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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

(Mark One)

☑ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2024

or

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

For the transition period from to

Commission File Number: 001-36341

V2X, Inc.

(Exact name of registrant as specified in its charter)

Indiana	38-3924636
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1875 Campus Commons Drive, Suite 305, Reston, Virginia 20191
(Address of Principal Executive Offices) (Zip Code)
Registrant's telephone number, including area code:
(571) 481-2000

Securities Registered Under Section 12(b) of the Act:

Title of Each Class	Trading symbol(s)	Name of Exchange on Which Registered
Common Stock, Par Value $.01 Per Share	VVX	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

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

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

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 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to § 240.10D-1(b).

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant computed by reference to the closing price at which the common equity was last sold as of June 28, 2024, the last business day of the registrant’s most recently completed second quarter, was $588,612,936.

As of February 19, 2025, there were 31,568,332 shares of common stock ($0.01 par value per share) outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of V2X, Inc.’s Proxy Statement for the 2025 Annual Meeting of Shareholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

V2X, INC.

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PART I

ITEM 1. *BUSINESS*

Overview

V2X, Inc. (V2X or the Company), an Indiana Corporation formed in February 2014, formerly known as Vectrus, Inc. (Vectrus), is a leading provider of critical mission solutions primarily to defense customers in 329 locations and 47 countries and territories worldwide. V2X enables its customers' most important missions by delivering end-to-end capabilities at scale across the world. This provides us with the expertise and ability to act as a trusted partner to bring differentiated integrated solutions that define mission success. As of December 31, 2024, we had approximately 16,100 employees and 6,200 subcontract personnel. The Company offers a broad suite of capabilities including multi-domain high impact readiness, integrated supply chain management, assured communications, mission solutions, and platform renewal and modernization to national security, defense, civilian and international customers.

On July 5, 2022 (the Closing Date), Vectrus completed its merger (Merger) with Vertex Aerospace Services Holding Corp., a Delaware corporation (Vertex), thereby forming V2X. For a description of the Merger, see Note 3, *Merger* in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K. The Merger created a larger and more diversified company with the ability to compete for more integrated business opportunities and generate revenue across geographies, clients, and contract-types. We continue to operate under one reportable business segment post-Merger.

Unless the context otherwise requires or unless stated otherwise, references to "V2X", "we," "us," "our," “combined company”, "the Company" and "our Company" refer to V2X and all of its consolidated subsidiaries.

Our Business Strategies

Our overarching strategy is to deliver full lifecycle capabilities in support of national security priorities that enhance mission effectiveness, extend utility, lower cost, and improve security and mission outcomes. Our key to enabling this strategy are:

- **Drive performance excellence in execution:** V2X delivers operational excellence by maintaining high standards of quality, efficiency, and reliability. Our approach increases the likelihood projects are completed on time and within budget, exceeding customer expectations.
- **Leverage innovation for differentiated solutions:** V2X integrates technologies like 5G and advanced simulation systems to create solutions that address evolving threats and mission requirements. We foster a culture of continuous innovation that provides our customers with capabilities that give them a decisive edge.
- **Expand global presence and markets:** With a footprint spanning six continents, V2X is focused on growing our reach in emerging markets, expanding partnerships, and extending our expertise into new domains.
- **Build on our culture of mission success:** Rooted in our commitment to national security, V2X encourages a spirit that empowers our employees to deliver results. Through a focus on teamwork, integrity, and customer trust, we operate in an environment where every team member is dedicated to the success of our customers and the safety of those we serve.

Our Service Offerings

V2X is a leading national security solutions provider. We provide customers worldwide with a broad range of technology and service capabilities, supporting national security readiness and modernization efforts. V2X operates across 329 locations in 47 countries and territories, and our key service offerings include:

High Impact Readiness: We deliver full life-cycle, innovative training solutions to government clients worldwide, improving outcomes through a holistic approach that combines training solutions with our Mission Solutions to ensure readiness both at home station and while deployed. At the same facilities where we provide these operational solutions, we offer cutting-edge training to prepare the Warfighter for their mission. Whether designing synthetic training environments or providing subject matter experts, our team is deployed with our customers to ensure they are ready to execute the mission when called upon. We also provide military and commercial training solutions, including live training systems, technology-enabled augmented and virtual reality, and training aids, devices, simulators, and simulations, to large United States (U.S.) companies and foreign governments using state-of-the-art remote learning platforms.

Integrated Supply Chain Management: Our Integrated Supply Chain Management capabilities include rapid response and deployment at scale, Supply Chain as a Service, smart warehouse management and distribution, and integrated and automated logistics, ensuring efficient and seamless operations.

Assured Communications: Our Assured Communications capabilities include full lifecycle network management, network systems installation and activation, and information assurance. In the area of situational awareness software and hardware, we specialize in deploying, integrating, and maintaining sensors and complex systems in austere environments. With unmatched expertise, we deliver tailored technologies to meet unique mission requirements, ensuring outcomes and mission effectiveness. Our services include system upgrades, obsolescence management, and DevSecOps to extend service life and enhance performance. We design, integrate, and install multi-sensor systems for border security and critical infrastructure protection worldwide. Additionally, we provide expertise in spectrum deconfliction, digital integration, Smart X engineering, and 5G development.

Mission Solutions: Our capabilities provide customers with full-spectrum support for logistics, infrastructure sustainment, and contingency operations around the globe. We differentiate ourselves by offering infrastructure operations and sustainment for fixed facilities worldwide, focusing on preventative, predictive, and reliability-centered maintenance to achieve readiness at the lowest cost. Once deployed, we are on the ground in theater to ensure customers receive logistical support. Our team of professionals delivers worldwide support, critical infrastructure and logistics for intelligence operations, classified IT, intelligence services, and cybersecurity. Our expertise includes infrastructure engineering, operations and maintenance; life support and emergency services; airfield management; civil engineering; and integrated electronic surveillance.

Platform Renewal and Modernization: We provide the engineering, facilities, and skilled workforce required to sustain systems and platforms worldwide. With vertically integrated capabilities—including organic engineering, supply chain management, manufacturing, rapid prototyping, and FAA Part 145 Repair Stations—our operations span over 1,000,000 square feet of engineering, lab, manufacturing, and repair space. Comprehensive in-house testing, including cyber, E3, environmental, AR/VR, and development labs, is consolidated at our Indianapolis, Indiana facility. Supporting approximately 1,690 aircraft, our teams deliver full-spectrum maintenance from flight line to depot with a focus on safety and quality. Backed by multi-disciplined engineers, we specialize in development, integration, production, repair, and sustainment, covering situational awareness products, missile launchers, and tactical aircraft radar systems and components. Our capabilities include Aircraft Maintenance & Management; Aviation and Ground Platform Maintenance & Repair; End-to-End Organizational, Intermediate, and Depot-Level Capabilities; four FAA Part 145 Repair Stations; and an AS-9100/9110 Certified Quality Management System (QMS).

Customers

Our strong relationship with the Department of Defense (DoD) and other government agencies is attributable to our dedication to program performance, global responsiveness and operational excellence, as well as to the execution of our core values of integrity, respect, responsibility and professionalism.

Revenue, primarily from U.S. government customers, for the periods presented below was as follows:

	Year Ended December 31,		
(In thousands)	2024	2023	2022
Army	$ 1,837,843	$ 1,633,525	$ 1,342,406
Navy	1,441,355	1,233,463	713,732
Air Force	481,265	538,698	459,849
Other	561,692	557,440	374,873
Total revenue	$ 4,322,155	$ 3,963,126	$ 2,890,860

Key customer contracts include the following:

- The Logistics Civil Augmentation Program V (LOGCAP V) indefinite delivery and indefinite quantity (IDIQ) contract. LOGCAP V provides scalability and flexibility that aligns with and supports military operational tempo. LOGCAP V is used by Army Service Component Commands to rapidly respond to multiple global missions across the entire continuum of military operations. V2X is one of four award recipients of the basic IDIQ contract and has several task orders, including the Kuwait Task Order, Iraq Task Order, INDOPACOM Task Order, among others.
  - Naval Test Wing Atlantic (NTWL). We provide maintenance in support of the Navy's test and evaluation aircraft primarily located at NAS Patuxent River, Maryland.
  - Cobra Dane Radar Maintenance Operation (COBRA DANE). We operate, maintain and upgrade the AN/ FPS-108 radar and associated systems in support of the Strategic Warning and Surveillance Systems in Alaska.

Competition

Our competition varies depending on our service offerings. Our principal competitors include Amentum Holdings, Inc., Valiant Integrated Services, divisions of Leidos Holdings, Inc., Science Applications International Corp., General Dynamics Corporation Technologies Segment., KBR, Inc., Fluor Corporation, Intrepid Global Solutions, AAR Corp., M1 Support Services, L.P., Marvin Engineering Co., and divisions of Northrop Grumman Corporation, among others. There are typically fewer competitors in the overseas market for each of our services capabilities and they vary from region to region.

The U.S. government has implemented policies designed to protect small businesses and under-represented minority contractors. From time to time, certain U.S. government work in the U.S. has been restricted to small businesses, including Alaskan native companies. We participate with these small businesses as a subcontractor for select opportunities. In addition, we rely on our teaming relationships with other prime contractors and subcontractors for large procurements or other opportunities where we believe the combination of services will help us win and perform the contract. Our competitors may consolidate or establish teaming or other relationships among themselves or with third parties to increase their ability to address customers' needs.

Competitive bids for the work that V2X pursues are based on technical qualifications and corporate experience in performing contracts of similar size and scope and can be highly price sensitive. While not every contract is procured via selection of the lowest priced bidder, customers are sensitive to cost based on their budget allocations. Acquisition cycles are long (generally 12 to 24 months), and contracts are typically multi-year contracts that include an initial period of one-year or less with annual one-year (or less) option periods for the remaining contract period.

Some U.S. government customers have shown a preference for multiple award IDIQ contracts. These contracts offer awards to a pool of contractors, followed by competition within the pool for individual programs via task orders under each IDIQ over the period of performance.

Seasonality

Various factors may affect the distribution of our revenue between accounting periods, including the timing of awards, product deliveries, customer acceptance of products and services, contract phase-in durations, contract completions, world events and the availability of customer funding.

The U.S. government's fiscal year ends on September 30 of each year. While not certain, it is not uncommon for U.S. government agencies to award extra tasks or complete other contract actions in the weeks before the end of its fiscal year in order to avoid the loss of unexpended fiscal year funds.

Regulatory Environment

The U.S. government markets in which we serve are highly regulated. When working with U.S. agencies and entities, we are subject to laws and regulations relating to the creation, administration and performance of contracts. Among other things, these laws and regulations:

- Require compliance with government standards for contract administration, accounting and management internal control systems;
- Define allowable and unallowable costs and otherwise govern our right to reimbursement under various flexibly priced U.S. government contracts;
- Require certification and disclosure of cost and pricing data in connection with certain contract negotiations;
- Require us not to compete for, or to divest ourselves of, work if an organizational conflict of interest exists related to such work that cannot be appropriately mitigated; and
- Restrict the use and dissemination of information classified for national security purposes and the exportation of certain products and technical data.

U.S. government contracts generally are subject to the Federal Acquisition Regulation (FAR), which sets forth policies, procedures and requirements for the acquisition of goods and services by the U.S. government, agency-specific regulations that implement or supplement FAR, such as the DoD's Federal Acquisition Regulation Supplement (DFARS), and other applicable laws and regulations. These regulations impose a broad range of requirements, many of which are unique to government contracting, including various rules regarding procurement, import and export, security, contract pricing and cost, allowable costs, contract performance, contract termination and adjustment, audits, and IT system security and privacy controls. In addition, as government contractors, we are subject to routine audits and investigations by U.S. government agencies, such as the Defense Contract Audit Agency (DCAA) and the Defense Contract Management Agency (DCMA). These agencies review our performance, cost structure, incurred costs, forward pricing rates and compliance with applicable laws, regulations and standards under our contracts. The DCAA also reviews the adequacy of and our compliance with our internal control systems and policies, including our accounting, purchasing, government property, estimating, and related government business systems.

The U.S. government may revise its procurement practices or adopt new or revised contract rules and regulations at any time. To help ensure compliance with these complex laws and regulations, all of our employees are required to complete ethics and other compliance training relevant to their respective positions.

We are subject to other U.S. government laws, regulations and policies, including the International Traffic in Arms Regulations, the Export Administration Regulations, the Foreign Corrupt Practices Act and the False Claims Act. When working overseas, we must comply not only with applicable U.S. laws and regulations, but also with foreign government laws, regulations and procurement policies and practices, which may differ from U.S. laws, including regulations relating to import-export control, foreign tax considerations, data privacy, foreign labor and environmental law, and anti-corruption.

Contracts

U.S. government programs generally are implemented by the award of individual contracts to a prime contractor, which may utilize one or more subcontractors. Our Company usually is a prime contractor on long-term contracts that are of a finite duration of generally between three and ten years. We were the prime contractor on contracts representing 94%, 94% and 93% of our revenue for the three years ended December 31, 2024, 2023, and 2022, respectively. In other contracts, we team with a prime contractor as a subcontractor. The U.S. Congress usually appropriates funds on a fiscal year basis even though a program may extend across several fiscal years. Consequently, programs are often only partially funded initially, and additional funds are committed only as the U.S. Congress approves further appropriations. Prior to the expiration of a contract, if the customer requires further services of the type provided by the contract, it typically begins a competitive rebidding or recompete process. The contracts and subcontracts under a program generally are subject to termination for convenience or adjustment if appropriations for such programs are not available or if they change. The U.S. government is required to equitably adjust a contract for additions to or reductions in scope or other changes, including price, which it directs.

Generally, the sales price elements for our contracts are cost-plus, cost-reimbursable, time-and-materials or firm-fixed-price. We commonly have elements of cost-plus, cost-reimbursable and firm-fixed-price contracts on a single contract.

On a cost-plus contract, we are paid our allowable incurred costs plus a fee, which can be fixed or variable depending on the contract's arrangement, up to funding levels predetermined by our customers. On cost-plus contracts, we do not bear the risks of unexpected cost overruns, provided that we do not incur costs that exceed the predetermined funded amounts. Most of our cost-plus contracts also contain a firm-fixed-price element. Cost-plus contracts with award and incentive fee provisions are our primary variable contract fee arrangement. Award fees provide for a fee based on actual performance relative to contractually specified performance criteria. Incentive fees provide for a fee based on the relationship between total allowable and target cost.

On most of our contracts, a cost-reimbursable element captures consumable materials required for the program. Typically, these costs do not bear fees.

On a time-and-materials contract, we are reimbursed for labor at fixed hourly rates and generally reimbursed separately for allowable materials, costs and expenses at cost. For this contract type, we bear the risk that our labor costs and allocable indirect expenses are greater than the fixed hourly rate defined within the contract.

A firm-fixed-price contract typically offers higher profit margin potential due to a greater level of risk than a cost-plus contract. On a firm-fixed-price contract, we agree to perform the contractual statement of work for a predetermined contract price. Although a firm-fixed-price contract generally permits us to retain profits if the total actual contract costs are less than the estimated contract costs, we bear the risk that increased or unexpected costs may reduce our profit or cause us to sustain losses on the contract. Although the overall scope of work required under the contract may not change, profit may be adjusted as experience is gained and as efficiencies are realized or costs are incurred.

The percentage of our total revenue generated from each contract type for the periods presented was as follows:

	Year Ended December 31,		
	2024	2023	2022
Cost-plus and cost-reimbursable	58 %	56 %	56 %
Firm-fixed-price	39 %	41 %	40 %
Time-and-materials	3 %	3 %	4 %
Total revenue	100 %	100 %	100 %

Backlog

For a discussion of our backlog, see *Management's Discussion and Analysis of Financial Condition and Results of Operations - Backlog* in Item 7 of Part II of this Annual Report on Form 10-K.

Environmental, Health and Safety

We are subject to federal, state, local, and foreign environmental protection laws, and regulations, including those governing the management and disposal of hazardous substances, the cleanup of contaminated sites, and the maintenance of a safe and healthy workplace for our employees, contractors, and visitors. Environmental, health and safety laws and regulations are subject to change, the nature of which is inherently unpredictable, and the timing of potential changes is uncertain. Environmental, health and safety requirements affect all of our operations, and we have established a comprehensive program that is aligned with recognized standards for environmental and safety management, to address compliance with applicable environmental, health and safety laws and regulations, and the expectations of our customers.

Human Capital Management

We believe our employees are among our most important resources and are critical to our continued success. As of December 31, 2024, we employed approximately 16,100 full-time employees. We also utilized approximately 6,200 subcontract workers. As of December 31, 2024, approximately 28% of our employees were represented by 45 collective bargaining agreements with labor unions. In the ordinary course of business, a number of collective bargaining agreements will be subject to renegotiation in a given year. We do not expect that any of the contracts subject to renegotiation in 2025 (individually or as a whole) present a significant risk to our business. We believe that relations with our employees and union representatives are positive.

We continue making significant investments in attracting and retaining talented and experienced individuals to manage and support our operations, and our management team routinely reviews employee turnover rates at various levels of the organization to help understand and resolve barriers to retention.

V2X routinely conducts annual employee engagement surveys. The results of these confidential surveys are shared with V2X employees and with management. Additionally, the results of the surveys are scored to form a benchmark against which the results of future surveys will be evaluated. In 2024, V2X engaged our global workforce through structured surveys using a third-party platform to better understand concerns and expectations regarding ethics, and culture. Responses to the 2024 employee engagement surveys indicated that V2X employees generally find the company culture to be collaborative of all perspectives, a great place to work, and that managers' behaviors were consistent with the V2X Code of Conduct.

Employment Benefits

We pay our employees competitively and offer a broad range of company-paid benefits, which we believe are competitive with others in our industry. Our employment benefits program includes a comprehensive benefits package, such as:

- flexible work options;
- education benefits, including tuition reimbursement program to select employees;
- wellness program;
- paid parental leave program;
- employee assistance program; and
- retirement savings plan.

Culture and Engagement

V2X remains committed to building and implementing global strategies which foster leadership and talent capabilities that will increase culture and engagement opportunities in attracting, retaining and leveraging competencies of our diverse workforce.

We are a leading employer of veterans and veteran spouses with more than 38% of our U.S. employees voluntarily reporting a military background, and we have been recognized numerous times in recent years by veteran-focused organizations as a military-friendly employer, including by the National Organization on Disability as a Leading Disability Employer, by the Military Friendly Company as a Top 10 Diversity Supplier and as a Top 10 Military Spouse Employer, and by the Military Times as a Best for Vets Employer.

Learning and Development

We provide learning and development opportunities to our employees to support a successful career at V2X. Our on-line V2X University gives employees access to more than 4,000 virtual courses that address such topics as leadership/management and information technology skills, along with organizational and compliance courses required for a defense contractor. We are committed to identifying and developing the talents of our next generation of leaders by providing knowledge to help early-in-career employees develop the skills needed to advance within the organization. We also provide development programs to keep our supervisors current on best practices and ensure they focus on the success of their people. Also, we offer additional development opportunities to select employees to attend learning and development, and mentoring sessions.

Developing talent and ensuring a pipeline to leadership is a priority for the Company. To that end, the Company has a robust talent and succession planning process and has established a specialized program to support the development of our talent pipeline for critical roles. We conduct periodic reviews of succession plans and the individual development plans of our emerging talent. These sessions focus on high potential talent, diverse talent, and the succession for our most critical roles.

We periodically hold senior leadership development events to continually develop leadership and management skills. In 2024 we established the Program Management Executive Committee made up of members of our Program Operations leadership to develop new emerging talent and to facilitate problem solving, as well as additional leadership development for our high potential team members.

Health and Safety

Our health and safety management system aligns with the ISO 45001 standard and includes the following elements:

- Setting annual program-level goals and objectives;
- Monitoring relevant legal and customer-specific requirements;
- Providing training to employees and contractors on health and safety provisions;
- Assessing environmental, health, and safety risks company-wide;
- Engaging with the workforce to identify health and safety risks and opportunities; and
- Conducting internal audits to evaluate compliance with the employee health and safety (EHS) Plan, legal and other requirements, and best practices.

Our comprehensive EHS program encompasses a range of policies, commitments, and actions that effectively manage occupational health and safety. Our EHS Policy Statement applies to all V2X employees and subcontractors and provides the framework for a safe and healthy workplace. This policy also articulates our drive toward the continuous improvement of our EHS Management System (EHSMS). Through the EHSMS we effectively manage EHS risks and proactively work to prevent work-related injuries, illnesses, and incidents. Our approach includes regular audits, ongoing monitoring of incident rates, and comprehensive training programs for our employees. Utilizing our Incident Management System, we track incidents, near-misses, and potential issues within the workplace, identifying trends in frequency and severity while investigating root causes. This ongoing focus on improvement and transparency emphasizes our dedication to creating a safer and healthier work environment for all.

Ethics and Compliance

All employees are required to adhere to the V2X Code of Conduct (COC), which establishes standards for appropriate behavior. This includes mandatory annual training on preventing, identifying, reporting, and stopping any form of unlawful discrimination, unethical behavior, and unacceptable conduct. The V2X COC, along with the incorporated standards of business conduct and ethics, applies to all employees, officers, and directors of V2X. The COC can be accessed via our website (www.goV2X.com) on the Governance Documents page.

