation in, or reduce Executive's benefits under, the Company's benefit plans (excluding equity benefits) as of the effective date of the Change in Control, except to the extent the benefits of all other executives of the Company are similarly reduced;

(d) a relocation of Executive's principal office to a location more than forty (40) miles from the location at which Executive was performing Executive's duties as of the effective date of the Change in Control, except for required travel by Executive on the Company's business;

(e) any material breach by the Company of any provision of this Agreement; or

(f) any failure by the Company to obtain the assumption of this Agreement by any successor or assign of the Company.

1.10 "Involuntary Termination Without Cause" means Executive's dismissal or discharge other than for Cause. The termination of Executive's employment as a result of Executive's death or disability will not be deemed to be an Involuntary Termination Without Cause.

1.11 "Read Family" means the Company; Steven Read; Peter Read; any member of either Steven Read's or Peter Read's family by blood or marriage to and including the level of first cousin; any trust or estate in which any of the preceding persons is a trustee or has a beneficiary interest or any person controlled directly or indirectly by one or more of the preceding persons.

1.12 "Separation from Service" shall mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), as determined by the Company on the date of a Covered Termination in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(h) and any successor provision thereto).

ARTICLE II
EMPLOYMENT BY THE COMPANY

2.1 Position and Duties. Subject to terms set forth herein, the Company agrees to continue to employ Executive in the position of Vice President of Strategy and Executive hereby accepts such continued employment. Executive shall serve in an executive capacity and shall perform such duties as are customarily associated with the position of Vice President of Strategy and such other duties as are assigned to Executive by the Company's Chief Executive Officer. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention (except for vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies or as otherwise set forth in this Agreement) to the business of the Company.

2.2 Employment at Will. Both the Company and Executive shall have the right to terminate Executive's employment with the Company at any time, with or without Cause, and without prior notice. If Executive's employment with the Company is terminated, Executive will be eligible to receive severance benefits to the extent provided in this Agreement.

2.3 Employment Policies. The employment relationship between the parties shall also be governed by the general employment policies and practices of the Company, including those relating to protection of confidential information and assignment of inventions, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

ARTICLE III
COMPENSATION

3.1 Base Salary. Executive shall receive for services to be rendered hereunder an annual base salary of $350,000, payable on the regular payroll dates of the Company, subject to increase in the sole discretion of the Board.

3.2 Standard Company Benefits. Executive shall be entitled to all rights and benefits for which Executive is eligible under the terms and conditions of the standard Company benefits and compensation practices that may be in effect from time to time and are provided by the Company to its executive employees generally.

ARTICLE IV
SEVERANCE AND CHANGE IN CONTROL BENEFITS

4.1 Severance Benefits. If Executive's employment terminates due to a Covered Termination, Executive shall receive any annual base salary that has accrued but is unpaid as of the date of such Covered Termination. Executive shall also be entitled to receive payments equal to the sum of (a) one hundred fifty percent (150%) of Executive's annual base salary as in effect during the last regularly scheduled payroll period immediately preceding the Covered Termination and (b) Executive's target annual bonus for the year in which the Covered Termination occurs, pro-rated for the portion of the applicable performance period within which the Covered Termination occurs and determined assuming that any performance goals relating to such annual bonus have been attained at their targeted levels as of the date of the Covered Termination, subject to applicable tax withholding (the "Severance Benefits"). The Severance Benefits shall be payable in a single lump sum on the first regularly scheduled payroll date on or after the 60th day following the date the Covered Termination occurs.

4.2 Mitigation. Executive shall not be required to mitigate damages or the amount of any payment provided under this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for under this Agreement be reduced by any compensation earned by Executive as a result of employment by another employer or by any retirement benefits received by Executive after the date of the Covered Termination, or otherwise.

4.3 Section 409A. Notwithstanding any provision to the contrary in this Agreement: (i) no amount shall be payable pursuant to Section 4.1 unless the Executive's termination of employment constitutes a Separation from Service and unless, on or prior to the 60th day following the date of Executive's Covered Termination, Executive executes a waiver and release of claims agreement in the Company's customary form and does not subsequently revoke such waiver and release of claims agreement and (ii) if at the time of the Executive's Separation from Service the Executive is determined to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (B) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 4.3 shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein. For purposes of Section 409A of the Code, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of any expense under Sections 3.2 or 4.1 or in-kind benefits provided under this Agreement are deemed to constitute taxable compensation to the Executive, such amounts will be reimbursed or provided no later than December 31 of the year following the year in which the expense was incurred. The amount of any such expenses reimbursed or in-kind benefits provided in one year shall not affect the expenses or in-kind benefits eligible for reimbursement or payment in any subsequent year, and the Executive's right to such reimbursement or payment of any such expenses will not be subject to liquidation or exchange for any other benefit. The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his Separation from Service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(i) and any successor provision thereto).