Combating Trafficking in Persons (CTIP) and Other Country National Compliance

V2X recognizes the risks of child labor, human trafficking and modern slavery associated with its global contracting activities and is committed to complying with internationally recognized human rights provisions and prohibitions against human trafficking and modern slavery established under the FAR CTIP and the laws and regulations of the countries in which it conducts business. This commitment is codified in our COC and our Supplier Code of Conduct.

V2X monitors its subcontractors to verify that they are maintaining compliance with CTIP and other provisions in their contracts. Additionally, V2X maintains an active CTIP awareness campaign at our Outside the Continental United States program location, to reinforce our protection of human rights and to empower all employees to confidently report suspected violations without fear of retaliation. V2X quickly investigates reported or suspected CTIP violations, which if verified, are reported immediately to our Senior Vice President, General Counsel and the appropriate United States Government (USG) and program authorities.

V2X requires that corrective actions (CA) be put in place by subcontractors or employees for confirmed CTIP violations. If CTIP violations warrant, a subcontractor or employee unable to promptly execute or comply with approved CAs will be removed from the contract. V2X conducts routine audits and inspections of employee housing and transportation, interviews employees hired through our subcontractors, and reviews employment contracts and related documentation to further validate our subcontractors' compliance with FAR 52.222-50 and both country of origin and host nation labor laws.

Information about our Executive Officers

The following table sets forth certain information regarding our executive officers, including a five-year employment history and any directorships held in public companies.

Name	Age	Current Title(s)	Business Experience
Jeremy C. Wensinger	61	President and Chief Executive Officer (CEO), Director	Mr. Wensinger has served as President, CEO and director of the Company since June 2024. Mr. Wensinger has over 35 years of experience in the defense, aerospace and technology industries including leadership positions at Peraton, Inc., PAE, GTSI, Cobham PLC and Harris Corporation. Prior to joining the Company, Mr. Wensinger served as Chief Operating Officer of Peraton, Inc. from 2017 to 2024. Mr. Wensinger graduated from Bowling Green State University where he received Bachelor's degree and from University of South Florida with a Masters of Business Administration and completed The General Managers Program at the Harvard Business School.
Shawn M. Mural	54	Senior Vice President and Chief Financial Officer (CFO)	Mr. Mural has served as Senior Vice President and Chief Financial Officer since October 2023. He is responsible for all finance and accounting functions, including controllership, finance operations, planning, tax, treasury, investor relations, and corporate development. Prior to joining the Company, Mr. Mural worked in various capacities at RTX Corporation and its subsidiaries (RTX), including as Vice President of Finance and Chief Financial Officer of Raytheon. Mr. Mural was with Raytheon and RTX for 24 years, has more than two decades of executive experience in the aerospace and defense industry, and has served in a number of financial and policy leadership roles. Mr. Mural graduated from Canisius University where he received a Bachelor's degree and from the University of Texas at Dallas with a Masters of Business Administration.
L. Roger Mason, Jr.	59	Senior Vice President and Chief Growth Officer	Roger Mason has served as the Chief Growth Officer since January 2025. He is responsible for leading the Company's growth function including business development operations, competitive intelligence, strategy, marketing and communications, government relations and technology investment. Prior to joining the Company, he served as President of Peraton's Space and Intelligence sector from 2018 to 2024 where he led a $2 billion business focused on advanced products, solutions and services for the space, intelligence and defense markets. Dr. Mason also served as the first Assistant Director of National Intelligence for Systems and Resource Analyses from 2009 to 2014 and was awarded the National Intelligence Distinguished Service Medal. His overall career spans three decades and includes senior executive positions at Parsons, General Dynamics, Noblis and the Institute for Defense Analyses with a focus on national security markets. Dr. Mason has served on the board of several public, private, and non-profit boards, including Maxar Technologies from 2017 to 2023. Dr. Mason graduated from George Washington University where he received a Bachelor's degree in physics, from the Kellogg School at Northwestern University with a Masters of Business Administration and from the University of Virginia where he earned a Ph.D. in Engineering Physics.

Name	Age	Current Title(s)	Business Experience
Richard "Vinny" Caputo	60	Senior Vice President, Aerospace Systems	Mr. Caputo has served as Senior Vice President, Aerospace Solutions since November 2024. He is responsible for all aerospace and defense services, modernization and sustainment, and program integration and mission support. Prior to being appointed as Senior Vice President, Aerospace Solutions, Mr. Caputo served as President of Aerospace Services from 2018 to 2024 and as Senior Director of Aviation Field Maintenance at Vertex from 2012 to 2018. Mr. Caputo completed a 25-year career in the U.S. Marine Corps and retired at the rank of Colonel. Mr. Caputo graduated from Rhode Island College where he received a Bachelor's degree, from Air Force Command and Staff College with a Master's degree in Operational Art and Science and from the U.S. Army War College with a Master's degree in Strategic Studies. He also completed the Executive Leadership Programs at The Harvard Business School and the University of Pennsylvania's Wharton Business School.
Jeremy J. Nance	47	Senior Vice President and General Counsel	Mr. Nance has served as Senior Vice President and General Counsel since August 2024. He is responsible for managing all legal matters related to the Company's operations, transactions and business practices. Mr. Nance has served on V2X's legal team since July 2018. Prior to being appointed as General Counsel, he served as Deputy General Counsel and Chief Compliance Officer of V2X and prior to the Merger, as General Counsel of Vertex where he helped oversee the company's legal and contracts teams and was involved in all phases of mergers and acquisitions, resolving both domestic and international disputes, overseeing corporate governance, and providing general business advice. Mr. Nance graduated from Baylor University with a Bachelor's degree and a Masters of Business Administration and from Baylor University School of Law where he received a Juris Doctorate.
Kenneth W. Shreves	62	Senior Vice President, Mission Support	Mr. Shreves has served as the Senior Vice President, Mission Support since November 2024. He is responsible for base operations; logistics; high consequence training; and the national security program businesses as well as top and bottom line organic growth, strategy, and operational efficiency. Mr. Shreves served the Company as Senior Vice President, Global Mission Solutions from January 2024 to November 2024, as Senior Vice President, Global Mission Training & Sustainment from July 2022 to January 2024, as Senior Vice President, Organic Growth, Operational Enablement and Supply Chain from November 2021 to July 2022 and as Vice President of Business Development/Capture from October 2017 to November 2021. Prior to his commercial career, Mr. Shreves served in the United States Army as a logistics officer, retiring after twenty-eight years, having commanded at every level through Brigade Command and culminating as the Army Chair at the National War College in Washington DC. Mr. Shreves graduated from the University of Florida where he received a Bachelor of Science degree in Business Administration – Finance, from Central Michigan University with a Master of Science in Administration, and from the National War College, Fort McNair, Washington DC with a Master of Science in National Security Studies.

Name	Age	Current Title(s)	Business Experience
Michael J. Smith	44	Corporate Vice President of Treasury, Investor Relations and Corporate Development	Mr. Smith has served as the Company's Corporate Vice President of Treasury, Investor Relations and Corporate Development since 2014. He is responsible for the Company's inorganic activities, including merger & acquisition strategy and execution, global treasury and capital markets operations, and investor relations. Prior to joining the Company, he was co-founder and managing director of The Silverline Group, a strategic consulting and advisory services firm that focuses on the aerospace and defense, intelligence, government services, homeland security, and federal civilian markets. Prior to co-founding The Silverline Group, Mr. Smith was a senior equity research associate at Lazard Capital Markets, covering the aerospace and defense, federal government information technology services, and defense technology sectors. He also spent five years with BB&T Capital Markets covering defense and government services and seven years with Raymond James & Associates in various capacities. Mr. Smith is a CFA® charterholder and graduated from the University of South Florida where he received a Bachelor's degree with a major in finance and a minor in economics.

Available Information

Our principal executive offices are located at 1875 Campus Commons Drive, Suite 305, Reston, Virginia, 20191. Our telephone number is (571) 481-2000 and our website address is www.goV2X.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to these reports are available on our website, without charge, as soon as reasonably practicable after electronically filed with the Securities and Exchange Commission (SEC). Throughout this Form 10-K, we incorporate by reference information from parts of other documents filed with the SEC. The information provided on our website is not part of this report, and is therefore not incorporated by reference, unless such information is otherwise specifically referenced elsewhere in this report. Our reports filed with the SEC also may be found on the SEC's website at www.sec.gov.

We intend to use our website as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor our website, in addition to following our press releases, SEC filings and public conference calls and webcasts.

ITEM 1A. *RISK FACTORS*

In evaluating our Company and business, you should carefully consider the risks and uncertainties described below, together with information disclosed elsewhere in this Annual Report on Form 10-K, including our consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II of this Annual Report, and other documents we file with the SEC. The risks described below relate to our business, governmental regulations, indebtedness, financial condition and markets, and our securities. Also, the risks and uncertainties described below are those that we have identified as material but are not the only risks and uncertainties we face. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial also may materially harm our business, financial condition or operating results and result in a decline in our stock price.

Summary of Risk Factors

Risks Related to Our Business

- We may not be successful in winning new contracts or recompeting our existing contracts, which could have an adverse impact on our business and prospects.
- Our profitability or performance could suffer if we are unable to recruit and retain qualified personnel or if we are unable to maintain adequate staffing levels for our contracts.
- Termination, expiration or non-renewal of our existing U.S. government contracts may adversely affect our business.
- We derive a significant portion of our revenue from a concentrated number of large contracts, and the loss or material reduction of any of these contracts could have a material adverse effect on our results of operations and cash flows.
- We rely on internal and external information technology systems to conduct our business, and disruption or failure of these systems could adversely affect our business and results of operations.
- Competition within our markets may reduce our revenue and market share.
- Our earnings and margins may vary based on the mix of our contracts, our performance, and our ability to control costs.
- We use estimates in accounting for many of our programs, and changes in our estimates could adversely affect our future financial results.

- While firm-fixed-price contracts allow us to benefit from cost savings, these contracts also increase our exposure to the risk of cost overruns.
- Uncertainties in the U.S. government defense budget, changes in spending or budgetary priorities or delays in contract awards or collection of our receivables may significantly and adversely affect our financial performance and limit our growth prospects.
- We are dependent on the U.S. government and, if our reputation or relationship with the U.S. government was harmed, our revenue and growth prospects could be adversely affected.
- Business disruptions caused by natural disasters, global hostilities, pandemics, and other crises could adversely affect our profitability and our overall financial position.
- We rely on our information and communications systems in our operations. Security breaches, cybersecurity attacks, and other disruptions could adversely affect our business and results of operations.
- Our contract sites are inherently dangerous workplaces. Failure to maintain safe work sites and equipment or effectively respond to the impacts of pandemics in our workplaces could result in employee exposures, injuries, or deaths, environmental disasters, reduced profitability, the loss of projects or customers and possible exposure to litigation.
- We work in international locations where there are high security risks, which could result in harm to our employees and contractors and the incurrence of substantial costs.
- A significant portion of our workforce is represented by labor unions, and our business could be harmed in the event of a prolonged work stoppage.
- Integrating Vectrus and Vertex may be more difficult, costly or time-consuming than expected.
- We conduct a portion of our operations through joint ventures and other partnerships, exposing us to certain risks and uncertainties, many of which are outside of our control.
- Our earnings and margins depend, in part, on subcontractor performance.
- Our business could be adversely affected by bid protests.
- Misconduct of our employees, subcontractors, agents, prime contractors or business partners could cause us to lose customers and could have a material adverse impact on our business and reputation, adversely affecting our ability to obtain new contracts.
- Our success depends, in part, on our ability to work with and manage complex and rapidly changing technologies to meet the needs of our customers.
- We may pursue acquisitions and other investments that involve numerous risks and uncertainties.
- We depend on our teaming arrangements and relationships with other contractors. If we are not able to maintain these relationships, or if these parties fail to satisfy their obligations to us or the customer, our revenue, profitability and growth prospects could be adversely affected.
- We may be required to contribute additional funds to meet any present or future underfunded benefit obligations associated with multiemployer pension plans in which we participate.
- Legal disputes could require us to pay potentially large damage awards and could be costly to defend, which would adversely affect our cash balances and profitability, and could damage our reputation.
- Our insurance may be insufficient to protect us from claims or losses.
- Increasing scrutiny and changing expectations from governmental organizations, customers, and our employees with respect to our sustainability practices may impose additional costs or expose us to new or additional risks.

Risks Related to Governmental Regulations and Laws

- Environmental, health and safety issues could have a material adverse effect on our business, financial position or results of operations.
- As a U.S. government contractor, we are subject to a number of procurement laws and regulations and could be adversely affected by changes in regulations or our failure to comply with these regulations.
- Our business is subject to audits, reviews, cost adjustments, and investigations by the U.S. government, which, if resolved unfavorably to us, could adversely affect our profitability, cash position or growth prospects.
- The DoD continues to modify its business practices, which could have a material effect on its overall procurement processes and adversely impact our current programs and potential new awards.
- Our business depends upon obtaining and maintaining required facility security clearance and individual security clearances.
- We are subject to legal and regulatory compliance risks associated with operating internationally.
- As a U.S. defense contractor, we are subject to security restrictions, which may limit investor insight into portions of our business.

- Our business may be negatively impacted if we are unable to adequately protect our intellectual property rights.
- Government withholding regulations could adversely affect our operating performance.
- We are subject to certain data privacy regulations, which expose us to certain risks if we do not comply with these requirements.

Risks Related to Our Indebtedness, Financial Condition and Markets

- In connection with the Merger, we assumed significantly more indebtedness than V2X's prior indebtedness. Our level of indebtedness and our ability to make payments on or service our indebtedness could adversely affect our business, financial condition, results of operations, cash flow and liquidity.
- Our variable rate indebtedness may expose us to interest rate risks, which could cause our debt costs to increase significantly.
- Our debt agreements contain covenants with which we must comply or risk default, or that impose restrictions on us and certain of our subsidiaries that may affect our ability to operate our businesses.
- Goodwill represents a significant portion of our assets, and any impairment of these assets could negatively impact our results of operations.
- The effects of changes in worldwide economic and capital markets conditions may significantly affect our ability to maintain liquidity or procure capital.
- We may not realize as revenue the full amounts reflected in our backlog, which could adversely affect our future revenue and growth.
- Unanticipated changes in our tax provisions or exposure to additional U.S. and foreign tax liabilities could affect our profitability.

Risks Related to Our Securities

- Investment funds affiliated with American Industrial Partners (AIP) continue to have significant influence over us, which could limit your ability to influence the outcome of key transactions, including a change of control.
- Our stock price may be volatile.
- Any future offerings of securities, including debt or preferred stock, which would be senior to our common stock, or other equity securities may materially and adversely affect us or our shareholders, including the per share trading price of our common stock.
- If our significant shareholders who received shares of our common stock in the Merger sell their shares, the price of our common stock could be materially affected.
- We do not currently plan to pay dividends on our common stock, and our indebtedness could limit our ability to pay dividends on our common stock in the future.
- Anti-takeover provisions in our organizational documents and Indiana law could delay or prevent a change in control.

RISKS RELATED TO OUR BUSINESS

We may not be successful in winning new contracts or recompeting our existing contracts, which could have an adverse impact on our business and prospects.

We derive a substantial majority of our revenue from our contracts with the U.S. federal government, which are typically awarded through a rigorous competitive bidding process. This competitive bidding process presents several risks, including the following:

- We may bid on programs for which the work activities, deliverables, and timelines are vague or for which the solicitation incompletely describes the actual work, which may result in inaccurate pricing assumptions;
- We may incur substantial costs and spend a significant amount of managerial time and effort preparing bids and proposals; and
- We may realize the lost opportunity cost of not bidding on and winning other contracts that we may have pursued otherwise.

If we are unable to win a particular new contract, we may be prevented from providing the customer the services that are purchased under that contract for a number of years.

In addition, we face rigorous competition and pricing pressures for any additional contract awards from the U.S. government. Some of our existing contracts must be recompeted when the original period of performance ends. Recompetes represent opportunities for competitors to take market share away from us. Recompetes also represent opportunities for our customers to obtain more favorable terms from us. We may be required to qualify or continue to qualify under multiple award contracts, and it may be more difficult for us to win future task orders. If we are unable to consistently win new contract awards, or successfully capture recompetes for our existing contracts, our business and prospects will be adversely affected, and our actual results may differ materially and adversely from those anticipated.

Our profitability or performance could suffer if we are unable to recruit and retain qualified personnel or if we are unable to maintain adequate staffing levels for our contracts.

Due to the specialized nature of our business, our future performance and rate of growth is highly dependent upon the continued services of our personnel and executive officers, the development of additional management personnel and the hiring of new qualified technical, marketing, sales, and management personnel for our operations. Recruitment of qualified personnel is highly competitive, and we may not be successful in attracting or retaining qualified personnel. In recent years, the industry-wide market for qualified employees became even more competitive than in previous years. We also must manage leadership development and succession planning throughout our business. The loss of key employees, coupled with an inability to attract new, qualified employees or adequately train employees, or the delay in hiring key personnel could significantly impact our ability to perform under our contracts and could have an adverse effect on our business, results of operations and financial condition.

In addition, our profitability is affected by how efficiently we utilize our workforce, including our ability to transition employees from completed contracts to new assignments; to hire and assimilate new employees; to hire personnel in or timely deploy expatriates to foreign countries; to manage attrition and a subcontractor workforce; and to devote time and resources to training, business development, professional development and other non-chargeable activities.

Termination, expiration or non-renewal of our existing U.S. government contracts may adversely affect our business.

Our U.S. government services contracts generally are of a finite duration of five years and usually range between three and ten years. The termination, expiration or non-renewal of our existing U.S. government contracts could result in a loss of anticipated future revenue attributable to that program, which could have an adverse impact on our operations.

The U.S. government may stop work or terminate any of our government contracts, in whole or in part, at any time at its convenience with little or no notice. The U.S. government may also terminate our contracts for default if we fail to meet our obligations under a contract. If any of our contracts were terminated for convenience, we generally would be entitled to receive payment for work completed and allowable termination or cancellation costs. If any of our government contracts were terminated for default, generally the customer would pay us only for the work that has been accepted. Moreover, the customer can require us to pay the difference between the original contract price and the cost to re-procure the contract deliverables, net of the work accepted from the original contract. In addition, the U.S. government can also hold us liable for damages resulting from the default.

The expiration, non-renewal or termination of any government contracts, whether for convenience or default, would adversely affect our current programs and reduce our revenue, earnings and cash flows. A termination for default may also negatively affect our reputation, performance ratings and our ability to win new government contracts, particularly for contracts covering the same or similar types of services.

We derive a significant portion of our revenue from a concentrated number of large contracts, and the loss or material reduction of any of these contracts could have a material adverse effect on our results of operations and cash flows.

Revenue from our largest contract, the Kuwait Task Order under the LOGCAP V contract vehicle, amounted to approximately $450.3 million, or 10.4% of our revenue for the year ended December 31, 2024. Performance on the Kuwait Task Order began in July 2021. The award is approximately $1.7 billion with an estimated period of performance completion in December 2026.

We expect the Kuwait Task Order under LOGCAP V will continue to have a significant contribution to our revenue. The loss or material reduction of any of these contracts could have a material adverse effect on our revenue, results of operations and cash flows. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Contracts" in this Annual Report on Form 10-K.

We rely on internal and external information technology systems to conduct our business, and disruption or failure of these systems could adversely affect our business and results of operations.

We utilize, develop, install and maintain a number of information technology systems both for us and for our customers. Additionally, we utilize and rely on external systems maintained by our service providers, including using a managed service provider (MSP) to administer our systems and servers. We also contract with Software-as-a-Service (SaaS) providers to provide core company services such as for enterprise resource planning (ERP), human capital management, and contract lifecycle management. These activities may involve substantial risks to our ongoing business processes including, but not limited to, accurate and timely customer invoicing, employee payroll processing, supplier and vendor payment processing, supply chain management and financial reporting. If these implementation activities are not executed successfully or if we encounter significant delays in our implementation efforts, we could experience interruptions to our business operations and processes.

We continue to implement a new ERP system, integrate a number of other IT systems into one and expect to continue to otherwise upgrade and expand our IT system capabilities, including SAP S/4HANA. We may experience difficulties in our business operations, or difficulties in operating our business under the ERP, either of which could disrupt our operations, including our ability to timely ship and track product orders, project inventory requirements, manage our supply chain, and otherwise adequately service our customers, and lead to increased costs and other difficulties. In the event we experience significant disruptions as a result of the ERP implementation or otherwise, we may not be able to fix our systems in an efficient and timely manner. Accordingly, such events may disrupt or reduce the efficiency of our entire operations and have a material adverse effect on our operating results and cash flows.

Under certain contracts with the U.S. government, the adequacy of our business processes and protections of controlled unclassified information on related systems could be called into question. The occurrence of such events could result in a material adverse impact on our business, financial condition, results of operations and cash flows.

Competition within our markets may reduce our revenue and market share.

Our competition varies depending on our service offerings. Our business is highly competitive, and we compete with larger companies that may have greater name recognition, greater financial resources, and larger technical staff, as well as companies with a competitive advantage due to a small business designation. Within our industry, companies have engaged in mergers and acquisitions to increase their competitive position. Our competitors may provide our customers with different or greater capabilities or better contract terms than we can provide, including past contract experience, geographic presence, price, and the availability of qualified professional personnel. In addition, our competitors may consolidate or establish teaming or other relationships among themselves or with third parties to increase their ability to address customers' needs.

Even if we are qualified to work on a government contract, we may not be awarded the contract because of existing government policies designed to assist small businesses and other designated classifications of business. Accordingly, larger or new competitors, alliances among competitors, or competitors designated as small business contractors may emerge that may adversely affect our ability to compete. If we are unable to compete successfully against our current or future competitors, we may experience declines in revenue and market share, which could negatively impact our financial position, results of operations, or cash flows.

Our earnings and margins may vary based on our performance, the mix of our contracts, and our ability to control costs.

We generate revenue under various types of contracts, which include cost-plus, cost-reimbursable (including non-fee-bearing costs), firm-fixed-price and time-and-materials. Our earnings and profitability may vary materially depending on changes in the proportionate amount of revenue derived from each type of contract, the nature of services provided, as well as the achievement of performance objectives and the stage of performance at which the right to receive fees, particularly under incentive and award fee contracts, is finally determined. Cost-plus contracts generally have lower profitability than firm-fixed-price contracts.

Inflation and other geopolitical factors may impact our costs on our active and future government contracts. For example, global hostilities could change the total mix of our contracts. The Company's earnings and profitability may vary materially depending on significant changes to the total mix of contracts.

Our profitability is adversely affected when we incur contract costs that we cannot bill to our customers. Profitability also may be adversely affected during the start of a new contract due to initial spending necessary to successfully complete phase-in requirements. To varying degrees, each of our contract types involves risk that we could underestimate the costs and resources necessary to fulfill the contract.

In addition, our failure to satisfy customer expectations or contract requirements may result in reduced fees or claims made against us by our customers and may affect our financial performance and our relationship with our customers. Under each type of contract, if we are unable to control costs, our operating results could be adversely affected, particularly if we are unable to justify an increase in contract value to our customers. Cost overruns or the failure to perform on existing programs also may adversely affect our ability to retain existing programs and win future contract awards.

We use estimates in accounting for many of our programs, and changes in our estimates could adversely affect our future financial results.

We recognize revenue from our contracts primarily using the input method (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress towards completion. This methodology requires estimates of total contract revenue, total costs at completion, and fees earned on the contract. Contract estimates are based on various assumptions to project the outcome of future events. These assumptions include labor productivity and availability; the complexity of the work to be performed; the cost and availability of materials; and the performance of subcontractors. This estimation process, particularly due to the nature of the services being performed, is complex and involves a significant amount of judgment. Adjustments to original estimates are often required as work progresses, experience is gained, and additional information becomes known, even though the scope of the work required under the contract may not change. We recognize any adjustment as a result of a change in estimates as additional information becomes known. Changes in the underlying assumptions, circumstances or estimates could result in adjustments that may adversely affect our future financial results.

While firm-fixed-price contracts allow us to benefit from cost savings, these contracts also increase our exposure to the risk of cost overruns*.*

Because many fixed-price contracts are long-term and may also involve new technologies, unforeseen events, such as significant inflation, technological difficulties, cost fluctuations, problems with suppliers, and cost overruns can result in the contractual price becoming less favorable or even unprofitable to us. Revenue derived from firm-fixed-price contracts represented approximately 39% of our total revenue for the year ended December 31, 2024. We monitor the impact of rising costs on our active and future government contracts given the current pace of inflation and other geopolitical factors. To date, the Company has not experienced broad-based material increases from inflation or geopolitical hostilities in the costs of its firm-fixed-price, cost-plus and time-and-materials contracts. However, if the geopolitical conditions worsen or if the Company experiences greater than expected inflation in its supply chain and labor costs, then profit margins, and in particular, the profit margin from firm-fixed-price, cost-plus and time-and-materials contracts, which represent a substantial portion of its contracts, could be adversely affected.

When making proposals on firm-fixed-price contracts, we rely heavily on our estimates of costs and timing for completing the associated projects, as well as assumptions regarding technical issues. In each case, our failure to accurately estimate costs or the resources needed to perform our contracts or to effectively manage and control our costs could result in reduced profits or losses. If we incur costs in excess of initial estimates or funding on a contract, we generally seek reimbursement for those costs through requests for equitable adjustments (REAs) or claims to the Contracting Officer, the denial of which may be appealed to the Armed Services Board of Contracting Appeals, and make assumptions on what we expect to recover in our financial statements, but we may not be able to negotiate full recovery for these costs. In addition, pursuit of these REAs and claims can require significant time and additional costs, including legal fees and expenses, and there is no guarantee that such actions would ultimately be successful.

Uncertainties in the U.S. government defense budget, changes in spending or budgetary priorities or delays in contract awards or collection of our receivables may significantly and adversely affect our financial performance and limit our growth prospects.

Our contracts and revenue primarily depend upon the U.S. DoD budget, which is subject to the congressional budget authorization and appropriations process and is difficult to predict. The U.S. Congress usually appropriates funds for a given program on an October 1 to September 30 fiscal year basis, even though contract periods of performance may extend over many years. Consequently, at the beginning of a major program, the contract is usually partially funded, and additional monies are committed to the contract by the procuring agency only as appropriations are made by Congress in future fiscal years. Impacts on DoD budgets are a function of many factors beyond our control, including, but not limited to, changes in U.S. procurement policies, budget considerations, the federal debt ceiling, current and future economic conditions, presidential administration and congressional priorities, government shutdowns, continuing resolutions, changing national security and defense requirements, geopolitical developments and actual fiscal year congressional appropriations for defense budgets. The January 2025 presidential and administration transition in the United States may introduce further uncertainties to congressional spending and budgetary priorities that may materially affect our business. Any of these factors could result in a significant redirection of current and future DoD budgets and impact our future operations and cash flows. Such factors may have a direct bearing on our new business opportunities as well as on whether the U.S. government will exercise its options for services under existing contracts, thus affecting the timing and volume of our business.

The U.S. government also conducts periodic reviews of U.S. defense strategies and priorities, which may shift DoD budgetary priorities, reduce DoD spending or delay contract or task order awards for defense-related programs. A reduction in U.S. government defense spending, changing defense spending priorities or delays in contract or task order awards could potentially reduce our future revenue, earnings and cash flow and have a material impact on our business.

We depend on the collection of our receivables to generate cash flow, provide working capital, pay debt and continue our business operations. The government may fail to pay outstanding invoices for a number of reasons, including lack of appropriated funds, lack of an approved budget or changes in spending levels or budgetary priorities, which may materially and adversely affect our future revenue and limit our growth prospects.

We are dependent on the U.S. government and, if our reputation or relationship with the U.S. government was harmed, our revenue and growth prospects could be adversely affected.

We derive 96% of our revenue from work performed under U.S. government contracts, primarily the DoD, either as a prime contractor or as a subcontractor to other contractors engaged in work for the U.S. government. For the year ended December 31, 2024, we generated approximately 43% of our total revenue from the U.S. Army. Our reputation and relationship with the U.S. government, and in particular with the branches and agencies of the DoD, are key factors in maintaining and growing this revenue. Negative press reports or publicity, which could pertain to employee or subcontractor misconduct, alleged violations of labor trafficking laws, conflicts of interest, termination of a contract or task order, poor contract performance, deficiencies in services, reports or other deliverables, information security breaches, business system disapprovals, or other aspects of our business, regardless of accuracy, could harm our reputation. If our reputation is negatively affected, we may lose our ability to conduct business in a foreign country (e.g., loss of business license), lose a required security clearance, or if we are suspended or debarred from contracting with government agencies or any branch of the DoD, our revenue and growth prospects could be adversely impacted.

Business disruptions caused by natural disasters, global hostilities, pandemics, and other crises could adversely affect our profitability and our overall financial position.

We have operations located in regions of the U.S. and internationally that may be exposed to natural disasters, such as hurricanes, tornadoes, blizzards, flooding, wildfires or earthquakes. Our business could also be disrupted by national or international crises or hostilities and pandemics. Although preventative measures may help mitigate the damage from such occurrences, impacts on our supply chain and the damage and disruption to our business resulting from any of these events may be significant. If our insurance and other risk mitigation mechanisms are not sufficient to recover all costs, including loss of revenue from sales to customers, we could experience a material adverse effect on our financial position and results of operations.

There is also an increasing concern over the risks of climate-related change and related environmental sustainability matters. In addition to physical risks, climate-related change risk includes longer-term shifts in climate patterns, such as extreme heat, sea level rise, and more frequent and prolonged drought. Such events could disrupt our operations or those of our customers or third parties on which we rely, including through direct damage to assets and indirect impacts from supply chain disruption and market volatility.

We rely on our information and communications systems in our operations. Security breaches, cybersecurity attacks, and other disruptions could adversely affect our business and results of operations.

As a U.S. defense contractor, various privacy and security laws require us to protect sensitive, confidential, and controlled unclassified information from disclosure. Cybersecurity risks continue to increase as various threat actors including nation states, cyber terrorists and hackers, focus efforts to compromise our operational and developmental information technology infrastructure. These threat actors attempt to gain access to sensitive, confidential, proprietary or controlled unclassified information, and may pose threats to physical security.

We and our suppliers face a continual risk associated with security events or disruptions described above, as attack vectors and technologies advance in sophistication, including from emerging technologies, such as artificial intelligence or machine learning technologies (collectively, AI). The rapid evolution and increased adoption of AI technologies may intensify our cybersecurity risks. In connection with the information technology and network communications services that we provide to our customers, we also may encounter cybersecurity threats at customer sites that we operate. We face an added risk of a security event or other significant disruption of our information technology systems and related systems that we develop, install, operate and maintain for our customers, which may involve managing and protecting controlled unclassified information relating to national security and other sensitive government functions or personally identifiable or protected health information.

Cybersecurity risks are significant and continue to evolve. They include, among others, phishing attempts, ransomware, malware and zero-day attacks attempting to gain unauthorized access to systems or data. Other electronic security events could lead to disruptions in mission critical systems, unauthorized release of personal identifiable information, confidential or otherwise protected unclassified information and corruption of data. In addition to security risks listed, we are also subject to other systems failures, including network, software or hardware failures, whether caused by us, third-party service providers, natural disasters, power shortages, terrorist attacks or other events. Our systems reside within cloud service environments which presents various risks, including platform and software as a service providers' inability to identify or quantify, in a timely manner, specific problems that affect the business functions which impact V2X.

Integration and sustainment of existing or new information technology systems, carry a high risk of delays or integration failures. Such delays, failures, or impacts from security events or disruptions described above, could result in loss of revenues, product development delays, compromise, corruption or loss of confidential, proprietary or sensitive information (including personal information or controlled unclassified information), remediation costs, indemnity obligations and other potential liabilities, regulatory or government action, breach of contract claims, contract termination, class action or individual lawsuits from affected parties, negative media attention, reputational damage, and loss of confidence from our government clients. Any of the foregoing could materially and adversely affect our business, financial condition or operations, and our insurance and other risk mitigation mechanisms may not be sufficient to recover the costs.

Our contract sites are inherently dangerous workplaces. Failure to maintain safe work sites and equipment or effectively respond to the impacts of pandemics in our workplaces could result in employee exposures, injuries, or deaths, environmental disasters, reduced profitability, the loss of projects or customers and possible exposure to litigation.

Our project sites often put our employees and others in close proximity with mechanized equipment, moving vehicles, and highly regulated materials. Additionally, global pandemics could introduce additional risks to our worksites requiring additional policies and procedures. Although we have safety procedures in place, if we fail to implement them, or if the procedures we implement are ineffective or insufficient, we may suffer the loss of or injury to our employees, as well as expose ourselves to possible litigation. As a result, our failure to maintain adequate safety standards and equipment, as well as the nature of the environment in which we conduct business, could result in employee exposures, injuries, or deaths, environmental disasters, reduced profitability, or the loss of projects or customers, any of which could have a material adverse impact on our business, financial condition, results of operations and reputation.

We work in international locations where there are high security risks, which could result in harm to our employees and contractors and the incurrence of substantial costs.

Some of our services, including those using subcontractors, are performed in high to moderate risk locations, including but not limited to the Middle East and certain parts of Asia and South America, where the country, region or surrounding areas may have unstable governments, or in areas of military conflict, or hostile and unstable environments, including war zones, or at military installations. Political or economic instability, international security concerns and geopolitical conflict or global hostilities in countries where we provide services and products may increase the risk of an incident resulting in damage or destruction to our work or living sites or our inability to meet contractual obligations or resulting in injury or loss of life to our employees, subcontractors or other third parties. Our insurance coverage may not be adequate to cover these claims and liabilities and we may be forced to bear substantial costs arising from those claims. The impact of these factors is difficult to predict, but any one or more of them could adversely affect our financial position, results of operations or cash flows.

A significant portion of our workforce is represented by labor unions, and our business could be harmed in the event of a prolonged work stoppage.

As of December 31, 2024, approximately 4,500 of our employees, or approximately 28% of our employee base were unionized. We have 45 collective bargaining agreements with labor unions. We cannot predict how stable our union relationships will be or whether we will be able to successfully renew or negotiate these labor contracts, or enter into new agreements, on terms that are acceptable to us. In addition, the presence of unions may limit our flexibility in managing our workforce. Labor actions, work stoppages or the threat of work stoppages by our union employees or implementation of a work stoppage contingency plan, and our failure to obtain favorable labor contract terms during negotiations, may disrupt our operations, negatively impact our ability to provide services to our customers on a timely basis, and result in higher labor costs, which could in turn negatively impact our reputation, results of operations and financial condition.

Our business operations are also subject to additional risks associated with conducting business internationally, including, without limitation:

- Political instability in foreign countries;
- Terrorist activity by various groups in the areas in which we operate;
- Imposition of inconsistent foreign laws, regulations or policies or changes in or interpretations of such laws, regulations or policies;
- Currency exchange controls, fluctuations of currency and foreign exchange rates, and currency revaluations;
- Conducting business in places where laws, business practices and customs are unfamiliar or unknown; and
- Imposition of limitations on or increases in withholding and other taxes on payments by foreign operations.

Our failure to adapt to or mitigate these risks could affect our ability to conduct our business internationally and adversely affect our financial position, results of operations or cash flows.

Integrating Vectrus and Vertex may be more difficult, costly or time-consuming than expected.

The Merger involves the integration of Vertex's business with our legacy business, which is a complex, costly and time-consuming process. It is possible that the integration process could result in material challenges, including, without limitation:

- consolidating corporate and administrative infrastructures and eliminating duplicative operations and inconsistencies in standards, controls, procedures and policies;
- integrating the companies' financial reporting and internal control systems, including the Company's compliance with Section 404 of the Sarbanes-Oxley Act of 2002, as amended, and the rules promulgated thereunder by the SEC; and
- unanticipated issues in integrating information technology, implementing a new enterprise resource planning (ERP) system, communications and other business systems.

Many of these factors will be outside of the Company's control, and any one of them could result in delays, increased costs, decreases in revenues and diversion of management's time and energy, which could materially affect the Company's financial position, results of operations and cash flows. Management recently concluded that, as of December 31, 2024, the Company's disclosure controls and procedures were not effective due to two material weaknesses in internal control over financial reporting within Vertex. Specifically, one material weakness identified by management arises from a Vertex subsidiary's information technology general controls (ITGCs) over user access for an ERP system that supports their financial reporting processes. Additionally, management identified a material weakness in the design and operation of the ITGCs over logical access and change management on the new ERP system being implemented at one of the other subsidiaries within Vertex. While management intends to resolve these material weaknesses, their remediation efforts may not be successful, the Company's internal controls over financial reporting may not be effective as a result of these efforts by any particular date, and additional actions may be required, which could have a material adverse effect on our reputation, financial condition and results of operations. For details, please reference "Item 9A. Controls and Procedures - Management's Report on Internal Control over Financial Reporting" in this Annual Report on Form 10-K.

These integration matters could have an adverse effect on us for an undetermined period after completion of the Merger. In addition, the actual cost savings of the Merger could be less than anticipated. Our future results may be adversely impacted if the Company does not effectively manage its expanded operations.

We may not be successful or may not realize the expected operating efficiencies, cost savings and other benefits currently anticipated from the Merger.

We conduct a portion of our operations through joint ventures and other partnerships, exposing us to certain risks and uncertainties, many of which are outside of our control.

We conduct a portion of our operations through joint ventures and other partnerships where control may be shared with unaffiliated third parties. Although these operations are currently not significant, we are exposed to risks and uncertainties from them. As with any joint venture arrangement or partnership, differences in views among the participants may result in delayed decisions or in failures to agree on major issues. We also cannot control the actions of our partners, including any failure to comply with applicable laws or regulations, nonperformance, default or bankruptcy of our partners. If our partners do not meet their contractual obligations, the joint venture or partnership may be unable to adequately perform and deliver its contracted services, requiring us to make additional investments or perform additional services to ensure the adequate performance and delivery of services to the customer. We could be liable for both our obligations and those of our partners, which may result in reduced profits or, in some cases, significant losses on the project. Additionally, these factors could have a material adverse effect on the business operations of the joint venture or partnership and, in turn, our business operations and reputation.

Further, operating through joint ventures or partnerships in which we have a minority interest could result in us having limited control over many decisions made with respect to projects and internal controls relating to projects. These joint ventures or partnerships may not be subject to the same requirements regarding internal controls as we are. As a result, internal control issues may arise, which could have a material adverse effect on our financial condition and results of operations.

Our earnings and margins depend, in part, on subcontractor performance.

We rely on third-party subcontractors to perform some of the services that we provide to our customers. Disruptions or performance problems caused by our subcontractors could have an adverse effect on our ability as a prime contractor or higher tier subcontractor to meet our commitments to customers.

We may have disputes with our subcontractors arising from, among other things, the quality and timeliness of work performed by the subcontractor, customer concerns about the subcontractor, our failure to extend existing task orders or issue new task orders under a subcontract, proper invoicing, cost reasonableness, allocability, allowability, adjustments to the scope of the subcontractor's work, or the subcontractor's failure to comply with applicable law or regulations. Uncertain economic conditions heighten the risk of financial stress of our subcontractors, which could adversely impact their ability to meet their contractual requirements to us. If any of our subcontractors fail to timely meet their contractual obligations or have regulatory compliance or other problems, our ability to fulfill our obligations may be jeopardized. Significant losses could arise in future periods and subcontractor performance deficiencies could result in our termination for default.

Our business could be adversely affected by bid protests.

We may experience additional costs and delays if our competitors protest or challenge awards of contracts to us in competitive bidding. Any such protest or challenge could result in the resubmission of bids on modified specifications, or in the termination, reduction or modification of the awarded contract. It can take a significant amount of time to resolve contract protests and, in the interim, the contracting U.S. federal agency may suspend our performance under the contract pending the outcome of the protest. We cannot predict the timing or outcome of protests.

In addition, we may protest the contract awards of our competitors when we believe it is prudent to do so to protect our rights and interest in the competition. This process requires the time, effort and attention of our management and employees and incurs additional costs.

Misconduct of our employees, subcontractors, agents, prime contractors or business partners could cause us to lose customers and could have a material adverse impact on our business and reputation, adversely affecting our ability to obtain new contracts.

Misconduct, fraud or other improper activities by our employees, subcontractors, agents, prime contractors or business partners could have a material adverse impact on our business and reputation. Such misconduct could include the failure to comply with federal, state, local or foreign government procurement regulations, regulations regarding the protection of classified or personal information, legislation regarding the pricing of labor and other costs in government contracts, regulations pertaining to the internal controls over financial reporting, laws and regulations relating to environmental matters, bribery of foreign government officials, lobbying or similar activities, boycotts, antitrust and any other applicable laws or regulations. Misconduct involving data security lapses or inadequate cybersecurity protections resulting in the compromise of personal information or the improper use of our customer's sensitive or classified information could result in remediation costs, regulatory sanctions against us and serious harm to our reputation. Although we have implemented internal policies, procedures, controls and training that are designed to prevent and detect these activities, these precautions may not prevent all misconduct and as a result, we could face unknown risks or losses. Misconduct by any of our employees, subcontractors, agents, prime contractors or business partners or our failure to comply with applicable laws or regulations or with applicable internal policies, procedures and controls could subject us to fines and penalties, loss of security clearance, loss of current and future customer contracts and suspension or debarment from contracting with federal, state or local government agencies, any of which would adversely affect our business, our reputation and our future financial results.

Our success depends, in part, on our ability to work with and manage complex and rapidly changing technologies to meet the needs of our customers.

We design and develop technologically advanced and innovative products and services applied by our customers in various environments. The needs of our customers change and evolve regularly and in particular by complex and rapidly evolving technologies, such as advanced forms of AI. AI may be enabled by, or integrated into, some of our business operations or may be used in the development of our solutions or products. If we deploy AI solutions that have unintended consequences or are more controversial than we anticipate, our customers may seek redress and we may experience reputational harm which could affect our business or financial results. Our use of AI solutions could be subject to regulatory action or legal liability.

Our success depends upon our ability to identify emerging technological trends, develop and manage technologically advanced, innovative and cost-effective products and services and market these products and services to our customers. Our success also depends on our continued access to suppliers of important technologies and components. If we are unable to develop, implement and manage these initiatives in a cost-effective, timely manner or at all, it could damage our relationships with our customers and negatively impact our financial condition and results of operations. There can be no assurance that others will not acquire similar or superior technologies sooner than we do or that we will acquire technologies on an exclusive basis or at a significant price advantage. If we do not accurately predict, prepare and respond to new technology innovations, market developments and changing customer needs, our revenues, profitability and long-term competitiveness could be materially adversely affected.

We may pursue acquisitions and other investments that involve numerous risks and uncertainties.