ARTICLE V
PROPRIETARY INFORMATION OBLIGATIONS

5.1 Confidentiality. Executive agrees to execute and abide by the Company's customary form of Confidentiality Agreement (the "Confidentiality Agreement"). Without limiting the foregoing, Executive agrees the terms of this Agreement and its subject matter are sensitive and should be kept confidential and that without the prior authorization of the Company Executive shall not disclose to any third party any and all information, whether written or oral, relating to any transaction involving the Company that, if consummated, could constitute a change in control, other than information that (a) is or becomes generally available to the public other than as a result of a breach of this Agreement by Executive; or (b) becomes available to Executive on a non-confidential basis from a source other than the Company or a member of the Read Family, provided that such source is not to your knowledge, after reasonable investigation, bound by a confidentiality agreement or other legal or fiduciary obligation of secrecy to the Company or any of its affiliates.

5.2 Remedies. Executive's duties under the Confidentiality Agreement shall survive termination of Executive's employment with the Company and the termination of this Agreement. Executive acknowledges that a remedy at law for any breach or threatened breach by Executive of the provisions of the Confidentiality Agreement would be inadequate, and Executive therefore agrees that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach.

ARTICLE VI
OUTSIDE ACTIVITIES

6.1 Other Activities. Except with the prior written consent of the Board, Executive shall not during the term of this Agreement undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor. Executive may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of Executive's duties hereunder.

6.2 Competition/Investments. During the term of Executive's employment by the Company, except on behalf of the Globe Group, Executive shall not directly or indirectly, whether as an officer, director, stockholder, partner, proprietor, associate, representative, consultant, or in any capacity whatsoever engage in, become financially interested in, be employed by or have any business connection with any other person, corporation, firm, partnership or other entity whatsoever which were known by Executive to compete directly with the Globe Group, throughout the United States, in any line of business engaged in (or planned to be engaged in) by the Globe Group; provided, however, that anything above to the contrary notwithstanding, Executive may own, as a passive investor, securities of any competitor corporation, so long as Executive's direct holdings in any one such corporation shall not in the aggregate constitute more than 5% of the voting stock of such corporation.

ARTICLE VII
NONINTERFERENCE

While employed by the Company, and for one (1) year immediately following the date on which Executive terminates employment or otherwise ceases providing services to the Company, Executive agrees not to interfere with the business of the Company by soliciting or attempting to solicit any employee of the Company to terminate such employee's employment in order to become an employee, consultant or independent contractor to or for any other entity. For the avoidance of doubt, a bona fide advertisement for employment placed by any party any not specifically targeted at employees of the Company shall not constitute a violation of this Article 7. Executive's duties under this Article 7 shall survive termination of Executive's employment with the Company and the termination of this Agreement.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Notices. Any notices provided hereunder must be in writing and shall be deemed effective upon the earlier of personal delivery (including personal delivery by facsimile) or the third day after mailing by first class mail, to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll.

8.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement 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 Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

8.3 Waiver. If either party should waive any breach of any provisions of this Agreement, they shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

8.4 Complete Agreement. This Agreement constitutes the entire agreement between Executive and the Company and is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter. This Agreement shall supersede all undertakings or agreements, whether written or oral, previously entered into by the Executive and the Company or any predecessor thereto or affiliate thereof with respect to the employment of the Executive by the Company or with respect to severance payable by the Company upon termination of employment. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein or therein, and cannot be modified or amended except in a writing signed by an officer of the Company and Executive.

8.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

8.6 Headings. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

8.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company, and Globe, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

8.8 Arbitration. To ensure the timely and economical resolution of disputes that arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in San Francisco, California, conducted by Judicial Arbitration and Mediation Services, Inc. ("JAMS") under the applicable JAMS employment rules. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

8.9 Attorneys' Fees. If either party hereto brings any action to enforce rights hereunder, each party in any such action shall be responsible for its own attorneys' fees and costs incurred in connection with such action.