We have and may in the future selectively pursue strategic acquisitions and other investments. These transactions require significant investment of time and resources and may disrupt our business and distract our management from other responsibilities. Even if successful, these transactions could affect our operating results for a number of reasons, including the amortization of intangible assets, impairment charges, acquired operations that are not yet profitable or the payment of additional consideration under earn-out arrangements if an acquisition performs better than expected. If we engage in such transactions, we may incur significant transaction and integration costs and have difficulty integrating personnel, operations, products or technologies or otherwise realizing synergies or other benefits from the transactions. The integration process could result in the loss of key employees, loss of key customers, loss of key vendors, decreases in revenue and increases in operating costs. In addition, we may assume material risks and liabilities in an acquisition, including liabilities that are unknown as of the time of the acquisition. Such transactions may dilute our earnings per share, disrupt our ongoing business, distract our management and employees, increase our expenses, perform poorly, subject us to liabilities, and increase our risk of litigation, all of which could harm our business.

We depend on our teaming arrangements and relationships with other contractors. If we are not able to maintain these relationships, or if these parties fail to satisfy their obligations to us or the customer, our revenue, profitability and growth prospects could be adversely affected.

We rely on our teaming relationships and other arrangements with other prime contractors or subcontractors in order to submit bids for large procurements or other opportunities where we believe the combination of services provided by us and the other companies will help us to win and perform the contract. Our future revenue and growth prospects could be adversely affected if other contractors eliminate or reduce their contract relationships with us, or if the U.S. government terminates or reduces these other contractors' programs, does not award them new contracts or refuses to pay under a contract.

We may be required to contribute additional funds to meet any present or future underfunded benefit obligations associated with multiemployer pension plans in which we participate.

A multiemployer pension plan is typically established under a collective bargaining agreement with a union to represent workers of various unrelated companies. Certain collective bargaining agreements require us to contribute to their various multiemployer pension plans. For the year ended December 31, 2024, we contributed $18.1 million to multiemployer pension plans. Under the Employee Retirement Income Security Act (ERISA), an employer who contributes to a multiemployer pension plan, absent an applicable exemption or other mitigating circumstance, may also be liable, upon termination or withdrawal from the plan, for its proportionate share of the multiemployer pension plan’s unfunded vested benefit. If we terminate or withdraw from a multiemployer plan, absent an applicable exemption or other mitigating circumstance, we could be required to contribute a significant amount of cash to fund the multiemployer plan’s unfunded vested benefit, which could materially and adversely affect our financial results.

Legal disputes could require us to pay potentially large damage awards and could be costly to defend, which would adversely affect our cash balances and profitability, and could damage our reputation.

We are subject to a number of lawsuits and claims as described under Part I, "Item 3. Legal Proceedings" in this Annual Report on Form 10-K. We are also subject to, and may become a party to, a variety of other litigation or claims and suits that arise from time to time in the ordinary course of our business. Adverse judgments or settlements in some or all of these legal disputes may result in significant monetary damages or injunctive relief against us. Any claims or litigation could be costly to defend, and even if we are successful or if fully indemnified or insured, such claims or litigation could damage our reputation and make it more difficult to compete effectively or obtain adequate insurance in the future. In addition, any securities litigation that we could encounter as a publicly traded company could be costly, divert management’s attention and resources from our business and could require us to make substantial payments to settle those proceedings or satisfy any judgments that may be reached against us. Litigation and other claims are subject to inherent uncertainties and management’s view of these matters may change in the future.

Our insurance may be insufficient to protect us from claims or losses.

We maintain insurance coverage with third-party insurers as part of our overall risk management strategy and because some of our contracts require us to maintain specific insurance coverage limits. However, not every risk or liability is or can be protected by insurance, and, for those risks we insure, the limits of coverage we purchase or that are reasonably obtainable in the market may not be sufficient to cover all actual losses or liabilities incurred. If any of our third-party insurers fail, cancel our coverage or otherwise are unable to provide us with adequate insurance coverage, then our overall risk exposure and our operational expenses would increase, and the management of our business operations would be disrupted. Our insurance may be insufficient to protect us from significant warranty and other liability claims or losses. Moreover, there is a risk that commercially available liability insurance will not continue to be available to us at a reasonable cost, if at all. If liability claims or losses exceed our current or available insurance coverage, our business and prospects may be harmed. We are also subject to the requirements of the Defense Base Act (DBA), which generally requires insurance coverage to be provided to persons employed at U.S. military bases outside of the U.S. Failure to obtain DBA insurance may result in fines or other sanctions, including the loss of a particular contract.

Increasing scrutiny and changing expectations from governmental organizations, customers, and our employees with respect to our sustainability practices may impose additional costs or expose us to new or additional risks.

There is increased scrutiny from governmental organizations, customers, and employees on companies' sustainability practices and disclosures, including with respect to workplace diversity. If our sustainability practices do not meet new and evolving executive orders, rules and regulations or stakeholder expectations and standards, then our reputation, our ability to attract or retain employees and our ability to attract new business and customers could be negatively impacted. Organizations that provide information to investors on corporate governance and related matters have developed rating processes for evaluating companies on their approach to sustainability matters, and unfavorable ratings of our sustainability efforts may lead to negative investor sentiment, diversion of investment to other companies, and difficulty in hiring skilled employees. In addition, complying or failing to comply with existing or future federal, state, local, and foreign legislation and regulations applicable to our sustainability efforts, which may conflict with one another, could cause us to incur additional compliance and operational costs or increase our risk of litigation, all of which could materially and adversely affect our reputation, business, financial condition and results of operations.

RISKS RELATED TO GOVERNMENTAL REGULATIONS AND LAWS

Environmental, health and safety issues could have a material adverse effect on our business, financial position or results of operations.

We are subject to federal, state, local, and foreign environmental, health and safety laws and regulations, including those governing: climate-related change; air emissions; discharges to water; the management, storage, transportation and disposal of hazardous wastes, petroleum, and other regulated substances; the investigation and cleanup of contaminated property; and the maintenance of a safe and healthy workplace for our employees, contractors, and visitors. These laws and their implementing regulations can impose certain operational controls for minimization of pollution, permitting, training, recordkeeping, monitoring and reporting requirements or other operational or siting constraints on our business, result in costs to remediate releases of regulated substances into the environment, result in facility shutdowns to address violations, or require costs to remediate sites to which we sent regulated substances for disposal. Violations of these laws and regulations can cause significant delays and add additional costs to a project. We have incurred and will continue to incur operating, maintenance and other expenditures as a result of environmental, health and safety laws and regulations. Past business practices at companies that we have acquired may also expose us to future unknown environmental, health and safety liabilities.

We are subject to laws and regulations related to climate-related change. The State of California has enacted new climate change disclosure requirements, including emissions requirements. In addition, while not currently applicable to V2X, the European Union Corporate Sustainability Reporting Directive requires expansive disclosures on various sustainability topics, and the SEC has issued proposed climate change rules that could impact the Company in the future. We are currently monitoring our obligations under the California law, but we expect that any required compliance with climate-related or other sustainability-related laws and regulations could result in substantial compliance costs, including monitoring and reporting costs. Noncompliance with these laws or regulations may result in potential cost increases, litigation, fines, penalties, brand or reputational damage, and higher investor activism activities. We cannot predict how future laws and regulations, or future interpretations of current laws and regulations related to climate change will affect our business, financial condition and results of operations.

Any new developments such as the adoption of new environmental, health and safety laws and regulations could result in material costs and liabilities that we currently do not anticipate and could increase our expenditures and also materially adversely affect our business, financial position or results of operations.

As a U.S. government contractor, we are subject to a number of procurement laws and regulations and could be adversely affected by changes in regulations or our failure to comply with these regulations.

We operate in a highly regulated environment and must comply with many significant procurement regulations and other requirements. These regulations and requirements, although customary in government contracts, increase our performance and compliance costs. If any such regulations or procurement requirements change, our costs of complying with them could increase and therefore reduce our margins. Some significant statutes and regulations that affect us include:

- The FAR and department or agency-specific regulations that implement or supplement the FAR, such as the DoD's DFARS, which regulate the formation, administration and performance of U.S. government contracts;
- The Truthful Cost or Pricing Data Statute, previously known as the Truth in Negotiations Act, which requires certification and disclosure of cost and pricing data in connection with certain contract negotiations;
- The Procurement Integrity Act, which regulates access to competitor bid and proposal information and government source selection information, and our ability to provide compensation to certain former government officials;
- The Civil False Claims Act, which provides for substantial civil penalties, including claims for treble damages, for violations, including for submission of a false or fraudulent claim to the U.S. government for payment or approval;

- The CTIP Act, which ensures that government contractors and others are fully trained to combat human trafficking pursuant to the National Security Presidential Directive 22; and
- The U.S. Government Cost Accounting Standards (CAS), which impose accounting requirements that govern our right to reimbursement under certain cost-based U.S. government contracts.

If we are found to have violated any of these or other laws or regulations, or are found not to have acted responsibly as defined by them, we may be subject to reductions of the value of contracts; contract modifications or terminations; the assessment of penalties and fines, compensatory damages or treble damages; or suspension or debarment from government contracting or subcontracting, any of which could have a material adverse effect on our financial position, results of operations, or cash flows.

Our business is subject to audits, reviews, cost adjustments, and investigations by the U.S. government, which, if resolved unfavorably to us, could adversely affect our profitability, cash position or growth prospects.

U.S. government agencies, including the DCAA, the DCMA and others, routinely audit and review our performance on government contracts, indirect rates and pricing practices, compliance with applicable contracting and procurement laws, regulations and standards, and compliance with applicable cybersecurity requirements. They also review the adequacy of our compliance with government standards for our business systems, including our accounting, purchasing, government property, estimating, and related business systems. Recently, these audits and reviews have become more rigorous and the standards to which we are held are being more strictly interpreted and applied, increasing the likelihood of an audit or review resulting in an adverse outcome. Although customary in government contracts, these audits and reviews increase our performance and compliance costs.

We will be subject to the DoD Cybersecurity Maturity Model Certification (CMMC) requirements, which will require contractors that process, store, or transmit critical national security information on their information technology systems to receive specific third-party certifications relating to specified cybersecurity standards to be eligible for contract awards. We are in the process of evaluating our readiness and preparing for the CMMC, but to the extent we are unable to achieve certification in advance of contract awards that specify the requirement in the future, we will be unable to bid on such contract awards or follow-on awards for existing work with the DoD, depending on the level of standard as required for each solicitation, which could adversely impact our business, financial condition and results of operations. In addition, any obligations that may be imposed on us under the CMMC may be different from or in addition to those otherwise required by applicable laws and regulations, which may cause additional expense for compliance.

Government audits or other reviews could result in adjustments to contract costs, the disallowance of or adjustment to costs allocated to certain contracts, mandatory customer refunds, or decreased billings to our U.S. government customers until the deficiencies identified in the audits or reviews are corrected and our corrections are accepted by DCMA. Such adjustments could be applied retroactively, which could result in significant customer refunds. A determination of non-compliance with applicable contracting and procurement laws, regulations and standards could result in the U.S. government imposing penalties and sanctions against us, including withholding of payments, suspension of payments and increased government scrutiny that could delay or adversely affect our ability to invoice and receive timely payment on contracts, perform contracts or compete for contracts. Non-compliance by us could result in our being placed on the “Excluded Parties List” maintained by the General Services Administration, and we could become ineligible to receive certain contracts, subcontracts and other benefits from the U.S. government or to perform work under a government contract or subcontract until the basis for the listing has been appropriately addressed, which would materially adversely affect our ability to do business.

In addition, if a review or investigation identifies improper or illegal activities, we may be subject to civil or criminal penalties or administrative sanctions, including the termination of contracts, forfeiture of profits, the triggering of price reduction clauses, suspension of payments, fines and suspension or debarment from doing business with governmental agencies. Civil penalties and sanctions are not uncommon in our industry. If we incur a material penalty or administrative sanction, our reputation, business, results of operations, and future business could be adversely affected.

The DoD continues to modify its business practices, which could have a material effect on its overall procurement processes and adversely impact our current programs and potential new awards.

The DoD continues to pursue various initiatives designed to gain efficiencies and to focus and enhance business practices. These initiatives and resulting changes, such as increased usage of firm-fixed-price contracts, where we bear the risk that increased or unexpected costs may reduce our profit or cause us to sustain losses, multiple award IDIQ contracts and small and disadvantaged business set-aside contracts, have an impact on the contracting environment in which we do business. Any of these changes could impact our ability to obtain new contracts or renew our existing contracts when those contracts are recompeted. These initiatives, such as IDIQ contracts, continue to evolve, and the full impact to our business remains uncertain and subject to the way the DoD implements them. As a result of these initiatives, our profit margins on future contracts may be reduced and may require us to make sustained efforts to reduce costs in order to realize revenue and profits under our contracts. If we are not successful in reducing the amount of costs we incur, our profitability on our contracts will be negatively impacted. Any new contracting requirements or procurement methods could be costly or administratively difficult for us to implement and could adversely affect our future revenue, profitability and prospects.

Our business depends upon obtaining and maintaining required facility security clearance and individual security clearances.

Many of our federal government contracts require our employees to maintain various levels of security clearance eligibility and access in compliance with U.S. government requirements. Obtaining and maintaining security clearance eligibility involves a lengthy process and it can be difficult to identify, recruit and retain employees who already hold or meet security clearance eligibility. If our employees are unable to obtain or maintain security clearance eligibility or if our employees who hold security clearance eligibility terminate employment with us, our ability to perform the work under the contract may be negatively affected, and the customer whose work requires cleared employees could terminate the contract or decide not to renew it upon its expiration. In addition, many of the contracts on which we bid and perform require us to maintain a facility security clearance that is in compliance with U.S. government Code of Federal Regulations. To the extent we are not able to maintain a facility security clearance, we may not be able to bid on or win new contracts, or effectively re-bid on expiring contracts.

We are subject to legal and regulatory compliance risks associated with operating internationally.

Our U.S. government contracts operating internationally represented approximately 45% of total revenue for the year ended December 31, 2024. We are subject to a variety of U.S. and foreign laws and regulations, including, without limitation, business compliance, tax and anti-corruption laws, including the U.S. Foreign Corrupt Practices Act. We also employ international personnel and engage with foreign subcontractors and labor brokers, which requires compliance with numerous foreign laws and regulations related to labor, benefits, taxes, insurance and reporting requirements, among others, such as the European Union (EU) General Data Protection Regulation (GDPR). Failure by us or our subcontractors or vendors to comply with these laws and regulations could result in administrative, civil, or criminal liabilities, suspension or debarment from government contracts, any of which could have a material adverse effect on us.

As a U.S. defense contractor, we are subject to security restrictions, which may limit investor insight into portions of our business.

Our federal government contracts may be subject to security restrictions, which preclude the dissemination of information and technology that is classified for national security purposes under applicable law and regulation. In general, access to classified information, technology, facilities and programs requires the appropriate need to know and personnel security access. These types of contracts are subject to strict government oversight and require specialized infrastructure and the appropriate facility clearances. As we are limited in our ability to provide information about these contracts and services, such as the scope of work, associated risks and any disputes or claims, our investors may have limited insight into a portion of our business which may hinder their ability to fully evaluate the risks related to that portion of our business.

Our business may be negatively impacted if we are unable to adequately protect our intellectual property rights.

Our success is dependent, in part, on our ability to utilize technology to differentiate our services from our competitors. We rely on a combination of patents, confidentiality agreements and other contractual arrangements, as well as copyright, trademark, patent and trade secret laws and data rights under the FAR and DFARS, to protect our intellectual property rights and interests. However, these methods only provide a limited amount of protection and may not adequately protect our intellectual property rights and interests. Our employees, contractors and joint venture partners are subject to confidentiality obligations, but this protection may be inadequate to deter or prevent misappropriation of our confidential information and/or infringement of our intellectual property rights. Further, we may be unable to detect unauthorized use of our intellectual property or otherwise take appropriate steps to enforce our rights. Failure to adequately protect, maintain or enforce our intellectual property rights may adversely limit our competitive position.

We cannot provide assurances that others will not independently develop technology substantially similar to our protected technology or that we can successfully preserve our intellectual property rights in the future. Our intellectual property rights could be invalidated, circumvented, challenged, misappropriated or infringed upon. Any infringement, misappropriation or related claims, whether meritorious or not, are time consuming, divert technical and management personnel, are expensive to resolve, and the outcome is unpredictable. As a result of any such dispute, we may have to develop non-infringing technology, pay damages, enter into royalty or licensing agreements, cease utilizing certain products or services or take other actions to resolve the claims. These actions, if required, may be costly or unavailable on terms acceptable to us. If we are unable to prevail in the litigation or retain or obtain sufficient rights or develop non-infringing intellectual property or otherwise alter our business practices on a timely or cost-efficient basis, our business and operating results may be adversely affected.

In addition, our clients or other third parties may also provide us with their technology and intellectual property. There is a risk that we may not sufficiently protect our or their information from improper use or dissemination and, as a result, could be subject to claims and litigation and resulting liabilities, loss of contracts or other consequences that could have an adverse impact on our business, financial condition and results of operation.

We also hold licenses from third parties which may be utilized in our business operations. If we are no longer able to license such technology on commercially reasonable terms or otherwise, our business and financial performance could be adversely affected.

Government withholding regulations could adversely affect our operating performance.

A DFARS rule allows withholding of a percentage of payments when a contractor's business system has one or more significant deficiencies. The DFARS rule applies to CAS-covered contracts that have the DFARS clause in the contract terms and conditions. Contracting officers may withhold 5% of contract payments for one or more significant deficiencies in any single contractor business system or up to 10% of contract payments for significant deficiencies in multiple contractor business systems. A significant deficiency as defined by the DoD is a "shortcoming in the system that materially affects the ability of officials of the DoD to rely upon information produced by the system that is needed for management purposes." If we have significant deficiencies and contract payments are withheld, our revenue and financial position may be adversely affected.

We are subject to certain data privacy regulations, which expose us to certain risks if we do not comply with these requirements.

Many of the systems and networks that we develop, install and maintain for our customers involve managing and protecting personal information and information relating to national security and other sensitive government functions. The collection and use or integration of personal data is subject to various U.S. federal and state privacy and data security laws and regulations. Outside of the U.S., many countries have privacy and data security laws and regulations concerning the collection and use of personal data, including but not limited to, the EU's GDPR. These laws and regulations are complex, constantly evolving, and may be subject to significant change in the future. In addition, enforcement of such laws and regulations is increasing and the application, interpretation and enforcement of these laws and regulations are often uncertain, particularly in new and rapidly evolving areas of technology all of which can make compliance challenging and costly, may expose us to related risks and liabilities and could negatively impact our business and financial condition.

As a U.S. government contractor, we are also subject to regulatory compliance requirements under DFARS and other federal regulations that require our IT systems to comply with the security and privacy controls such as the National Institute of Standards and Technology Special Publication 800-171 (NIST 800-171). We may also be responsible if our subcontractors do not comply with these requirements. A failure to comply with these requirements could negatively impact our business and financial condition.

RISKS RELATED TO OUR INDEBTEDNESS, FINANCIAL CONDITION AND MARKETS

In connection with the Merger, we assumed significantly more indebtedness than V2X's prior indebtedness. Our level of indebtedness and our ability to make payments on or service our indebtedness could adversely affect our business, financial condition, results of operations, cash flow and liquidity.

As of December 31, 2024, we had approximately $1,138.8 million of aggregate debt outstanding, which consists of the First Lien Term Facility and the 2023 Revolver and Term Loan (See Note 10, *Debt,* in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K).

The amount of cash required to pay interest on our increased indebtedness levels following completion of the Merger, and thus the demands on our cash resources, is greater than the amount of cash flows required to service our indebtedness prior to the Merger. The increased levels of indebtedness also reduced funds available for working capital, capital expenditures, acquisitions, and the repayment or refinancing of our indebtedness as it becomes due. If we do not achieve the expected benefits and cost savings from the Merger, or if our financial performance does not meet current expectations, then our ability to service our indebtedness may be adversely impacted.

If we are not able to repay or refinance our debt as it becomes due, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional debt or equity on terms that may be onerous or highly dilutive, if we can obtain it at all. If we raise equity through the issuance of preferred stock, the terms of the preferred stock may give the holders rights, preferences and privileges senior to those of holders of our common stock, particularly in the event of liquidation. Our ability to arrange additional financing or refinancing will depend on, among other factors, our financial position and performance, as well as prevailing market conditions and other factors beyond our control. We cannot assure you that we will be able to obtain additional financing or refinancing on terms acceptable to us or at all.

Our variable rate indebtedness may expose us to interest rate risks, which could cause our debt costs to increase significantly.

Borrowing under the secured credit facilities are at variable rates of interest and will expose us to interest rate risk. As of December 31, 2024, we had approximately $1,138.8 million of aggregate debt outstanding under our secured credit facility. Given the unpredictable interest rate environment, if interest rates continue to increase, our debt service obligations on our variable rate indebtedness would increase even though the amount borrowed would remain the same, and our ability to generate cash from operations and other cash flows, including cash available for servicing our indebtedness, would correspondingly decrease.

To reduce interest expense volatility, we entered into $350.0 million of interest rate swaps during 2023 and $100.0 million of interest rate swaps during 2024. We may in the future enter into additional interest rate swaps that involve the exchange of floating for fixed rate interest payments in order to reduce future interest rate volatility of our variable rate indebtedness. However, due to risks for hedging gains and losses and cash settlement costs, we may not elect to maintain such interest rate swaps, and any swaps may not fully mitigate our interest rate risk.

Our debt agreements contain covenants with which we must comply or risk default, or that impose restrictions on us and certain of our subsidiaries that may affect our ability to operate our businesses.

The agreements that govern the indebtedness incurred in connection with the Merger contain various affirmative and negative covenants that may, subject to certain significant exceptions, restrict our and certain of our subsidiaries' ability to incur debt and our and certain of our subsidiaries' ability to merge, dissolve, liquidate or consolidate; make acquisitions, investments, advances or loans; dispose of or transfer assets; pay dividends; redeem or repurchase certain debt; and enter into certain restrictive agreements. Our and our subsidiaries' ability to comply with these provisions may be affected by events beyond our control. Failure to comply with these covenants could result in an event of default, which, if not cured or waived, could accelerate our repayment obligations and could result in a default and acceleration under other agreements containing cross-default provisions. Under these circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations.

Goodwill represents a significant portion of our assets, and any impairment of these assets could negatively impact our results of operations.

As of December 31, 2024, our goodwill was approximately $1.7 billion, which represented approximately 51.3% of our total assets. We test goodwill for impairment on an annual basis, or whenever events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable. See Note 1, *Description of Business and Summary of Significant Accounting Policie*s, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for additional information. Because of the significance of our goodwill, any future impairment of this asset could have a material adverse effect on our results of operations.

The effects of changes in worldwide economic and capital markets conditions may significantly affect our ability to maintain liquidity or procure capital.

Our business may be adversely affected by factors in the U.S. and other countries that are beyond our control, such as disruptions in financial markets or downturns in economic activity in specific countries or regions, or in the various industries in which our company operates; social, political or labor conditions in specific countries or regions; geopolitical conflict or global hostilities; or adverse changes in the availability and cost of capital, inflation, interest rates, foreign currency exchange rates, tax rates, or regulations in the jurisdictions in which our company operates. If we lose access to our revolving credit facility, or if we are required to raise additional capital, we may be unable to do so in the current credit and stock market environment, or we may be able to do so only on unfavorable terms.

Adverse changes to financial conditions also could jeopardize certain counterparty obligations, including those of our insurers and financial institutions and other third parties.

We may not realize as revenue the full amounts reflected in our backlog, which could adversely affect our future revenue and growth.

As of December 31, 2024, our total backlog was $12.5 billion, which included $2.3 billion in funded backlog. We may not realize the full amount of our backlog as revenue, particularly unfunded backlog and future services where the customer has an option to decline our continued services under a contract. In addition, there can be no assurance that our backlog will result in actual revenue in any particular period. Our receipt of revenue, and the timing and amount of revenue under contracts included in our backlog are subject to various contingencies, many of which are beyond our control, including congressional appropriations. In particular, delays in the completion of the U.S. government's budgeting process and the use of continuing resolutions could adversely affect our ability to recognize revenue timely under the contracts included in our backlog. Furthermore, the actual receipt of revenue from contracts included in our backlog may never occur or may be delayed because:

- a program schedule could change, or the program could be canceled; a contract's funding or scope could be reduced, modified, delayed, or terminated early, including as a result of a lack of appropriated funds or as a result of cost cutting initiatives and other efforts to reduce U.S. government spending or the automatic federal defense spending cuts required by sequestration;
- in the case of funded backlog, the period of performance for the contract has expired; or
- in the case of unfunded backlog, funding may not be available; or, in the case of priced options, our clients may not exercise their options.

Unanticipated changes in our tax provisions or exposure to additional U.S. and foreign tax liabilities could affect our profitability.

We are subject to various taxes, including but not limited to income, gross receipts and payroll withholding taxes in the U.S. and many foreign jurisdictions. Significant judgment is required in determining our worldwide provision or benefit for taxes. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. Furthermore, changes in domestic or foreign tax laws and regulations, or their interpretation and enforcement, could result in higher or lower taxes assessed or changes in the taxability of certain revenue or the deductibility of certain expenses, thereby affecting our tax expense and profitability. See Note 13, *Income Taxes*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for additional information. In addition, we regularly are under audit by tax authorities. The final determination of tax audits and any related litigation could be materially different from our historical tax provisions and accruals. Additionally, changes in the geographic mix of our revenue, including certain additional foreign taxes resulting from the Merger, could also impact our tax liabilities and affect our overall tax expense and profitability.

RISKS RELATED TO OUR SECURITIES

Investment funds affiliated with American Industrial Partners (AIP) continue to have significant influence over us, which could limit your ability to influence the outcome of key transactions, including a change of control.

As of the date of this Form 10-K, Investment funds affiliated with AIP beneficially own approximately 45% of our outstanding common stock. For as long as such investment funds continue to beneficially own a substantial percentage of the voting power of our outstanding common stock, they will continue to have significant influence over us. For example, through their indirect ownership of a substantial amount of our voting power and the provisions set forth in the amended and restated articles of incorporation, the amended and restated bylaws and the shareholders' agreement, AIP has the ability to designate and elect several of our directors, and has significant voting power over certain fundamental actions by us, including with respect to mergers or other business combinations, the acquisition or disposition of assets, the incurrence of additional indebtedness, the issuance of additional shares of common stock or other equity securities, the repurchase or redemption of shares of our common stock and the payment of dividends, in each case subject to the terms of our amended and restated articles of incorporation, amended and restated bylaws and the shareholders' agreement.

Our stock price may be volatile.

The market price of our common stock has been, and is likely to continue to be, highly volatile due to a number of factors, including the volatility of the stock market in general, uncertainty related to major contract awards, the budgetary and political climate, and overall trading liquidity. The closing price of our stock varied from a low of $37.24 to a high of $68.82 in 2024. Because of this volatility, investors in our stock may experience a decline in the value of their investment or may not be able to sell their common stock at or above the price paid for the shares.

Any future offerings of securities, including debt or preferred stock, which would be senior to our common stock, or other equity securities may materially and adversely affect us or our shareholders, including the per share trading price of our common stock.

We may issue, from time to time, additional securities, including common stock, preferred stock, depository shares, warrants, rights and debt securities, whether through an effective registration statement or otherwise. In addition to issuing more shares of our common stock, in the future, we may attempt to increase our capital resources by making additional offerings of debt, including senior debt securities or subordinated debt securities, or preferred stock, or securities that are exchangeable or exercisable or for or convertible into any of the foregoing. Holders of debt and holders of preferred stock may be entitled to receive payments of interest, dividends or otherwise prior to holders of shares of our common stock receiving dividends or any other payments and, in addition, upon liquidation, holders of debt and holders of shares of preferred stock will be entitled to receive our available assets prior to distribution to the holders of our common stock. Our preferred stock, if issued, has rights, preferences and privileges, including a preference on liquidating distributions and/or a preference on dividend payments, which could limit our ability to pay dividends to holders of our common stock. Additionally, any convertible, exercisable or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our common stock and may result in dilution to owners of our common stock. Holders of our common stock are not entitled to preemptive rights or other protections against dilution. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, or nature of future offerings. As a result, our shareholders bear the risk that our future offerings could adversely affect their rights as holders of common stock, reduce the per share trading price of our common stock and dilute their interest in us.

If our significant shareholders who received shares of our common stock in the Merger sell their shares, the price of our common stock could be materially affected.

During 2024, our significant shareholders who received shares of our common stock in connection with the Merger sold some of their shares. If they choose to sell a significant number of additional shares, such sales could have a material impact on the market price for our common stock.

The restrictions on sales contained in the Shareholders Agreement, dated as of July 5, 2022, among the Company and certain of its shareholders (the Shareholders Agreement) have expired, and all of the shares of our common stock issued in connection with the completion of the Merger are available for resale in the public market, including pursuant to an effective registration statement that the Company filed for these shareholders. As of the date of this Form 10-K, approximately 45% of the outstanding shares of our common stock are held by the shareholders party to the Shareholders Agreement.

Such shareholders may decide not to hold the remaining shares of our common stock they received upon completion of the Merger. In addition, certain of such shareholders, such as funds with limitations on their permitted holdings of stock in individual issuers, may be required to sell the shares of our common stock that they received upon completion of the Merger.

The impact on our stock price of additional sales of shares by such shareholders could be positive or negative, whether in the immediate term or in the future, and could be material. The effect and magnitude would depend on various factors, including market conditions, public float, trading volume and liquidity, shareholder composition and ownership, market perception, the number of shares sold and analyst coverage. In addition, future events and conditions could further increase the dilution from sales of these shares, including adverse changes in market conditions, additional transaction and integration related costs and other factors such as the failure to realize some or all of the benefits anticipated in the Merger. Any dilution of, or delay of any accretion to, our earnings per share could cause the price of shares of our common stock to decline or grow at a reduced rate. These sales may also make it more difficult for us to sell equity or equity-linked securities in the future at a time and at a price that we deem appropriate to raise funds through future offerings.

We do not currently plan to pay dividends on our common stock, and our indebtedness could limit our ability to pay dividends on our common stock in the future.

We do not currently plan to pay dividends on our common stock. The declaration of any future cash dividends and, if declared, the amount of any such dividends, will be subject to our financial condition, earnings, capital requirements, financial covenants and other contractual restrictions and to the discretion of our Board of Directors. Our Board of Directors may consider such matters as general business conditions, industry practice, our financial condition and performance, our future prospects, our cash needs and capital investment plans, income tax consequences, applicable law and such other factors as our Board of Directors may deem relevant. Further, pursuant to the Shareholders Agreement, for so long as the Former Vertex Stockholders (as defined in the Shareholders Agreement) collectively beneficially own 34% or more of the outstanding shares of the Company's common stock, the Company will not, without the requisite consent of the Former Vertex Stockholders declare or pay any dividend or distribution (a) on a non-pro-rata basis or (b) in excess of $25.0 million in the aggregate during any fiscal year.

Additionally, our indebtedness could have important consequences for holders of our common stock. If we cannot generate sufficient cash flow from operations to meet our debt payment obligations, then our ability to pay dividends, if so determined by the Board of Directors, will be impaired. In addition, the terms of the agreements governing our current debt limit the payment of dividends and debt that we may incur in the future may also limit the payment of dividends.

Anti-takeover provisions in our organizational documents and Indiana law could delay or prevent a change in control.

Certain provisions of our amended and restated articles of incorporation and our second amended and restated by-laws may delay or prevent a merger or acquisition that a shareholder may consider favorable. For example, the amended and restated articles of incorporation and the second amended and restated by-laws, among other things, provide for a classified board, do not permit shareholders to convene special meetings or to remove our directors other than for cause, limit our shareholders' ability to fill vacancies on our Board of Directors and impose advance notice requirements for shareholder proposals and nominations of Directors to be considered at meetings of shareholders. In addition, the amended and restated articles of incorporation authorize our Board of Directors to issue one or more series of preferred stock without further action by our shareholders. These provisions may also discourage acquisition proposals or delay or prevent a change in control, which could harm our stock price. Indiana law also imposes restrictions on mergers and other business combinations between any beneficial holder of 10% or more of our outstanding common stock and us.

ITEM 1B. *UNRESOLVED STAFF COMMENTS*

None.

ITEM 1C. *CYBERSECURITY*

The Company's Board of Directors (the Board) through its audit committee (Audit Committee) is responsible for overseeing the Company's risk management program. The Company integrates cybersecurity risk management into its broader risk management framework to ensure that cybersecurity considerations form an integral part of our risk management program. Our Information Technology (IT) department works closely with the risk management team to evaluate and address cybersecurity risks. The Company's cybersecurity strategy and risk management processes align with the National Institute of Standards and Technology (NIST) governance requirements and cybersecurity framework.

Cybersecurity Risk Management Strategy

Identification, Response and Reporting: The Company has adopted a cyber incident response procedure to primarily:

- assess, identify and manage material cybersecurity threats and incidents;
- comply with our contractual obligation to safeguard covered defense information; and
- report on cyber incidents in accordance with the relevant DFARS.

The Company has established and maintains comprehensive incident response, business continuity, and disaster recovery plans designed to address the Company's response to a cybersecurity incident. We have an established incident response team (IRT) comprised of cross-functional leaders from Finance, Human Resources, Legal, Security and IT groups, to identify, assess and address cyber incidents. The IRT coordinates closely with the risk management team on cybersecurity risks and threats facing the Company. The Company conducts regular exercises to test these plans and ensure personnel are familiar with their roles in a response scenario.

Technical Safeguards: The Company implements technical safeguards that are designed to protect the Company's information systems from cybersecurity threats, including firewalls, intrusion prevention and detection systems, anti-malware functionality, and access controls, which are evaluated and improved through vulnerability assessments and cybersecurity threat intelligence, as well as through external audits and certifications.

Third-party Engagements: The Company maintains a comprehensive, risk-based approach to identifying and overseeing material cybersecurity threats presented by our use of third-party vendors, service providers, and other external users of the Company's systems. We also monitor our use of systems of third parties that could adversely impact our business in the event of a material cybersecurity incident affecting those third-party systems, including any outside auditors or consultants who advise on the Company's cybersecurity systems.

Recognizing the complexity and evolving nature of cybersecurity threats, we engage external experts, including managed security service provider (MSSP) and consultants, to evaluate our cyber governance and monitor our risks. These partnerships enable us to leverage their specialized knowledge to help ensure that our cybersecurity strategies and processes reflect industry best practices.

Education and Awareness: The Company provides regular, mandatory training for employees on safeguarding against cybersecurity threats, and communicates the Company's evolving information security policies, standards, processes, and practices.

Governance

Board of Directors Oversight: The Audit Committee oversees cybersecurity risks. The Audit Committee reviews the Company's cybersecurity program, including the review of reports on cyber incident response processes, emerging cybersecurity developments and threats, and cyber risk assessment. The Audit Committee meets regularly with management to discuss our cybersecurity program.

Management's Role: Our Chief Information Security Officer (CISO) is primarily responsible for assessing, monitoring and managing our cybersecurity risks. With over 30 years of experience in the field of information technology and cybersecurity, the CISO brings a wealth of expertise to his role. His background includes experience as a cybersecurity professional and system security engineer at the Pentagon, the State Department, and several other Federal agencies, as well as serving as Chief Information Officer (CIO) for international federal contractors and a Maryland state agency, resulting in extensive knowledge and experience in developing and executing cybersecurity strategies. The CISO holds a Doctorate degree in Information Assurance and a Master's degree in Computer Systems Management from the University of Maryland, and holds a Certified Information Security Manager (CISM) and Certified Information Systems Security Professional (CISSP) certification, awarded and maintained since 2010 and 2015, respectively.

The CISO coordinates with senior management, including members of the IRT, to implement a program designed to protect the Company's information systems from cybersecurity threats and to promptly respond to any material cybersecurity incidents or threats in accordance with the Company's incident response procedure. Through ongoing communications between the CISO, IRT and other members of senior management (including the CEO), senior management stays informed about and monitors the prevention, detection, mitigation and remediation of cybersecurity threats and incidents in real time and reports significant threats and incidents to the Audit Committee, when appropriate.

Management provides comprehensive briefings to the Audit Committee on a regular basis. These briefings may include topics such as the current cybersecurity landscape and emerging threats, reports on significant incidents and breaches, and compliance with new regulatory requirements.

Risks from Cybersecurity Threats

Our top cybersecurity threats include phishing, smishing, business email compromise, ransomware, system & human errors, and malware. These types of attacks could have a material impact on the Company. To date, we have not encountered cybersecurity challenges that have materially impacted our operations or results of operations.

ITEM 2. *PROPERTIES*

We have 329 locations in 47 countries and territories on six continents. Our contract performance typically occurs on the government customer's facility. Our material locations are the corporate headquarters office located at 1875 Campus Commons Drive, Suite 305, Reston, Virginia and operations offices located at: 2424 Garden of the Gods Road, Colorado Springs, Colorado; 555 Industrial Drive, Madison, Mississippi; and 6125 East 21st Street, Indianapolis, Indiana. These properties are used by our sole operating segment. Our Reston, Colorado Springs, Madison and Indianapolis leased locations have approximately 8,656, 64,335 164,000, and 900,000 square feet, and expire in 2032, 2028, 2030 and 2026, respectively. We consider the properties that we lease to be in good condition and generally suitable for the purposes for which they are used.

ITEM 3. *LEGAL PROCEEDINGS*

From time to time, we are party to various investigations, lawsuits, arbitration, claims, enforcement actions and other legal proceedings including government investigations and claims, which are incidental to the operation of our business. Some of these proceedings seek remedies relating to employment matters, matters relating to injuries to people or property damage, matters in connection with our contracts and matters arising under laws relating to the protection of the environment. As a government contractor, we are also subject to U.S. government audits and investigations relating to our operations, including claims for fines, penalties, and repayments, compensatory or treble damages. We believe the outcome of such ongoing government audits and investigations will not have a material impact on our results of operations, financial condition or cash flows. Although the ultimate outcome of any legal matter cannot be predicted with certainty, based on present information, including our assessment of the merits of the particular claim, we do not expect that any asserted or unasserted legal claims or proceedings, individually or in the aggregate, will have a material adverse effect on our results of operations, financial condition or cash flows.

See Note 15, *Commitments and Contingencies,* in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for further information.

ITEM 4. *MINE SAFETY DISCLOSURES*

Not Applicable.

PART II

ITEM 5. ***MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES***

COMMON STOCK – MARKET INFORMATION, HOLDERS AND DIVIDENDS

Our common stock is traded on the NYSE under the symbol "VVX". Our common stock started trading on the NYSE in September 2014. As of February 19, 2025, there were approximately 3,404 stockholders of record and 31.6 million outstanding shares of common stock.

To date, we have not declared or paid any dividends on our common stock. The declaration and payment of dividends by us are subject to the discretion of our Board of Directors and depend on many factors including our financial condition, earnings, capital requirements, covenants associated with our debt obligations, legal requirements, regulatory constraints and other factors deemed relevant by the Board of Directors. Therefore, there can be no assurance as to what level of dividends, if any, will be paid in the future. In deciding whether to pay future dividends on our common stock, our Board of Directors may take into account such matters as general business conditions, industry practice, our financial condition and performance, our future prospects, our cash needs and capital investment plans, debt levels and requirements, income tax consequences, applicable law and such other factors as our Board of Directors may deem relevant. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources" in this Annual Report on Form 10-K. For a discussion of restrictions on the payment of dividends under our credit agreement, see Note 10, *Debt*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K.

EQUITY COMPENSATION PLAN INFORMATION

For a discussion of the securities authorized under our equity compensation plans, see Item 12 of this Annual Report on Form 10-K, which incorporates by reference the information to be disclosed in our definitive proxy statement for our 2025 Annual Meeting of Shareholders.

RECENT SALES OF UNREGISTERED SECURITIES

None.

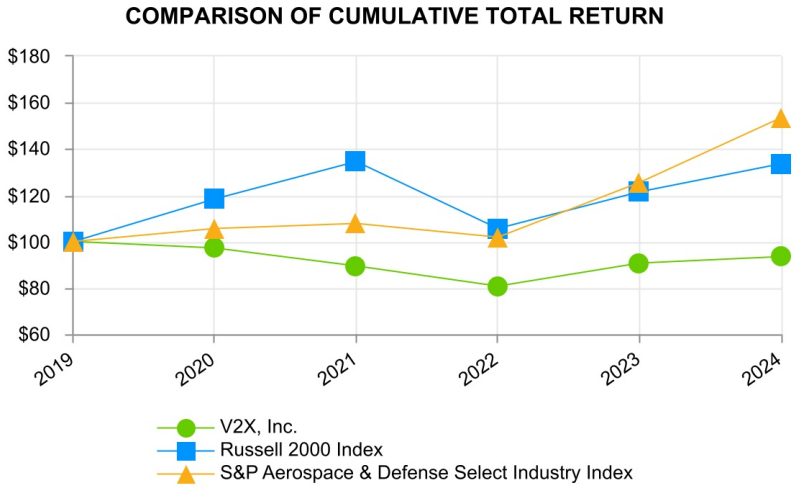
ISSUER PURCHASES OF EQUITY SECURITIES

We did not repurchase any of our equity securities for the year ended December 31, 2024.

STOCK PERFORMANCE GRAPH

The following graph provides a comparison of the cumulative total shareholder return of our common stock to the returns of the Russell 2000 Index and the S&P Aerospace & Defense Select Industry Index from December 31, 2019 through December 31, 2024 with data points as of December 31 for the years shown. The graph is not, and is not intended to be, indicative of future performance of our common stock. This graph is not deemed to be "filed" with the SEC or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended (Exchange Act) and should not be deemed to be incorporated by reference into any of our prior or subsequent filings under the Securities Act of 1933 as amended (Securities Act), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

The graph assumes that $100 had been invested in V2X common stock, the Russell 2000 Index and the S&P Aerospace & Defense Select Industry Index on December 31, 2019 and that all dividends were reinvested.



ITEM 6. ***SELECTED FINANCIAL DATA***

Reserved.

ITEM 7. ***MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS***

The following discussion of our financial condition and results of operations should be read in conjunction with the audited Consolidated Financial Statements and notes thereto in this Annual Report on Form 10-K as well as the discussion in Item 1 of this Annual Report on Form 10-K entitled "Business." This Annual Report provides additional information regarding the Company, our services, industry outlook and forward-looking statements that involve risks and uncertainties. The forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry, business and future financial results. Our actual results could differ materially from the results contemplated by these forward-looking statements. See "Forward-Looking Statement Information" for further information. Amounts presented in and throughout this Item 7 are rounded and, as such, rounding differences could occur in period over period changes and percentages reported.