8.10 Section 409A. This Agreement shall be interpreted, construed and administered in a manner that satisfies the requirements of Section 409A of the Internal Revenue Code of 1986, as amended and the final and proposed Department of Treasury Regulations promulgated thereunder.

8.11 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the law of the State of California without regard to the conflicts of law provisions thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

GROCERY OUTLET INC.

By: /s/ Eric Lindberg

GLOBE HOLDING CORP.

By: /s/ Eric Lindberg

Accepted and agreed:

/s/ Robert J. Sheedy
ROBERT J. SHEEDY

Exhibit 10.28

GROCERY OUTLET INC.

EXECUTIVE CHANGE IN CONTROL AGREEMENT

This Executive Employment Agreement ("Agreement") is entered into as of the 7th day of October, 2014 (the "Effective Date"), by and between Thomas McMahon ("Executive"), Grocery Outlet Inc. (the "Company"), and Globe Holding Corp. ("Globe") (Globe, the Company, and their direct and indirect subsidiaries, the ("Globe Group").

WHEREAS, the Company and Executive are a party to that certain Executive Change in Control Agreement dated as of 5th day of March, 2009 (the "Prior Agreement"), which is intended to be superseded and replaced by this Agreement such that the Prior Agreement shall have no further force or effect;

WHEREAS, the Company desires to continue to employ Executive to provide personal services to the Company, and wishes to provide Executive with certain compensation and benefits in return for Executive's services; and

WHEREAS, Executive wishes to continue to be employed by the Company and provide personal services to the Company in return for certain compensation and benefits.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the parties hereto as follows:

ARTICLE I
DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

1.1 "Board" means the Board of Directors of Globe.

1.2 "**Cause**" means:

(a) Executive's willful and continued breach of this Agreement or failure to perform his duties to the Company or its successor after a written demand for substantial performance is delivered to him by the Company or its successor which demand specifically identifies the manner in which the Company or its successor believe that he has not substantially performed his duties;

(b) his conviction of or plea of guilty or *nobo contendere* to felony criminal conduct; or

(c) his breach of the terms of any restrictive covenants agreement between Executive and any member of the Globe Group (whether such agreement is an independent agreement, contained in this Agreement, or contained in the terms of any equity award agreement or otherwise).

No act or failure to act by Executive shall be deemed "willful" if done, or omitted to be done, by Executive in good faith and with the reasonable belief that Executive's action or omission was in the best interest of the Company.

1.3 "Change in Control" shall mean the consummation of the transaction contemplated by that certain Agreement and Plan of Merger by and among GOPB Holding, Inc., Globe (formerly known as Cannery Sales Holding Corp.), Globe Merger Corp. (formerly known as Cannery Sales Merger Corp.), and BSR LLC, dated as of September 13, 2014, as amended (the "Globe Merger Agreement").

1.4 "Company" means Grocery Outlet Inc.

1.5 "Covered Termination" means (i) an Involuntary Termination Without Cause that occurs within the eighteen (18) month period commencing on the effective date of the Change in Control, or (ii) a voluntary termination for Good Reason that occurs within the eighteen (18) month period commencing on the effective date of the Change in Control.

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

1.7 "Globe" means Globe Holding Corp.

1.8 "Globe Group" means Globe, the Company, and their direct and indirect subsidiaries.

1.9 "Good Reason" means that any of the following are undertaken without Executive's express written consent:

(a) the assignment to Executive of any duties or responsibilities that results in any diminution or adverse change of Executive's position, status, title, authority, circumstances of employment or scope of responsibilities;

(b) a reduction by the Company in Executive's annual base salary as in effect on the effective date of the Change in Control;

(c) the taking of any action by the Company that would adversely affect Executive's participation in, or reduce Executive's benefits under, the Company's benefit plans (excluding equity benefits) as of the effective date of the Change in Control, except to the extent the benefits of all other executives of the Company are similarly reduced;

(d) a relocation of Executive's principal office to a location more than forty (40) miles from the location at which Executive was performing Executive's duties as of the effective date of the Change in Control, except for required travel by Executive on the Company's business;

(e) any material breach by the Company of any provision of this Agreement; or

(f) any failure by the Company to obtain the assumption of this Agreement by any successor or assign of the Company.

1.10 "Involuntary Termination Without Cause" means Executive's dismissal or discharge other than for Cause. The termination of Executive's employment as a result of Executive's death or disability will not be deemed to be an Involuntary Termination Without Cause.