Forward-Looking Statement Information

This Annual Report on Form 10-K and certain information incorporated herein by reference contain forward-looking statements within the meaning of Section 21E of the Exchange Act, and Section 27A of the Securities Act, and the Private Securities Litigation Reform Act of 1995 and, as such, may involve risks and uncertainties. All statements included or incorporated by reference in this report, other than statements that are purely historical, are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "could," "potential," "continue" or similar terminology. These statements are based on the beliefs and assumptions of our management based on information currently available to management. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements.

The forward-looking statements included or incorporated by reference in this report are subject to additional risks and uncertainties further discussed under Item 1A. "Risk Factors" and are based on information available to us on the filing date of this report. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this report. New risks and uncertainties arise from time to time, and we cannot predict those events or how they may affect us.

We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the Company's historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to: our ability to submit proposals for and/or win all potential opportunities in our pipeline; our ability to retain and renew our existing contracts; our ability to compete with other companies in our market; security breaches, cyber-attacks or cyber intrusions, and other disruptions to our information technology and operation; our mix of cost-plus, cost-reimbursable, firm-fixed-price and time-and-materials contracts; maintaining our reputation and relationship with the U.S. government; protests of new awards; economic, political and social conditions in the countries in which we conduct our businesses; changes in U.S. or international government defense budgets, including potential changes from the January 2025 presidential and administration transition in the United States; government regulations and compliance therewith, including changes to the DoD procurement process; changes in technology; our ability to protect our intellectual property rights; governmental investigations, reviews, audits and cost adjustments; contingencies related to actual or alleged environmental contamination, claims and concerns; delays in completion of the U.S. government budget; our success in extending, deepening, and enhancing our technical capabilities; our success in expanding our geographic footprint or broadening our customer base; our ability to realize the full amounts reflected in our backlog; impairment of goodwill; misconduct of our employees, subcontractors, agents, prime contractors and business partners; our ability to control costs; our level of indebtedness; terms of our credit agreement; inflation and interest rate risk; geopolitical risk, including as a result of recent global hostilities; our subcontractors' performance; economic and capital markets conditions; our ability to maintain safe work sites and equipment; our ability to retain and recruit qualified personnel; our ability to maintain good relationships with our workforce and unions; our teaming relationships with other contractors; changes in our accounting estimates; the adequacy of our insurance coverage; volatility in our stock price; changes in our tax provisions or exposure to additional income tax liabilities; risks and uncertainties relating to integrating and refining internal control systems, including ERP and business systems, post-merger; changes in GAAP; and other factors described in Item 1A, "Risk Factors," and elsewhere in this report and described from time to time in our future reports filed with the SEC.

Overview

V2X is a leading provider of critical mission solutions primarily to defense clients globally. The Company operates as one segment and provides a comprehensive suite of integrated solutions and critical service offerings across the operations and logistics, aerospace, training and technology markets to national security, defense, civilian and international clients.

Our primary customer is the U.S. DoD. For the years ended December 31, 2024, 2023 and 2022, we had total revenue of $4.3 billion, $4.0 billion and $2.9 billion, respectively, the substantial majority of which was derived from U.S. government customers. For the years ended December 31, 2024, 2023 and 2022, we generated approximately 43%, 41% and 46%, respectively, of our total revenue from the U.S. Army.

Executive Summary

Our revenue increased by $359.0 million, or 9.1%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. Revenue increased primarily due to organic growth on legacy programs and new program performance. Revenue from our programs in the Middle East, the U.S., and Asia, increased by $205.8 million, $102.6 million, and $62.6 million, respectively, partially offset by a decrease in revenue from our programs in Europe of $12.0 million, for the year ended December 31, 2024 compared to the year ended December 31, 2023.

Operating income for the year ended December 31, 2024 was $159.2 million, an increase of $34.8 million or 28.0%, compared to the year ended December 31, 2023. Operating income increased primarily due to increases in revenue, along with changes in aggregate cumulative adjustments and decreased selling, general and administrative (SG&A) expenses.

During the performance of long-term contracts, estimated final contract prices and costs are reviewed periodically, and revisions are made as required, which are recorded as changes in revenue and cost of revenue in the periods in which they are determined. Additionally, the fees under certain contracts may be increased or decreased in accordance with cost or performance incentive provisions which measure actual performance against established targets or other criteria. These incentive fees or penalties are included in revenue when there is sufficient information to reasonably assess anticipated contract performance. Amounts representing contract change orders or limitations in funding on contracts are recorded only if it is probable a claim will result in additional contract revenue and the amounts can be reliably estimated. Changes in estimated revenue, cost of revenue and the related effect to operating income are recognized using cumulative adjustments, which recognize in the current period the cumulative effect of the changes on current and prior periods based on a contract's percentage of completion. Cumulative adjustments are driven by changes in contract terms, program performance, customer scope changes and changes to estimates in the reported period. These changes can increase or decrease operating income depending on the dynamics of each contract.

We recorded an income tax expense of $4.2 million and an income tax benefit of $1.9 million for the years ended December 31, 2024 and 2023, respectively, which represent effective income tax rates of 10.7% and 7.9%, respectively. See Note 13, *Income Taxes*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for further information.

Further details related to consolidated financial results for the year ended December 31, 2024, compared to the year ended December 31, 2023, are contained in the "Discussion of Financial Results" section. Details related to consolidated financial results for the year ended December 31, 2023, compared to the year ended December 31, 2022 are contained in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation - Discussion of Financial Results" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, electronically filed with the SEC on EDGAR on March 5, 2024.

Merger with Vertex

For a discussion of our Merger and related debt and stock-based compensation obligations, see Note 3, *Merger*, Note 10, *Debt* and Note 16, *Stock-Based Compensation,* in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K.

Significant Contracts

The following table reflects contracts that accounted for more than 10% of total revenue:

	% of Total Revenue		
	Years Ended December 31,		
Contract Name	2024	2023	2022
LOGCAP V - Kuwait Task Order	10.4%	12.0%	16.4%

Revenue associated with a contract will fluctuate based on increases or decreases in the work being performed on the contract, award fee payment assumptions, and other contract modifications within the term of the contract resulting in changes to the total contract value.

U.S. government contracts are multi-year contracts and typically include an initial period of one year or less with annual one-year (or less) option periods for the remaining contract period. The number of option periods vary by contract, and there is no guarantee that an option period will be exercised by the U.S. government. The right to exercise an option period is at the sole discretion of the U.S. government. The U.S. government may also extend the term of a program by issuing extensions or bridge contracts, typically for periods of one year or less.

The LOGCAP V - Kuwait Task Order is currently exercised through June 30, 2025, with one additional twelve-month option and one six-month option through December 31, 2026. The task order provides services to support the Geographical Combatant Commands and Army Service Component Commands throughout the full range of military operations in the Kuwait region. The LOGCAP V - Kuwait Task Order contributed $450.3 million and $474.3 million of revenue for the years ended December 31, 2024 and 2023, respectively.

Backlog

Total backlog includes remaining performance obligations, consisting of both funded backlog (firm orders for which funding is contractually authorized and appropriated by the customer) and unfunded backlog (firm orders for which funding is not currently contractually obligated by the customer and unexercised contract options). Total backlog excludes potential orders under IDIQ contracts and contracts awarded to us that are being protested by competitors with the U.S. Government Accountability Office (GAO) or in the U.S. Court of Federal Claims (COFC). The value of the backlog is based on anticipated revenue levels over the anticipated life of the contract. Actual values may be greater or less than anticipated. Total backlog is converted into revenue as work is performed. The level of order activity related to programs can be affected by the timing of government funding authorizations and their project evaluation cycles. Year-over-year comparisons could, at times, be impacted by these factors, among others.

Our contracts are multi-year contracts and typically include an initial period of one year or less with annual one-year or less option periods for the remaining contract period. The number of option periods vary by contract, and there is no guarantee that an option period will be exercised. The right to exercise an option period is at the sole discretion of the U.S. government when we are the prime contractor or of the prime contractor when we are a subcontractor. The U.S. government may also extend the term of a program by issuing extensions of bridge contracts, typically for periods of one year or less.

We expect to recognize a substantial portion of our funded backlog as revenue within the next 12 months. However, the U.S. government or the prime contractor may cancel any contract at any time through a termination for convenience. Most of our contracts have terms that would permit recovery of all or a portion of our incurred costs and fees for work performed in the event of a termination for convenience.

Total backlog decreased by $0.3 billion in the year ended December 31, 2024, as compared to the year ended December 31, 2023, primarily due to the timing of new awards offset by recognition of revenue. The following is a summary of funded and unfunded backlog:

	As of December 31,	
(in millions)	2024	2023
Funded backlog	$ 2,251	$ 2,778
Unfunded backlog	10,251	10,011
Total backlog	$ 12,502	$ 12,789

Funded orders (different from funded backlog) represent orders for which funding was received during the period. We received funded orders of $3.8 billion during the year ended December 31, 2024, which was a decrease of $0.4 billion compared to the year ended December 31, 2023. The decrease was due to timing of awards.

Economic Opportunities, Challenges and Risks

The U.S. government's investment in services and capabilities in response to changing security challenges creates a complex and fluid business environment for V2X and other firms in this market. However, the U.S. continues to face substantial fiscal and economic challenges in addition to a varying political environment which could affect funding. The pace and depth of U.S. government acquisition reform and cost savings initiatives, combined with increased industry competitiveness to win long-term positions on key programs, could add pressure to revenue levels and profit margins. However, the Company expects the U.S. government will continue to place a high priority on national security and will continue to invest in affordable solutions. V2X believes that its capabilities should help its clients increase efficiency, reduce costs, improve readiness, and strengthen national security and, as a result, continue to allow for long-term profitable growth in the business. Further, the DoD budget remains the largest in the world and management believes the Company's addressable portion of the DoD budget offers substantial opportunity for growth.

The U.S. government's Fiscal Year (FY) begins on October 1 and ends on September 30. The Fiscal 2025 budget request was submitted to the U.S. Congress on March 11, 2024, and requested $895 billion for National Defense, with $850 billion of the total allocated to the DoD. On March 23, 2024, the President signed into law the Further Consolidated Appropriations Act for FY 2024, which provided $825 billion in funding for the DoD, through September 30, 2024. On April 24, 2024, the President signed a bill providing $95 billion in additional supplemental funding for Ukraine, Israel and the Indo-Pacific region.

The Fiscal 2025 budget has not yet been approved and Congress continues to pass short-term continuing resolutions (CR) that funds U.S. government operations in FY 2025 at FY 2024 levels. The most recent CR passed extends current funding levels until March 14, 2025. The timing and approval of FY 2025 appropriations remains uncertain and over the coming months, Congress will need to approve or revise the Fiscal 2025 budget request through enactment of appropriations and other legislation, which would require final approval from the President to become law. Government operations under an extended CR could have potential impacts on the timing and award of new programs and contracts.

We anticipate the federal budget will continue to be subject to debate and compromise shaped by, among other things, heightened political tensions, the new Administration and Congress, the debt ceiling, the global security environment, inflationary pressures, and macroeconomic conditions. The result may be shifting funding priorities, which could have material impacts on our programs and defense spending broadly.

While it is difficult to predict the specific course of future defense budgets, V2X believes the core functions the Company performs are mission-essential and spending to maintain readiness, improve performance, increase service life, lower cost, and modernize capabilities will continue to be a U.S. government priority. The Company's focus is on providing integrated solutions across the mission lifecycle that encompass (i) high impact readiness; (ii) integrated supply chain management; (iii) assured communications; (iv) mission solutions, including rapid response contingency efforts; and (v) platform renewal and modernization. The Company believes its capabilities enhance mission effectiveness, extend utility, lower cost, and improve security and mission outcomes. While customers may reduce the level of services required from us, the Company does not currently anticipate the complete elimination of these services, and the Company continues to focus on contract expansion and capturing new business opportunities.

However, business conditions have become more challenging and uncertain due to macroeconomic conditions, including inflation and rising interest rates, as well as recent international events. For example, global hostilities could create additional demand for our products and services, however, any such demand, and the timing and extent of any incremental contract activity resulting from that demand, remains uncertain. Further, given the current level of inflation and geopolitical factors, the Company is monitoring the impact of rising costs on its active and future contracts and its financial results, and actively evaluating opportunities for cost reductions and deleveraging. In 2024 the Company's cost-plus and cost reimbursable contracts as a percentage of total contract mix and revenue have increased as compared to the year ended 2023. The Company's earnings and profitability may vary materially depending on the total mix of contracts. To date, the Company has not experienced broad-based increases from inflation or geopolitical hostilities in the costs of its fixed-price and time and materials contracts that are material to the business. However, if the geopolitical conditions worsen or if the Company experiences greater than expected inflation in its supply chain and labor costs, then profit margins, and in particular, the profit margin from fixed-price and time and materials contracts, which represent a substantial portion of its contracts, could be adversely affected.

The information provided above does not represent a complete list of trends and uncertainties that could impact the Company's business in either the near or long-term and should be considered along with the risk factors identified under the caption “Risk Factors” identified in Part 1, "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 and the matters identified under the caption “Forward-Looking Statement Information" herein.

Secondary Public Offerings

On September 4, 2024 and November 12, 2024, we entered into underwriting agreements (the Underwriting Agreements), by and among the Company, Vertex Aerospace Holdco LLC (the Selling Stockholder) and Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC and Robert W. Baird & Co. Incorporated, as representatives to several underwriters named therein (the Underwriters), relating to the public offering of a total of 4,500,000 shares of common stock by the Selling Stockholder (the Secondary Offerings) and up to a total of 675,000 additional shares of common stock (the Option Shares) by the Selling Stockholder at the Underwriters’ option at any time on or before the 30th day after the date of the applicable Underwriting Agreement (the Options, and together with the Secondary Offerings, the Offerings). The Secondary Offerings closed on September 6, 2024 and November 14, 2024, respectively. The Company did not sell any securities in the Secondary Offerings and did not receive any proceeds from the sale of the shares offered by the Selling Stockholder.

On September 11, 2024, the Underwriters notified the Company and the Selling Stockholder that they had elected to exercise the Option with respect to the September Secondary Offering for 300,000 Option Shares. The offering of these Option Shares closed on September 12, 2024. All of these Option Shares were sold by the Selling Stockholder. The Company did not receive any of the proceeds from the sale of these Option Shares by the Selling Stockholder.

During the year ended December 31, 2024, we incurred costs of $0.7 million in connection with the Offerings. These costs are included within selling, general, and administrative expenses on our Consolidated Statement of Income (Loss).

DISCUSSION OF FINANCIAL RESULTS

Selected financial highlights are presented in the table below:

	Year Ended December 31,		Change	
(In thousands)	2024	2023	$	%
Revenue	$ 4,322,155	$ 3,963,126	$ 359,029	9.1 %
Cost of revenue	3,979,193	3,628,271	350,922	9.7 %
% of revenue	92.1 %	91.6 %		
Selling, general and administrative expenses	183,758	210,439	(26,681)	(12.7)%
% of revenue	4.3 %	5.3 %		
Operating income	159,204	124,416	34,788	28.0 %
Operating margin	3.7 %	3.1 %		
Loss on extinguishment of debt	(1,998)	(22,298)	20,300	*
Interest expense, net	(107,900)	(122,442)	14,542	(11.9)%
Other expense, net	(10,465)	(4,194)	(6,271)	*
Income (loss) before taxes	38,841	(24,518)	63,359	(258.4)%
% of revenue	0.9 %	(0.6)%		
Income tax expense (benefit)	4,157	(1,945)	6,102	(313.7)%
Effective income tax rate	10.7 %	7.9 %		
Net income (loss)	$ 34,684	$ (22,573)	$ 57,257	(253.7)%

*Percentage change is not meaningful.

Revenue

Revenue increased by $359.0 million, or 9.1%, for the year ended December 31, 2024 as compared to the year ended December 31, 2023. Revenue increased primarily due to organic growth for legacy programs and new program performance. Revenue from our programs in the Middle East, the U.S., and Asia, increased by $205.8 million, $102.6 million, and $62.6 million, respectively, partially offset by a decrease in revenue from our programs in Europe of $12.0 million.

Cost of Revenue

Cost of revenue increased by 350.9 million, or 9.7%, for the year ended December 31, 2024 as compared to the year ended December 31, 2023, primarily due to increases in revenue and changes in contract mix.

Selling, General & Administrative Expenses

SG&A expenses decreased by $26.7 million, or 12.7%, for the year ended December 31, 2024 as compared to the year ended December 31, 2023, primarily due to lower integration-related costs.

Operating Income

Operating income increased by $34.8 million, or 28.0%, for the year ended December 31, 2024 as compared to the year ended December 31, 2023. Operating income as a percentage of revenue was 3.7% for the year ended December 31, 2024, compared to 3.1% for the year ended December 31, 2023, primarily driven by changes in aggregate cumulative adjustments, along with decreased SG&A expenses.

For the years ended December 31, 2024 and 2023, aggregate cumulative adjustments increased operating income by $24.8 million and $22.7 million, respectively. The aggregate cumulative adjustments for the years ended December 31, 2024 and 2023 related to changes in contract terms, program performance, customer changes in scope of work and changes to estimates in the reported period.

Loss on Extinguishment of Debt

The Company recorded a $2.0 million loss on extinguishment of debt for the year ended December 31, 2024 and a $22.3 million loss on extinguishment of debt for the year ended December 31, 2023. For further discussion see Note 10, *Debt,* in the Notes to Consolidated Financial Statements.

Interest Expense, Net

Interest expense, net for the years ended December 31, 2024 and 2023 was as follows:

(In thousands, except for percentages)	Year Ended December 31, 2024	2023	Change $	Change %
Interest income	$ 1,260	$ 966	$ 294	30.4 %
Interest expense	(109,160)	(123,408)	14,248	(11.5)%
Interest expense, net	$ (107,900)	$ (122,442)	$ 14,542	(11.9)%

Interest income is related to interest earned on cash and cash equivalents. Interest expense is related to borrowings under our senior secured credit facilities, with the amortization of debt issuance costs, and derivative instruments used to hedge a portion of exposure to interest rate risk. Interest expense, net decreased $14.5 million for the year ended December 31, 2024 compared to the year ended December 31, 2023 due to both a decrease in our debt balance and our interest rate swap contracts.

Other Expense, Net

During the year ended December 31, 2024, we incurred purchase discount fees and other expenses of $10.5 million related to the sale of accounts receivable through the Master Accounts Receivable Purchase Agreement (MARPA Facility). For a discussion of the MARPA Facility, see Note 18, *Sale of Receivables,* in the Notes to Consolidated Financial Statements. In addition, during the year ended December 31, 2024, we incurred a $2.2 million impairment charge on a non-operating, long-lived asset, primarily due to a decreased fair market value, and a $2.2 million net gain from acquisitions.

Income Tax Expense (Benefit)

We recorded income tax expense of $4.2 million and income tax benefit of $1.9 million for the years ended December 31, 2024 and 2023, respectively, which represented effective income tax expense rates of 10.7% and 7.9%, for the respective years. The effective income tax rate for the year ended December 31, 2024 was due to increased non-deductible compensation, global intangible low taxed income (GILTI), foreign tax expenses, and state income tax expense which were partially offset by the release of prior year uncertain tax positions, non-taxable income, taxes on gain from acquisitions, and credits. The effective income tax rate for the year ended December 31, 2023 was due to increased non-deductible compensation, foreign tax expenses, and state income tax expenses which were partially offset by the release of prior year uncertain tax positions and credits.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

We are not aware of any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, a material decrease in our liquidity. In addition, other than items discussed, there are no known material trends, favorable or unfavorable, in our capital resources and no expected material changes in the mix of such resources.

Our major sources of funding for 2025 and beyond will be our operating cash flow, our existing balances of cash and cash equivalents and proceeds from any issuances of debt. We believe we have sufficient liquidity to fund operations, acquisitions, capital expenditures and scheduled debt repayments. We expect to fund our ongoing working capital, capital expenditure and financing requirements and pursue additional growth through new business development and potential acquisition opportunities by using cash flows from operations, cash on hand, its credit facilities, and access to capital markets. When necessary, our revolving credit facility and MARPA Facility are available to satisfy short-term working capital requirements. See Note 10, *Debt*, and Note 18, *Sale of Receivable*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for further discussion.

If cash flows from operations are less than expected, the Company may need to access the long-term or short-term capital markets. Although we believe our current financing arrangements will permit financing of our operations on acceptable terms and conditions, access to and the availability of financing on acceptable terms and conditions in the future will be impacted by many factors, including but not limited to: (i) our credit ratings, (ii) the liquidity of the overall capital markets, and (iii) the current state of the economy. We cannot provide assurance that such financing will be available on acceptable terms or that such financing will be available at all.

On May 30, 2024, the First Lien Credit Agreement was amended to provide, among other things, a new tranche of term loans in an aggregate original principal amount of $906.6 million (the New Term Loans), in which the New Term Loans replace or refinance in full all the existing term loans outstanding under the First Lien Term Tranche as in effect immediately prior to the amendment (the Existing Term Loans). See Note 10, *Debt*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for further discussion.

As of December 31, 2024, the carrying value of the New Term Loans was $899.8 million, excluding deferred discount and unamortized deferred financing costs of $29.8 million. The estimated fair value of the New Term Loans as of December 31, 2024 was $900.9 million. The fair value is based on observable inputs of interest rates that are currently available to us for debt with similar terms and maturities for non-public debt (Level 2).

As of December 31, 2024, under the 2023 Revolver there were no outstanding borrowings and $17.5 million of outstanding letters of credit. Unamortized deferred financing costs related to the 2023 Revolver of $3.2 million are included in other non-current assets in the Consolidated Balance Sheets. As of December 31, 2024, the fair value of the 2023 Revolver approximated the carrying value because the debt bears a floating interest rate.

As of December 31, 2024, the carrying value of the Term Loan portion of the 2023 Credit Agreement was $239.1 million, excluding unamortized deferred financing costs of $1.6 million. The estimated fair value of the Term Loan portion of the 2023 Credit Agreement as of December 31, 2024 was $239.7 million. The fair value is based on observable inputs of interest rates that are currently available to us for debt with similar terms and maturities for non-public debt (Level 2). For additional discussion of the Company's indebtedness, see Note 10, *Debt*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K.

The cash presented on the Consolidated Balance Sheets consists of U.S. and international cash from wholly-owned subsidiaries. Approximately $35.7 million of our $268.3 million in cash, cash equivalents and restricted cash as of December 31, 2024 is held by foreign subsidiaries and is not available to fund U.S. operations unless repatriated. We do not currently expect to repatriate undistributed earnings of foreign subsidiaries. We expect our U.S. domestic cash resources will be sufficient to fund our U.S. operating activities and cash commitments for financing activities.

Sources and Uses of Liquidity

Cash, accounts receivable, unbilled receivables, and accounts payable are the principal components of the Company's working capital and are generally driven by revenue with other short-term fluctuations related to payment practices by customers, sales of accounts receivable through the MARPA Facility and the timing of billings. The Company's receivables reflect amounts billed to customers, as well as the revenue that was recognized in the preceding month, which is normally billed in the month following each balance sheet date.

Accounts receivable balances can vary significantly over time and are impacted by revenue levels and the timing of payments received from customers. Days sales outstanding (DSO) is a metric used to monitor accounts receivable levels. The Company determines its DSO by calculating the number of days necessary to exhaust its ending accounts receivable balance based on its most recent historical revenue. DSO was 57 and 58 days as of December 31, 2024 and 2023, respectively.

The following table sets forth net cash provided by (used in) operating activities, investing and financing activities.

	Year Ended December 31,		
(in thousands)	2024	2023	2022
Operating activities	$ 254,237	$ 187,968	$ 93,495
Investing activities	(28,650)	(22,649)	175,958
Financing activities	(24,499)	(211,023)	(193,236)
Foreign exchange[1]	(5,418)	2,288	1,337
Net change in cash, cash equivalents and restricted cash	$ 195,670	$ (43,416)	$ 77,554

[1] Impact on cash balances due to changes in foreign exchange rates.

Net cash provided by operating activities for the year ended December 31, 2024 consisted of cash inflows from non-cash net income items of $149.4 million, cash inflows from the sale of receivables through the MARPA Facility of $146.2 million, and net income of $34.7 million, partially offset by net cash outflows in other long-term assets and liabilities of $54.2 million and net cash outflows in working capital accounts of $21.9 million.

Net cash provided by operating activities for the year ended December 31, 2023 consisted of cash inflows from non-cash income items of $169.8 million and cash inflows from the sale of receivables through the MARPA Facility of $72.7 million, partially offset by a net loss of $22.6 million, cash outflows for other non-current assets and liabilities of $25.8 million, and cash outflows for working capital requirements of $6.1 million.

Net cash used in investing activities for the year ended December 31, 2024 consisted of $16.9 million for the acquisition of businesses and $11.7 million of net capital expenditures for the purchase of software and hardware, vehicles and equipment related to ongoing operations.

Net cash used in investing activities for the year ended December 31, 2023 consisted of $25.0 million of net capital expenditures for the purchase of computer hardware and software and equipment related to ongoing operations, partially offset by $1.3 million of cash received in a business disposition and $1.0 million of cash received in joint venture distributions.

Net cash used in financing activities during the year ended December 31, 2024 consisted of revolver repayments of $1.3 billion, repayments of long-term debt of $15.3 million, payments for employee withholding taxes on share-based compensation of $8.1 million, and payments for debt issuance costs of $1.2 million, partially offset by proceeds from the revolver of $1.3 billion.

Net cash used in financing activities during the year ended December 31, 2023 consisted of repayments of long-term debt of $432.6 million, payment of debt issuance costs of $8.8 million, prepayment penalty of $1.6 million, and payments of $18.0 million for employee withholding taxes on share-based compensation, partially offset by proceeds from long-term debt of $250.0 million.

Capital Resources

As of December 31, 2024, we held cash, cash equivalents and restricted cash of $268.3 million, which included $35.7 million held by foreign subsidiaries and had $482.5 million of available borrowing capacity under the 2023 Revolver, which expires on February 25, 2028. We believe that our cash, cash equivalents and restricted cash as of December 31, 2024, as supplemented by operating cash flows, the 2023 Revolver, and the MARPA Facility will be sufficient to fund our anticipated operating costs, capital expenditures and current debt repayment obligations for at least the next 12 months.

Contractual Obligations

As of December 31, 2024, commitments to make future payments under long-term contractual obligations were as follows:

	Payments Due in Period				
(In thousands)	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years
Leases	$ 50,627	$ 13,167	$ 20,044	$ 11,429	$ 5,987
Principal payments on Vertex First Lien Credit Agreement[1]	899,771	9,066	18,132	18,132	854,441
Principal payments on 2023 Credit Agreement[1]	239,062	10,937	25,000	203,125	—
Interest on Vertex First Lien and 2023 Credit Agreements	432,757	84,175	163,705	127,784	57,093
Total	$ 1,622,217	$ 117,345	$ 226,881	$ 360,470	$ 917,521

[1] Includes unused funds fee and is based on the December 31, 2024 interest rate and outstanding balance.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Estimates are revised as additional information becomes available. Management believes that the accounting estimates employed and the resulting balances are reasonable; however, actual results in these areas could differ from management's estimates under different assumptions or conditions.

Significant accounting policies used in the preparation of the Consolidated Financial Statements are discussed in Note 1, *Description of Business and Summary of Significant Accounting Policies*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K. We believe that the assumptions and estimates associated with revenue recognition, business combinations, goodwill impairment, intangible assets and income taxes have the greatest potential impact on our financial statements because they are inherently uncertain, involve significant judgments, and include areas where different estimates reasonably could materially impact the financial statements. We discuss below significant critical accounting policies. Management believes that the accounting estimates employed and the resulting balances are reasonable; however, actual results in these areas could differ from management's estimates under different assumptions or conditions.

Revenue Recognition

We account for revenue following the guidance in Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* (Topic 606). As a defense contractor engaging in long-term contracts, the substantial majority of our revenue is derived from long-term service contracts. The unit of account for revenue in ASC Topic 606 is a performance obligation. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, consideration is given as to whether a single contract should be accounted for as more than one performance obligation. For most of our contracts, the customer contracts with us to perform an integrated set of tasks and deliverables as a single service solution, whereby each service is not separately identifiable from other promises in the contract and therefore is not distinct. As a result, when an integrated set of tasks exists, the contract is accounted for as one performance obligation. Unexercised contract options and IDIQ contracts are considered to be separate performance obligations when the option or IDIQ task order is exercised or awarded. Our performance obligations are satisfied over time as services are provided throughout the contract term. We recognize revenue over time using the input method (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress. Our over time recognition is reinforced by the fact that our customers simultaneously receive and consume the benefits of our services as they are performed.

Accounting for contracts and programs involves the use of various techniques to estimate total contract revenue and costs. For contracts, we estimate the profit on a contract as the difference between the total estimated revenue and expected costs to complete a contract and recognize that profit over the life of the contract. When the estimates of total costs to be incurred on a contract exceed total estimates of the total revenue to be earned on the contract, a provision for the entire loss is determined at the contract level and recognized in the period in which the loss was determined.

Contract estimates are based on various assumptions to project the outcome of future events. These assumptions include labor productivity and availability, the complexity of the services being performed, the cost and availability of materials, the performance of subcontractors, and the availability and timing of funding from the customer.

The nature of our contracts gives rise to several types of variable consideration, including award and incentive fees, inspection of supplies and services, undefinitized change orders, and fluctuation in allowable indirect reimbursable costs. We include award or incentive fees in the estimated transaction price when there is certainty and a basis to reasonably estimate the amount of the fee. These estimates are based on historical award experience, anticipated performance and our best judgment at the time. The inspection of supplies and services is a factor because the U.S. government can reduce the transaction price if we do not perform the services in compliance with contract requirements. Variable consideration associated with undefinitized change orders is included to the extent that related estimated costs have been included in the expected costs to complete a contract. The fluctuation of allowable indirect reimbursable costs is a factor because the U.S. government has the right to review our accounting records and retroactively adjust the reimbursable rate. Any prior adjustments are reflected in the U.S. government reserve amounts recorded in our financial statements. We estimate variable consideration at the most likely amount that we expect to be entitled to receive. Refer to Note 15, *Commitments and Contingencies,* in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for further discussion regarding U.S. government reserve amounts.

As a significant change in one or more of these estimates could affect the profitability of our contracts, we review and update our contract estimates regularly. We recognize adjustments in estimated profit on executed contracts cumulatively. The impact of the adjustments on profit recorded to date is recognized in the period the adjustment is identified. Revenue and profit in future periods of contract performance are recognized using the adjusted estimate. If at any time the estimate of contract profitability indicates an anticipated loss on the contract, we recognize the total loss in the quarter it is identified.

Contracts are often modified to account for changes in contract specifications and requirements. If the modification either creates new enforceable rights and obligations or changes the existing enforceable rights and obligations, the modification will be treated as a separate contract. Our contract modifications, except for those to exercise option years, have historically not been distinct from the existing contract and have been accounted for as if they were part of that existing contract.

The timing of revenue recognition, billings and cash collections results in billed and unbilled accounts receivable (contract assets) and customer advances and deposits (contract liabilities) on the Consolidated Balance Sheets. Amounts are billed as work progresses in accordance with agreed-upon contractual terms at periodic intervals (e.g., biweekly or monthly). Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, we may receive advances or deposits from our customers, before revenue is recognized, resulting in contract liabilities. These advance billings and payments are not considered significant financing components because they are frequently intended to fund current operating expenses under the contract. These assets and liabilities are reported on the Consolidated Balance Sheets on a contract-by-contract basis at the end of each reporting period.

See Note 1, *Description of Business and Summary of Significant Accounting Policies,* and Note 4, *Revenue*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for further discussion.

Business Combinations, Goodwill and Other Intangible Assets

The purchase price of an acquired business is allocated to the tangible assets, financial assets and separately recognized intangible assets acquired less liabilities assumed based upon their respective fair values, with the excess recorded as goodwill. Determining the fair value of assets acquired and liabilities assumed requires significant judgment, which includes, among other factors, analysis of historical performance and estimates of future performance. These factors may cause final amounts to differ materially from original estimates. In some cases, we use discounted cash flow analyses, which are based on our best estimate of future revenue, earnings and cash flows as well as our discount rate adjusted for risk.

Goodwill is not amortized, but instead is tested for impairment annually (or more frequently if impairment indicators arise, such as changes to the reporting unit structure or significant adverse changes in the business climate). We conduct our annual impairment testing as of the beginning of the fourth fiscal quarter. In reviewing goodwill for impairment, we have the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the estimated fair value of a reporting unit is less than its carrying amount. If we elect to perform a qualitative assessment and determine that an impairment is more likely than not, we then perform a quantitative impairment test as described below. Otherwise, no further analysis is required. We also may elect not to perform the qualitative assessment and, instead, proceed directly to the quantitative impairment test.

For the quantitative impairment test we compare the estimated fair value of a reporting unit to its carrying value, including goodwill. If the estimated fair value of the reporting unit exceeds its carrying value, goodwill of the reporting unit is not impaired. If the carrying value of the reporting unit, including goodwill, exceeds its estimated fair value, a goodwill impairment loss is recognized in an amount equal to that excess limited to the total amount of goodwill allocated to that reporting unit while taking into consideration the related income tax effect from any tax-deductible goodwill.

For 2024 and 2023, we used the qualitative approach to assess goodwill for impairment. No impairment charges related to goodwill were recorded during 2024 and 2023.

We recognize acquired intangible assets apart from goodwill whenever the intangible assets arise from contractual or other legal rights, or whenever they can be separated or divided from the acquired entity and sold, transferred, licensed, rented or exchanged, either individually or in combination with a related contract, asset or liability. Such intangibles are amortized over their estimated useful lives unless the estimated useful life is determined to be indefinite. Amortizable intangible assets are being amortized over useful lives of four to eight years. The straight-line method of amortization is used as it has been determined to approximate the use pattern of the assets.

Income Taxes

We determine the provision or benefit for income taxes using the asset and liability approach. Under this approach, deferred tax assets and liabilities are determined based on temporary differences between the financial reporting and tax bases of assets and liabilities, applying enacted tax rates in effect for the year in which we expect the differences will reverse. Based on the evaluation of available evidence, we recognize future tax benefits, such as net operating loss carryforwards, to the extent that we believe it is more likely than not we will realize these benefits. We periodically assess the likelihood that we will be able to recover our deferred tax assets and reflect any changes to our estimate of the amount we are more likely than not to realize in the valuation allowance, with a corresponding adjustment to earnings or other comprehensive income (loss), as appropriate.

Our effective tax rate reflects the impact of certain undistributed foreign earnings for which we have not recognized U.S. taxes because we plan to reinvest such earnings indefinitely outside the U.S. We plan foreign earnings remittance amounts based on projected cash flow needs, as well as the working capital and long-term investment requirements of our foreign subsidiaries and our domestic operations. Based on these assumptions, we estimate the amount we will distribute to the U.S. and recognize the U.S. federal taxes due only on these amounts. Material changes in our estimates of cash, working capital and long-term investment requirements in the various jurisdictions in which we do business could impact our actual remittance amounts and, accordingly, our effective tax rate.

The calculation of our tax liabilities involves uncertainties in the application of complex tax regulations in a multitude of jurisdictions across our global operations. We recognize potential liabilities and record tax liabilities for anticipated tax audit issues in the U.S. and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes will be due. Furthermore, we recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

We adjust our liability for unrecognized tax benefits in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. If our estimate of tax liabilities proves to be less than the ultimate assessment, an additional tax expense would result. If a payment of these amounts ultimately proves to be less than the recorded amounts, the reversal of the liabilities would result in tax benefits being recognized in the period when we determine the liabilities are no longer necessary to be provided.

New Accounting Standards Updates

See Part II, Item 8, Note 2, *Recent Accounting Standards Updates*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K for information regarding accounting standards updates.

ITEM 7A. *QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK*

Earnings, cash flows and financial position are exposed to market risks relating to fluctuations in interest rates and foreign currency exchange rates. All potential changes noted below are based on information available at December 31, 2024.

Interest Rate Risk

Each one percentage point change associated with the variable rate Vertex First Lien Credit Agreement would result in a $7.1 million change in the related annual cash interest expenses.

Assuming the 2023 Revolver was fully drawn to a principal amount equal to $500.0 million, each one percentage point change in interest rates would result in a $5.1 million change in annual cash interest expense.

As of December 31, 2024, the notional value of the Company's interest rate swap agreements totaled $439.1 million. The difference to be paid or received under the terms of the interest rate swap agreements is accrued as interest rates change and recognized as an adjustment to interest expense for the related debt in the period incurred. Changes in the variable interest rates to be paid pursuant to the terms of the interest rate swap agreements will have a corresponding effect on future cash flows. For additional information regarding our derivative instruments, see Note 11, *Derivative Instruments*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K.

Foreign Currency Exchange Risk

The majority of our business is conducted in U.S. dollars. However, we are required to transact in foreign currencies for some of our contracts, resulting in some assets and liabilities denominated in foreign currencies. As a result, our earnings may experience volatility related to movements in foreign currency exchange rates. In the past, we entered into forward foreign exchange contracts to buy or sell various foreign currencies to selectively protect against volatility in the value of non-functional currency denominated monetary assets and liabilities. The impact of the related contracts on our Consolidated Statements of Income and our Consolidated Balance Sheets was immaterial and related hedging was discontinued. Our forward contracts expired in January 2022 and no such contracts are outstanding as of December 31, 2024.

For additional information on our interest rate and foreign currency hedge contracts, refer to Note 11, *Derivative Instruments*, in the Notes to Consolidated Financial Statements included in this Annual Report on Form 10-K.

ITEM 8. *FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA*

See Index to Consolidated Financial Statements herein.

ITEM 9. *CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE*

None.

ITEM 9A. *CONTROLS AND PROCEDURES*

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2024. Based on such evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2024, the Company's disclosure controls and procedures were not effective due to material weaknesses in internal control over financial reporting in Vertex Aerospace Services Holding Corp (Vertex) which we acquired on July 5, 2022, as part of the Merger. Notwithstanding the identified material weaknesses discussed below, the Company's management, including our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), has concluded the Company's consolidated financial statements included in this Form 10-K present fairly, in all material respects, the Company's financial condition, results of operations and cash flows at and for the periods presented in accordance with U.S. generally accepted accounting principles.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate Internal Control over Financial Reporting (ICFR), as defined in Rule 13a-15(f) of the Exchange Act. Our management conducted an evaluation of the effectiveness of our ICFR based on the framework in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

Based on this evaluation, management concluded that two material weaknesses exist in our internal control over financial reporting as of December 31, 2024. A material weakness is a deficiency, or combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements could occur but will not be prevented or detected on a timely basis.

During the year ended December 31, 2023, we determined the internal control over financial reporting at one of the subsidiaries of Vertex was ineffective as of December 31, 2023. Specifically, the subsidiary did not design and operate the information technology general controls (ITGCs) over user access for an ERP system that supports their financial reporting processes. Although management has made certain progress in remediating this material weakness, management concluded that the material weakness described above continued to exist as of December 31, 2024.

During the year ended December 31, 2024, the Company implemented SAP S/4HANA, a new ERP system at one of the other subsidiaries within Vertex. Management performed a comprehensive assessment of the design and operating effectiveness of internal controls of the new ERP system and identified deficiencies in the design and operation of the ITGCs over logical access and change management processes. Management considered these deficiencies to be a material weakness in internal control over financial reporting as of December 31, 2024, separate from the material weakness identified during the year ended December 31, 2023.

The Company undertook significant effort in reviewing transactions throughout 2024 to ensure no material errors in the financial results or balances were identified. The material weakness did not result in any identified misstatements to the financial statements, and there were no changes to previously released financial results.

Our independent registered public accounting firm has issued a report expressing an adverse opinion on the effectiveness of our internal control over financial reporting, which is included in this Form 10-K.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there may be resource constraints, and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Remediation Efforts to Address the Material Weakness

As previously disclosed in Item 9A of our Annual Report on Form 10-K for the year ended December 31, 2023, management concluded that there was a material weakness in our internal control over financial reporting related to a subsidiary within Vertex. In response to the material weakness identified, management developed and implemented a remediation plan to address the underlying causes of the material weakness, which was subject to senior management review and oversight of the Audit Committee of the Board of Directors.

Management has been actively engaged in the implementation of a remediation plan designed to ensure that controls contributing to remediation of our 2023 ITGC material weakness are designed appropriately and will operate effectively, which include but are not limited to the following actions taken in 2024:

- Enhancing information technology governance policies and procedures;
- Designing and implementing control activities and procedures around user and administrator access and change management;
- Procuring and implementing technology to facilitate change management and logical access to systems;
- Hiring of additional qualified information technology resources and providing appropriate training to the relevant control owners; and
- Integrating automation into our provisioning and deprovisioning processes to remediate these controls.

In 2025, the Company is implementing plans to address each of the material weaknesses. Management has and will continue to enhance the risk assessment process and design of internal control over financial reporting at the two subsidiaries. This includes enhancement and revisions of the design of existing ITGCs over user access, change management and logical access. The material weaknesses will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. We expect that the remediation of these material weaknesses will be completed prior to the end of fiscal year 2025.

The status of our remediation plan is being, and will continue to be, reported by management to the Audit Committee on a consistent basis. In addition, management has assigned executive owners to oversee the remedial changes to the overall design of the Company's internal control environment and to address the root causes of our material weaknesses.

As management continues to evaluate and strive to improve the Company's ICFR, management may take additional measures to address these material weaknesses or modify the previously disclosed remediation plans. Please see the risk factor "Integrating Vectrus and Vertex may be more difficult, costly or time-consuming than expected" in Item 1A above.

Changes in Internal Control over Financial Reporting

Other than in connection with aspects of our remediation plan, there were no changes in the Company's internal controls over financial reporting during the year ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of V2X, Inc.

Opinion on the Internal Control Over Financial Reporting

We have audited V2X, Inc.'s (the Company) internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. In our opinion, because of the effect of the material weaknesses described below on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of income (loss), comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes to the consolidated financial statements of the Company and our report dated February 24, 2025, expressed an unqualified opinion.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis. The following material weaknesses have been identified and included in management's assessment.

Information Technology General Controls (ITGC) - There were deficiencies in the design and operation of ITGCs over logical access and change management for SAP S/4HANA, an Enterprise Resource Planning (ERP) system implemented during the current year that support the Company's financial reporting processes at a subsidiary, within Vertex Aerospace Services Holding Corp (Vertex). The business process controls (automated and manual) that are dependent on the affected ITGCs were also deemed ineffective because they could have been adversely impacted by the ITGC deficiencies.