1.11 "Read Family" means the Company; Steven Read; Peter Read; any member of either Steven Read's or Peter Read's family by blood or marriage to and including the level of first cousin; any trust or estate in which any of the preceding persons is a trustee or has a beneficiary interest or any person controlled directly or indirectly by one or more of the preceding persons.

1.12 "Separation from Service" shall mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), as determined by the Company on the date of a Covered Termination in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(h) and any successor provision thereto).

ARTICLE II
EMPLOYMENT BY THE COMPANY

2.1 Position and Duties. Subject to terms set forth herein, the Company agrees to continue to employ Executive in the position of Vice President of Sales and Retail Merchandising and Executive hereby accepts such continued employment. Executive shall serve in an executive capacity and shall perform such duties as are customarily associated with the position of Vice President of Sales and Retail Merchandising and such other duties as are assigned to Executive by the Company's Chief Executive Officer. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention (except for vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies or as otherwise set forth in this Agreement) to the business of the Company.

2.2 Employment at Will. Both the Company and Executive shall have the right to terminate Executive's employment with the Company at any time, with or without Cause, and without prior notice. If Executive's employment with the Company is terminated, Executive will be eligible to receive severance benefits to the extent provided in this Agreement.

2.3 Employment Policies. The employment relationship between the parties shall also be governed by the general employment policies and practices of the Company, including those relating to protection of confidential information and assignment of inventions, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

ARTICLE III
COMPENSATION

3.1 Base Salary. Executive shall receive for services to be rendered hereunder an annual base salary of $309,000, payable on the regular payroll dates of the Company, subject to increase in the sole discretion of the Board.

3.2 Standard Company Benefits. Executive shall be entitled to all rights and benefits for which Executive is eligible under the terms and conditions of the standard Company benefits and compensation practices that may be in effect from time to time and are provided by the Company to its executive employees generally.

ARTICLE IV
SEVERANCE AND CHANGE IN CONTROL BENEFITS

4.1 Severance Benefits. If Executive's employment terminates due to a Covered Termination, Executive shall receive any annual base salary that has accrued but is unpaid as of the date of such Covered Termination. Executive shall also be entitled to receive payments equal to the sum of (a) one hundred fifty percent (150%) of Executive's annual base salary as in effect during the last regularly scheduled payroll period immediately preceding the Covered Termination and (b) Executive's target annual bonus for the year in which the Covered Termination occurs, pro-rated for the portion of the applicable performance period within which the Covered Termination occurs and determined assuming that any performance goals relating to such annual bonus have been attained at their targeted levels as of the date of the Covered Termination, subject to applicable tax withholding (the "Severance Benefits"). The Severance Benefits shall be payable in a single lump sum on the first regularly scheduled payroll date on or after the 60th day following the date the Covered Termination occurs.

4.2 Mitigation. Executive shall not be required to mitigate damages or the amount of any payment provided under this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for under this Agreement be reduced by any compensation earned by Executive as a result of employment by another employer or by any retirement benefits received by Executive after the date of the Covered Termination, or otherwise.

4.3 Section 409A. Notwithstanding any provision to the contrary in this Agreement: (i) no amount shall be payable pursuant to Section 4.1 unless the Executive's termination of employment constitutes a Separation from Service and unless, on or prior to the 60th day following the date of Executive's Covered Termination, Executive executes a waiver and release of claims agreement in the Company's customary form and does not subsequently revoke such waiver and release of claims agreement and (ii) if at the time of the Executive's Separation from Service the Executive is determined to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (B) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 4.3 shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein. For purposes of Section 409A of the Code, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of any expense under Sections 3.2 or 4.1 or in-kind benefits provided under this Agreement are deemed to constitute taxable compensation to the Executive, such amounts will be reimbursed or provided no later than December 31 of the

year following the year in which the expense was incurred. The amount of any such expenses reimbursed or in-kind benefits provided in one year shall not affect the expenses or in-kind benefits eligible for reimbursement or payment in any subsequent year, and the Executive's right to such reimbursement or payment of any such expenses will not be subject to liquidation or exchange for any other benefit. The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his Separation from Service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(i) and any successor provision thereto).

ARTICLE V
PROPRIETARY INFORMATION OBLIGATIONS

5.1 Confidentiality. Executive agrees to execute and abide by the Company's customary form of Confidentiality Agreement (the "Confidentiality Agreement"). Without limiting the foregoing, Executive agrees the terms of this Agreement and its subject matter are sensitive and should be kept confidential and that without the prior authorization of the Company Executive shall not disclose to any third party any and all information, whether written or oral, relating to any transaction involving the Company that, if consummated, could constitute a change in control, other than information that (a) is or becomes generally available to the public other than as a result of a breach of this Agreement by Executive; or (b) becomes available to Executive on a non-confidential basis from a source other than the Company or a member of the Read Family, provided that such source is not to your knowledge, after reasonable investigation, bound by a confidentiality agreement or other legal or fiduciary obligation of secrecy to the Company or any of its affiliates.

5.2 Remedies. Executive's duties under the Confidentiality Agreement shall survive termination of Executive's employment with the Company and the termination of this Agreement. Executive acknowledges that a remedy at law for any breach or threatened breach by Executive of the provisions of the Confidentiality Agreement would be inadequate, and Executive therefore agrees that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach.

ARTICLE VI
OUTSIDE ACTIVITIES

6.1 Other Activities. Except with the prior written consent of the Board, Executive shall not during the term of this Agreement undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor. Executive may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of Executive's duties hereunder.

6.2 Competition/Investments. During the term of Executive's employment by the Company, except on behalf of the Globe Group, Executive shall not directly or indirectly, whether as an officer, director, stockholder, partner, proprietor, associate, representative, consultant, or in any capacity whatsoever engage in, become financially interested in, be employed by or have any business connection with any other person, corporation, firm, partnership or other entity

whatsoever which were known by Executive to compete directly with the Globe Group, throughout the United States, in any line of business engaged in (or planned to be engaged in) by the Globe Group; provided, however, that anything above to the contrary notwithstanding, Executive may own, as a passive investor, securities of any competitor corporation, so long as Executive's direct holdings in any one such corporation shall not in the aggregate constitute more than 5% of the voting stock of such corporation.

ARTICLE VII
NONINTERFERENCE

While employed by the Company, and for one (1) year immediately following the date on which Executive terminates employment or otherwise ceases providing services to the Company, Executive agrees not to interfere with the business of the Company by soliciting or attempting to solicit any employee of the Company to terminate such employee's employment in order to become an employee, consultant or independent contractor to or for any other entity. For the avoidance of doubt, a bona fide advertisement for employment placed by any party any not specifically targeted at employees of the Company shall not constitute a violation of this Article 7. Executive's duties under this Article 7 shall survive termination of Executive's employment with the Company and the termination of this Agreement.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Notices. Any notices provided hereunder must be in writing and shall be deemed effective upon the earlier of personal delivery (including personal delivery by facsimile) or the third day after mailing by first class mail, to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll.

8.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement 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 Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

8.3 Waiver. If either party should waive any breach of any provisions of this Agreement, they shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

8.4 Complete Agreement. This Agreement constitutes the entire agreement between Executive and the Company and is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter. This Agreement shall supersede all undertakings or agreements, whether written or oral, previously entered into by the Executive and the Company or any predecessor thereto or affiliate thereof with respect to the employment of the Executive by the Company or with respect to severance payable by the Company upon termination of employment, including, without limitation, the Prior Agreement (which shall have no further force or effect). This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein or therein, and cannot be modified or amended except in a writing signed by an officer of the Company and Executive.

8.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

8.6 Headings. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

8.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company, and Globe, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

8.8 Arbitration. To ensure the timely and economical resolution of disputes that arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in San Francisco, California, conducted by Judicial Arbitration and Mediation Services, Inc. ("JAMS") under the applicable JAMS employment rules. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

8.9 Attorneys' Fees. If either party hereto brings any action to enforce rights hereunder, each party in any such action shall be responsible for its own attorneys' fees and costs incurred in connection with such action.

8.10 Section 409A. This Agreement shall be interpreted, construed and administered in a manner that satisfies the requirements of Section 409A of the Internal Revenue Code of 1986, as amended and the final and proposed Department of Treasury Regulations promulgated thereunder.

8.11 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the law of the State of California without regard to the conflicts of law provisions thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

GROCERY OUTLET INC.

By: /s/ Eric Lindberg

GLOBE HOLDING CORP.

By: /s/ Eric Lindberg

Accepted and agreed:

/s/ Thomas McMahon
THOMAS MCMAHON

Exhibit 10.29

GROCERY OUTLET INC.

EXECUTIVE CHANGE IN CONTROL AGREEMENT

This Executive Employment Agreement ("Agreement") is entered into as of the 7th day of October, 2014 (the "Effective Date"), by and between Steve Wilson ("Executive"), Grocery Outlet Inc. (the "Company"), and Globe Holding Corp. ("Globe") (Globe, the Company, and their direct and indirect subsidiaries, the ("Globe Group").

WHEREAS, the Company and Executive are a party to that certain Executive Change in Control Agreement dated as of 5th day of October, 2006 (the "Prior Agreement"), which is intended to be superseded and replaced by this Agreement such that the Prior Agreement shall have no further force or effect;

WHEREAS, the Company desires to continue to employ Executive to provide personal services to the Company, and wishes to provide Executive with certain compensation and benefits in return for Executive's services; and

WHEREAS, Executive wishes to continue to be employed by the Company and provide personal services to the Company in return for certain compensation and benefits.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the parties hereto as follows:

ARTICLE I
DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

1.1 "Board" means the Board of Directors of Globe.

1.2 "**Cause**" means:

(a) Executive's willful and continued breach of this Agreement or failure to perform his duties to the Company or its successor after a written demand for substantial performance is delivered to him by the Company or its successor which demand specifically identifies the manner in which the Company or its successor believe that he has not substantially performed his duties;

(b) his conviction of or plea of guilty or *nobo contendere* to felony criminal conduct; or

(c) his breach of the terms of any restrictive covenants agreement between Executive and any member of the Globe Group (whether such agreement is an independent agreement, contained in this Agreement, or contained in the terms of any equity award agreement or otherwise).

No act or failure to act by Executive shall be deemed "willful" if done, or omitted to be done, by Executive in good faith and with the reasonable belief that Executive's action or omission was in the best interest of the Company.

1.3 "Change in Control" shall mean the consummation of the transaction contemplated by that certain Agreement and Plan of Merger by and among GOPB Holding, Inc., Globe (formerly known as Cannery Sales Holding Corp.), Globe Merger Corp. (formerly known as Cannery Sales Merger Corp.), and BSR LLC, dated as of September 13, 2014, as amended (the "Globe Merger Agreement").

1.4 "Company" means Grocery Outlet Inc.

1.5 "Covered Termination" means (i) an Involuntary Termination Without Cause that occurs within the eighteen (18) month period commencing on the effective date of the Change in Control, or (ii) a voluntary termination for Good Reason that occurs within the eighteen (18) month period commencing on the effective date of the Change in Control.

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

1.7 "Globe" means Globe Holding Corp.

1.8 "Globe Group" means Globe, the Company, and their direct and indirect subsidiaries.

1.9 "Good Reason" means that any of the following are undertaken without Executive's express written consent:

(a) the assignment to Executive of any duties or responsibilities that results in any diminution or adverse change of Executive's position, status, title, authority, circumstances of employment or scope of responsibilities;

(b) a reduction by the Company in Executive's annual base salary as in effect on the effective date of the Change in Control;

(c) the taking of any action by the Company that would adversely affect Executive's participation in, or reduce Executive's benefits under, the Company's benefit plans (excluding equity benefits) as of the effective date of the Change in Control, except to the extent the benefits of all other executives of the Company are similarly reduced;

(d) a relocation of Executive's principal office to a location more than forty (40) miles from the location at which Executive was performing Executive's duties as of the effective date of the Change in Control, except for required travel by Executive on the Company's business;

(e) any material breach by the Company of any provision of this Agreement; or

(f) any failure by the Company to obtain the assumption of this Agreement by any successor or assign of the Company.

1.10 "Involuntary Termination Without Cause" means Executive's dismissal or discharge other than for Cause. The termination of Executive's employment as a result of Executive's death or disability will not be deemed to be an Involuntary Termination Without Cause.

1.11 "Read Family" means the Company; Steven Read; Peter Read; any member of either Steven Read's or Peter Read's family by blood or marriage to and including the level of first cousin; any trust or estate in which any of the preceding persons is a trustee or has a beneficiary interest or any person controlled directly or indirectly by one or more of the preceding persons.

1.12 "Separation from Service" shall mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), as determined by the Company on the date of a Covered Termination in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(h) and any successor provision thereto).

ARTICLE II
EMPLOYMENT BY THE COMPANY

2.1 Position and Duties. Subject to terms set forth herein, the Company agrees to continue to employ Executive in the position of Vice President of Purchasing and Executive hereby accepts such continued employment. Executive shall serve in an executive capacity and shall perform such duties as are customarily associated with the position of Vice President of Purchasing and such other duties as are assigned to Executive by the Company's Chief Executive Officer. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention (except for vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies or as otherwise set forth in this Agreement) to the business of the Company.

2.2 Employment at Will. Both the Company and Executive shall have the right to terminate Executive's employment with the Company at any time, with or without Cause, and without prior notice. If Executive's employment with the Company is terminated, Executive will be eligible to receive severance benefits to the extent provided in this Agreement.

2.3 Employment Policies. The employment relationship between the parties shall also be governed by the general employment policies and practices of the Company, including those relating to protection of confidential information and assignment of inventions, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

ARTICLE III
COMPENSATION

3.1 Base Salary. Executive shall receive for services to be rendered hereunder an annual base salary of $269,954, payable on the regular payroll dates of the Company, subject to increase in the sole discretion of the Board.

3.2 Standard Company Benefits. Executive shall be entitled to all rights and benefits for which Executive is eligible under the terms and conditions of the standard Company benefits and compensation practices that may be in effect from time to time and are provided by the Company to its executive employees generally.

ARTICLE IV
SEVERANCE AND CHANGE IN CONTROL BENEFITS

4.1 Severance Benefits. If Executive's employment terminates due to a Covered Termination, Executive shall receive any annual base salary that has accrued but is unpaid as of the date of such Covered Termination. Executive shall also be entitled to receive payments equal to the sum of (a) one hundred fifty percent (150%) of Executive's annual base salary as in effect during the last regularly scheduled payroll period immediately preceding the Covered Termination and (b) Executive's target annual bonus for the year in which the Covered Termination occurs, pro-rated for the portion of the applicable performance period within which the Covered Termination occurs and determined assuming that any performance goals relating to such annual bonus have been attained at their targeted levels as of the date of the Covered Termination, subject to applicable tax withholding (the "Severance Benefits"). The Severance Benefits shall be payable in a single lump sum on the first regularly scheduled payroll date on or after the 60th day following the date the Covered Termination occurs.

4.2 Mitigation. Executive shall not be required to mitigate damages or the amount of any payment provided under this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for under this Agreement be reduced by any compensation earned by Executive as a result of employment by another employer or by any retirement benefits received by Executive after the date of the Covered Termination, or otherwise.

4.3 Section 409A. Notwithstanding any provision to the contrary in this Agreement: (i) no amount shall be payable pursuant to Section 4.1 unless the Executive's termination of employment constitutes a Separation from Service and unless, on or prior to the 60th day following the date of Executive's Covered Termination, Executive executes a waiver and release of claims agreement in the Company's customary form and does not subsequently revoke such waiver and release of claims agreement and (ii) if at the time of the Executive's Separation from Service the Executive is determined to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (B) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 4.3 shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein. For purposes of Section 409A of the Code, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of any expense under Sections 3.2 or 4.1 or in-kind benefits provided under this Agreement are deemed to constitute taxable compensation to the Executive, such amounts will be reimbursed or provided no later than December 31 of the year following the year in which the expense was incurred. The amount of any such expenses reimbursed or in-kind benefits provided in one year shall not affect the expenses or in-kind benefits eligible for reimbursement or payment

in any subsequent year, and the Executive's right to such reimbursement or payment of any such expenses will not be subject to liquidation or exchange for any other benefit. The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his Separation from Service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including without limitation Treasury Regulation Section 1.409A-1(i) and any successor provision thereto).

ARTICLE V
PROPRIETARY INFORMATION OBLIGATIONS

5.1 Confidentiality. Executive agrees to execute and abide by the Company's customary form of Confidentiality Agreement (the "Confidentiality Agreement"). Without limiting the foregoing, Executive agrees the terms of this Agreement and its subject matter are sensitive and should be kept confidential and that without the prior authorization of the Company Executive shall not disclose to any third party any and all information, whether written or oral, relating to any transaction involving the Company that, if consummated, could constitute a change in control, other than information that (a) is or becomes generally available to the public other than as a result of a breach of this Agreement by Executive; or (b) becomes available to Executive on a non-confidential basis from a source other than the Company or a member of the Read Family, provided that such source is not to your knowledge, after reasonable investigation, bound by a confidentiality agreement or other legal or fiduciary obligation of secrecy to the Company or any of its affiliates.

5.2 Remedies. Executive's duties under the Confidentiality Agreement shall survive termination of Executive's employment with the Company and the termination of this Agreement. Executive acknowledges that a remedy at law for any breach or threatened breach by Executive of the provisions of the Confidentiality Agreement would be inadequate, and Executive therefore agrees that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach.

ARTICLE VI
OUTSIDE ACTIVITIES

6.1 Other Activities. Except with the prior written consent of the Board, Executive shall not during the term of this Agreement undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor. Executive may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of Executive's duties hereunder.

6.2 Competition/Investments. During the term of Executive's employment by the Company, except on behalf of the Globe Group, Executive shall not directly or indirectly, whether as an officer, director, stockholder, partner, proprietor, associate, representative, consultant, or in any capacity whatsoever engage in, become financially interested in, be employed by or have any business connection with any other person, corporation, firm, partnership or other entity whatsoever which were known by Executive to compete directly with the Globe Group, throughout the United States, in any line of business engaged in (or planned to be engaged in) by the Globe Group; provided, however, that anything above to the contrary notwithstanding, Executive may own, as a passive investor, securities of any competitor corporation, so long as Executive's direct holdings in any one such corporation shall not in the aggregate constitute more than 5% of the voting stock of such corporation.

ARTICLE VII
NONINTERFERENCE

While employed by the Company, and for one (1) year immediately following the date on which Executive terminates employment or otherwise ceases providing services to the Company, Executive agrees not to interfere with the business of the Company by soliciting or attempting to solicit any employee of the Company to terminate such employee's employment in order to become an employee, consultant or independent contractor to or for any other entity. For the avoidance of doubt, a bona fide advertisement for employment placed by any party any not specifically targeted at employees of the Company shall not constitute a violation of this Article 7. Executive's duties under this Article 7 shall survive termination of Executive's employment with the Company and the termination of this Agreement.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Notices. Any notices provided hereunder must be in writing and shall be deemed effective upon the earlier of personal delivery (including personal delivery by facsimile) or the third day after mailing by first class mail, to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll.

8.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement 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 Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

8.3 Waiver. If either party should waive any breach of any provisions of this Agreement, they shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

8.4 Complete Agreement. This Agreement constitutes the entire agreement between Executive and the Company and is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter. This Agreement shall supersede all undertakings or agreements, whether written or oral, previously entered into by the Executive and the Company or any predecessor thereto or affiliate thereof with respect to the employment of the Executive by the Company or with respect to severance payable by the Company upon termination of employment, including, without limitation, the Prior Agreement (which shall have no further force or effect). This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein or therein, and cannot be modified or amended except in a writing signed by an officer of the Company and Executive.

8.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

8.6 Headings. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

8.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company, and Globe, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

8.8 Arbitration. To ensure the timely and economical resolution of disputes that arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in San Francisco, California, conducted by Judicial Arbitration and Mediation Services, Inc. ("JAMS") under the applicable JAMS employment rules. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

8.9 Attorneys' Fees. If either party hereto brings any action to enforce rights hereunder, each party in any such action shall be responsible for its own attorneys' fees and costs incurred in connection with such action.

8.10 Section 409A. This Agreement shall be interpreted, construed and administered in a manner that satisfies the requirements of Section 409A of the Internal Revenue Code of 1986, as amended and the final and proposed Department of Treasury Regulations promulgated thereunder.

8.11 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the law of the State of California without regard to the conflicts of law provisions thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

GROCERY OUTLET INC.

By: /s/ Eric Lindberg

GLOBE HOLDING CORP.

By: /s/ Eric Lindberg

Accepted and agreed:

/s/ Steve Wilson
STEVE WILSON

Exhibit 21.1

Subsidiaries of Registrant

Name of Subsidiary	Jurisdiction of Incorporation or Organization
Globe Intermediate Corp.	Delaware
GOBP Holdings, Inc.	Delaware
GOBP MidCo, Inc.	Delaware
Grocery Outlet, Inc.	California
Amelia's, LLC	Delaware

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 1 to Registration Statement No. 333-231428 on Form S-1 of our report dated March 26, 2019 relating to the consolidated financial statements of Grocery Outlet Holding Corp. and its subsidiaries appearing in the Prospectus, which is part of this Registration Statement.

We also consent to the reference to us under the heading “Experts” in such Prospectus.

/s/ Deloitte & Touche LLP

San Francisco, California
May 22, 2019