There were deficiencies in the design and operation of ITGCs over user access for an ERP system that supports the Company's financial reporting processes at another subsidiary within Vertex. The business process controls (automated and manual) that are dependent on the affected ITGCs were also deemed ineffective because they may have been adversely impacted by the ITGC deficiencies.

These material weaknesses were considered in determining the nature, timing and extent of audit tests applied in our audit of the 2024 consolidated financial statements, and this report does not affect our report dated February 24, 2025, on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ RSM US LLP

McLean, Virginia
February 24, 2025

ITEM 9B. ***OTHER INFORMATION***

None.

ITEM 9C. ***DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS***

Not applicable.

PART III

ITEM 10. ***DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE***

The information called for by Item 10 is incorporated herein by reference to the definitive proxy statement for the Company's 2025 Annual Meeting of Shareholders (the 2025 Proxy Statement) to be filed within 120 days after the Company's fiscal year ended December 31, 2024 pursuant to Regulation 14A of the Exchange Act, except that the information called for by Item 10 with respect to executive officers is set forth in Part I, "Item 1. Business" in this Annual Report on Form 10-K.

ITEM 11. ***EXECUTIVE COMPENSATION***

The information called for by Item 11 is incorporated herein by reference to the 2025 Proxy Statement.

ITEM 12. ***SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS***

The information called for by Item 12 is incorporated herein by reference to the 2025 Proxy Statement.

ITEM 13. ***CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE***

The information called for by Item 13 is incorporated herein by reference to the 2025 Proxy Statement.

ITEM 14. ***PRINCIPAL ACCOUNTANT FEES AND SERVICES***

The information called for by Item 14 is incorporated herein by reference to the 2025 Proxy Statement.

PART IV

ITEM 15. *EXHIBIT AND FINANCIAL STATEMENT SCHEDULES*

(a) Documents filed as a part of this report:

1. See Index to Consolidated Financial Statements appearing on page F-1 for a list of the financial statements filed as a part of this report.

2. Exhibits

2	Agreement and Plan of Merger, dated as of March 7, 2022, by and among Vectrus, Inc., Vertex Aerospace Services Holding Corp., Andor Merger Sub LLC and Andor Merger Sub Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on March 7, 2022) †
3.1	Second Amended and Restated Articles of Incorporation of V2X, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on July 5, 2022)
3.2	Second Amended and Restated Bylaws of V2X, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on July 5, 2022)
4.1	Shareholders Agreement, dated as of July 5, 2022, by and among Vectrus, Inc. and the shareholders that are party thereto (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on July 5, 2022) †
4.2	Registration Rights Agreement, dated as of July 5, 2022, by and among Vectrus, Inc. and the shareholders that are party thereto (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on July 5, 2022) †
4.3	Description of the Company's securities (incorporated by reference to Exhibit 4.3 to the Company's Annual Report on Form 10-K filed on March 2, 2023)
10.1	Management Services Agreement, dated as of July 5, 2022, by and between Vectrus, Inc. and AIP, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 5, 2022)
10.2	Amendment No. 2, dated as of January 24, 2022, by and among Vectrus, Inc., an Indiana corporation, as Holdings, Vectrus Systems Corporation, a Delaware corporation, as the Borrower, the other Loan Parties party thereto, the Lenders and Issuing Banks party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 27, 2022)
10.3	Guaranty of Lease, dated September 30, 2021, by Vectrus Systems Corporation (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 6, 2021)
10.4	Distribution Agreement by and between Vectrus, Inc. and Exelis Inc. dated as of September 25, 2014 (incorporated by reference to Exhibit 2.1 of Exelis Inc.'s Current Report on Form 8-K filed on September 29, 2014)
10.5	Technology License Agreement between Vectrus, Inc. and Exelis Inc. dated as of September 25, 2014 (incorporated by reference to Exhibit 10.5 of Exelis Inc.'s Form 8-K Current Report filed on September 29, 2014)
10.6	First Lien Credit Agreement, dated as of the December 6, 2021 (as amended by Amendment No 1., dated as of July 5, 2022), by and among Vertex Aerospace Service Corp., Vertex Aerospace Intermediate LLC, the lenders from time to time party thereto and Royal Bank of Canada, as administrative agent (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on July 5, 2022)
10.7	Amendment No. 3 to First Lien Credit Agreement, dated as of October 3, 2023, by and among Vertex Aerospace Services Corp., a Delaware Corporation, Vertex Aerospace Intermediate LLC, a Delaware limited liability company, the other Loan Parties hereto, the Additional Lender and Royal Bank of Canada as Administrative Agent (incorporated by reference to Exhibit 10.1 to V2X Inc.'s Current Report on Form 8-K filed on October 4, 2023).
10.8	Amendment No. 4 to First Lien Credit Agreement, dated as of May 30, 2024, by and among Vertex Aerospace Services LLC, a Delaware limited liability company, Vertex Aerospace Intermediate LLC, a Delaware limited liability company, the other Loan Parties hereto, the Additional Lender and Royal Bank of Canada as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 3, 2024).
10.9	Amendment No. 5 to First Lien Credit Agreement, dated as of January 2, 2025, by and among Vertex Aerospace Services LLC, a Delaware limited liability company, Vertex Aerospace Intermediate LLC, a Delaware limited liability company, the other Loan Parties thereto, the Additional Lender and Royal Bank of Canada as Administrative Agent +

10.10	Second Lien Credit Agreement, dated as of December 6, 2021, by and among Vertex Aerospace Service Corp., Vertex Aerospace Intermediate LLC, the lenders from time to time party thereto and Royal Bank of Canada, as administrative agent (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on July 5, 2022)
10.11	ABL Credit Agreement, dated as of June 29, 2018 (as amended by the First Amendment to ABL Credit Agreement, dated as of May 17, 2019, as further amended by the Second Amendment to ABL Credit Agreement, dated as of May 17, 2021, and as further amended by the Third Amendment to ABL Credit Agreement, dated as of December 6, 2021, as further amended by the Fourth Amendment to ABL Credit Agreement, dated as of July 5, 2022), by and among Vertex Aerospace Service Corp., Vertex Aerospace Intermediate LLC, certain other subsidiaries of Vertex Borrower from time to time party thereto as co-borrowers, the lenders from time to time party thereto and Ally Bank, as administrative agent (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed on July 5, 2022)
10.12	Credit Agreement, Dated as of February 28, 2023, among Vertex Aerospace Services Corp., as the Borrower, Vertex Aerospace Intermediate LLC, as Holdings, the Lenders Party Hereto, and Bank of America, N.A., as Administrative Agent, Swingline Lender, Collateral Agent and L/C Issuer (incorporated by reference to Exhibit 10.1 to V2X, Inc.'s Current Report on Form 8-K filed March 2, 2023)
10.13	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on July 5, 2022) *
10.14	Amended and Restated Form of Indemnification Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 19, 2022) *
10.15	Offer Letter between Jeremy Wensinger and the Company dated May 5, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 13, 2024)*
10.16	Director and Officer Indemnification Agreement between Jeremy Wensinger and the Company dated June 14, 2024 (incorporated by reference to Exhibit 10.2 to V2X, Inc.'s Quarterly Report on Form 10-Q filed on August 6, 2024)*
10.17	Prow Letter Agreement, dated November 30, 2016, between the Company and Charles L. Prow (incorporated by reference to Exhibit 10.01 to the Company's Current Report on Form 8-K filed on December 6, 2016)*
10.18	Separation Agreement and General Release of Claims between Charles L. Prow dated June 7, 2024 (incorporated by reference to Exhibit 10.3 to V2X, Inc.'s Quarterly Report on Form 10-Q filed on August 6, 2024)*
10.19	Offer Letter, dated September 28, 2023, between Shawn Mural and the Company (incorporated by reference to Exhibit 10.1 to V2X Inc.'s Current Report on Form 8-K filed on October 2, 2023). *
10.20	Vectrus Systems Corporation Excess Savings Plan (incorporated by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K filed on March 16, 2015)*
10.21	Vectrus, Inc. Severance Plan, as amended and restated as of October 6, 2015 (incorporated by reference to Exhibit 10.2 to Vectrus, Inc.'s Quarterly Report on Form 10-Q filed on November 4, 2015)*
10.22	Vectrus, Inc. Special Senior Executive Severance Pay Plan, as amended and restated as of February 24, 2021 (incorporated by reference to Exhibit 10.27 to Vectrus, Inc.'s Annual Report on Form 10-K filed on March 7, 2022)*
10.23	V2X, Inc. Senior Executive Severance Pay Plan, as Amended and Restated as of December 11, 2024*+
10.24	V2X, Inc. Second Amended and Restated 2014 Omnibus Plan (incorporated by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A filed on September 13, 2022)*
10.25	Form of Vectrus, Inc. 2014 Omnibus Incentive Plan - Nonqualified Stock Option Award Agreement - General Grant (incorporated by reference to Exhibit 10.23 to Vectrus, Inc.'s Quarterly Report on Form 10-Q filed on November 10, 2014)*
10.26	Form of Vectrus, Inc. 2014 Omnibus Incentive Plan - Nonqualified Stock Option Award Agreement - General Grant (for awards on or after October 6, 2015) incorporated by reference to Exhibit 10.10 to Vectrus, Inc.'s Quarterly Report on Form 10-Q filed on November 4, 2015)*
10.27	Form of Vectrus, Inc. 2014 Omnibus Incentive Plan - Restricted Stock Unit Agreement - General Grant - Stock Settled (for awards on or after October 6, 2015) (incorporated by reference to Exhibit 10.8 to Vectrus, Inc.'s Quarterly Report on Form 10-Q filed on November 4, 2015)*
10.28	Form of V2X, Inc. Second Amendment and Restatement of 2014 Omnibus Incentive Plan – Restricted Stock Unit Award Agreement (Stock Settled) (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on May 9, 2023)*
10.29	Form of V2X, Inc. Second Amendment and Restatement of the V2X, Inc. 2014 Omnibus Incentive Plan – Restricted Stock Unit Award Agreement (Non-employee Director) (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on August 8, 2023)*

10.30	Form of V2X, Inc. Second Amendment and Restatement of 2014 Omnibus Incentive Plan – Special Performance Stock Unit – 2023 Stock Price Award Agreement (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on May 9, 2023)*
10.31	Form of Vectrus, Inc. 2014 Omnibus Incentive Plan - TSR Award Agreement (for awards on or after October 6, 2015) (incorporated by reference to Exhibit 10.11 to Vectrus, Inc.'s Quarterly Report on Form 10-Q filed on November 4, 2015)*
10.32	Form of V2X, Inc. Second Amendment and Restatement of 2014 Omnibus Incentive Plan – Performance Stock Unit – 2023 TSR Award Agreement (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on May 9, 2023)*
10.33	Form of V2X, Inc. Second Amendment and Restatement of 2014 Omnibus Incentive Plan – Restricted Stock Unit Award Agreement (Stock Settled) (incorporated by reference to Exhibit 10.2 to V2X, Inc.'s Quarterly Report on Form 10-Q filed on May 7, 2024)*
10.34	Form of V2X, Inc. Second Amendment and Restatement of 2014 Omnibus Incentive Plan – Performance Stock Unit – 2024 TSR Award Agreement (incorporated by reference to Exhibit 10.3 to V2X, Inc.'s Quarterly Report on Form 10-Q filed on May 7, 2024) *
10.35	Description of Non-Employee Director Annual Compensation (incorporated by reference to Exhibit 10.30 to the Company's Annual Report on Form 10-K filed on March 5, 2024)*
10.36	Form of replacement Restricted Unit Agreement under the Vectrus, Inc. 2014 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K filed on March 2, 2023)*
19	V2X Prohibition Against Insider Trading and Trading Windows Policy+
21	Subsidiaries of the Company+
23	Consent of RSM US LLP+
31.1	Certification pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002+
31.2	Certification pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002+
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. This Exhibit is intended to be furnished in accordance with Regulation S-K Item 601(b)(32)(ii) and shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934 or incorporated by reference into any future filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference.++
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. This Exhibit is intended to be furnished in accordance with Regulation S-K Item 601(b)(32)(ii) and shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934 or incorporated by reference into any future filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference.++
97	Policy Relating to Recovery of Erroneously Awarded Compensation (incorporated by reference to Exhibit 97 to the Company's Annual Report on Form 10-K filed on March 5, 2024)
101	The following materials from V2X, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2024, formatted in Inline Extensible Business Reporting Language (Inline XBRL): (i) Consolidated Statements of Income, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Shareholders' Equity, and (vi) Notes to Consolidated Financial Statements.#
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101) #

† Certain schedules to this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K.
* Indicates management contract or compensatory plan or arrangement.
+ Indicates this document is filed as an exhibit herewith.
++ Indicates this document is furnished as an exhibit herewith.
# Submitted electronically with this report.

The Company's Commission File Number for Reports on Form 10-K, Form 10-Q and Form 8-K is 001-36341.

(b) Financial Statement Schedules are omitted because of the absence of the conditions under which they are required or because the required information is included in the Consolidated Financial Statements filed as part of this report.

ITEM 8. ***FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA***

V2X, INC.

Index to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of V2X, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of V2X, Inc. (the Company) as of December 31, 2024 and 2023, the related consolidated statements of income (loss), comprehensive income (loss), shareholders' equity and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024 in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Our report dated February 24, 2025, expressed an opinion that the Company had not maintained effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

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 PCAOB and are required to be independent with respect to the Company in accordance with 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the 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.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue Recognition

As described in Notes 1, 4 and 5 of the financial statements, the Company recognizes revenue derived from contracts over time. For the year ended December 31, 2024, revenue was $4,322.2 million. Accounting for contracts and programs involves the use of various techniques to estimate total contract revenue and costs. For contracts, management estimates the profit on a contract as the difference between the total estimated revenue and expected costs to complete a contract and recognizes that profit over the life of the contract. Contract estimates are based on assumptions to project the outcome of future events. These assumptions include labor productivity and availability, the complexity of the services being performed, the cost and availability of materials, the performance of subcontractors and negotiations with the customer on contract modifications.

We have identified the assessment of the total estimated costs to complete a contract in order to accurately recognize the associated revenue on contracts in process as a critical audit matter because of the significant assumptions management makes in determining the costs and revenues related to the performance obligations. Auditing management's judgments related to Company's contracts involves a high degree of auditor judgment and increased audit effort due to the volume and complexity of contracts and the assumptions related to total revenue and costs.

Our audit procedures related to management's estimates of total revenue and costs for the performance obligations used to recognize revenue included the following, among others:

- We obtained an understanding of the relevant controls related to revenue recognition and costs and tested such controls for design and operating effectiveness, including management's controls over the estimation of total contract costs to be incurred to complete uncompleted contracts.
- We selected a sample of contracts and performed the following for each contract:
    - Evaluated whether the contract was properly included in management's calculation based on the terms and conditions, including whether the customers simultaneously receive and consume the benefits of the Company's services.

- Evaluated the Company’s identification of performance obligations by evaluating whether the services to be performed under the contract were capable of being distinct or an integrated set of tasks and deliverables as a single solution.
- Compared the transaction prices to the consideration expected to be received under the contract, including all executed contract modifications that were agreed upon with the customers.
- Evaluated the estimates of total revenue and costs for the performance obligations as follows:
  - Tested the mathematical accuracy of management’s calculation of revenue for the performance obligation.
  - Evaluated performance obligations and the associated estimate of profitability at completion as prepared by management and compared it to the recorded cost and revenue.
  - Evaluated management’s ability to estimate total costs and revenue accurately by comparing actual costs and profits to management’s historical estimates for performance obligations that have been fulfilled.
  - Evaluated performance obligation results occurring after the measurement period and, when applicable, understood changes to the estimate and impacts on the measurement period.

- We performed analytical procedures to evaluate the amount of revenue recorded to date and related contract balance, by comparing changes in the estimated costs at completion, including changes in transaction price when relevant, for a sample of contracts throughout the period.
- We performed analytical procedures over contract margins by comparing the current year results to prior results.

/s/ RSM US LLP

We have served as the Company's auditor since 2022.

McLean, Virginia
February 24, 2025

V2X, INC.

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(In thousands, except per share data)	Year Ended December 31, 2024	2023	2022
Revenue	$ 4,322,155	$ 3,963,126	$ 2,890,860
Cost of revenue	3,979,193	3,628,271	2,595,848
Selling, general and administrative expenses	183,758	210,439	239,241
Operating income	159,204	124,416	55,771
Loss on extinguishment of debt	(1,998)	(22,298)	—
Interest expense, net	(107,900)	(122,442)	(61,879)
Other expense, net	(10,465)	(4,194)	—
Income (loss) from operations before income taxes	38,841	(24,518)	(6,108)
Income tax expense (benefit)	4,157	(1,945)	8,222
Net income (loss)	$ 34,684	$ (22,573)	$ (14,330)
Earnings (loss) per share			
Basic	$ 1.10	$ (0.73)	$ (0.68)
Diluted	$ 1.08	$ (0.73)	$ (0.68)
Weighted average common shares outstanding – basic	31,485	31,084	20,996
Weighted average common shares outstanding – diluted	31,967	31,084	20,996

The accompanying notes are an integral part of the Consolidated Financial Statements.

V2X, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In thousands)	Year Ended December 31, 2024	2023	2022
Net income (loss)	$ 34,684	$ (22,573)	$ (14,330)
Other comprehensive (loss) income, net of tax			
Changes in derivative instrument:			
Net change in fair value of interest rate swaps	3,482	375	666
Net change in fair value of foreign currency forwards	—	—	31
Tax benefit (expense)	721	(601)	272
Net change in derivative instrument	4,203	(226)	969
Foreign currency translation adjustments, net of tax (expense) benefit of $(1,577) in 2024, $(1,066) in 2023 and $542 in 2022	(10,934)	3,066	(596)
Other comprehensive (loss) income, net of tax	(6,731)	2,840	373
Total comprehensive income (loss)	$ 27,953	$ (19,733)	$ (13,957)

The accompanying notes are an integral part of the Consolidated Financial Statements.

V2X, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except shares and per share data)	December 31, 2024	December 31, 2023
Assets		
Current assets		
Cash, cash equivalents and restricted cash	$ 268,321	$ 72,651
Receivables	710,068	705,995
Inventory, net	50,894	46,981
Prepaid expenses and other current assets	70,937	49,242
Total current assets	1,100,220	874,869
Property, plant, and equipment, net	62,001	85,429
Goodwill	1,656,926	1,656,926
Intangible assets, net	323,068	407,530
Right-of-use assets	37,774	41,215
Other non-current assets	48,854	15,931
Total non-current assets	2,128,623	2,207,031
Total Assets	$ 3,228,843	$ 3,081,900
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	$ 547,568	$ 453,052
Compensation and other employee benefits	166,918	158,088
Short-term debt	20,003	15,361
Other accrued liabilities	261,735	213,700
Total current liabilities	996,224	840,201
Long-term debt, net	1,087,484	1,100,269
Deferred tax liabilities	20,983	11,763
Operating lease liabilities	33,811	34,691
Other non-current liabilities	64,189	104,176
Total non-current liabilities	1,206,467	1,250,899
Total liabilities	2,202,691	2,091,100
Commitments and contingencies (Note 15)		
Shareholders' Equity		
Preferred stock; $0.01 par value; 10,000,000 shares authorized; No shares issued and outstanding	—	—
Common stock; $0.01 par value; 100,000,000 shares authorized; 31,560,490 and 31,191,628 shares issued and outstanding as of December 31, 2024 and 2023, respectively	316	312
Additional paid in capital	769,719	762,324
Retained earnings	265,535	230,851
Accumulated other comprehensive loss	(9,418)	(2,687)
Total shareholders' equity	1,026,152	990,800
Total Liabilities and Shareholders' Equity	$ 3,228,843	$ 3,081,900

The accompanying notes are an integral part of the Consolidated Financial Statements.

V2X, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)	Year Ended December 31, 2024	2023	2022
Operating activities			
Net income (loss)	$ 34,684	$ (22,573)	$ (14,330)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation expense	20,747	22,408	13,472
Amortization of intangible assets	90,821	90,423	48,643
Amortization of cloud computing arrangements	3,314	480	514
Gain from acquisitions, net	(2,193)	—	—
Impairment of non-operating long-lived asset	2,192	—	—
Loss on disposal of property, plant, and equipment	1,450	683	59
Stock-based compensation	15,969	32,843	32,736
Deferred taxes	7,730	(7,509)	(15,554)
Amortization of debt issuance costs	7,380	9,067	7,805
Loss on extinguishment of debt	1,998	22,298	—
Gain on disposition of business	—	(450)	(2,082)
Changes in assets and liabilities:			
Receivables	25,181	19,064	(52,311)
Inventory, net	(3,976)	(311)	(3,600)
Other assets	(38,358)	11,596	14,448
Accounts payable	75,335	43,153	71,837
Compensation and other employee benefits	9,128	(9,901)	42,878
Other liabilities	2,835	(23,303)	(51,020)
Net cash provided by operating activities	254,237	187,968	93,495
Investing activities			
Purchases of capital assets and intangibles	(11,787)	(25,021)	(12,425)
Proceeds from the disposition of assets	76	16	9
Acquisition of businesses, net of cash acquired	(16,939)	—	193,677
Disposition of business	—	1,349	(5,303)
Distributions from (contributions to) joint venture	—	1,007	—
Net cash (used in) provided by investing activities	(28,650)	(22,649)	175,958
Financing activities			
Proceeds from issuance of long-term debt	—	250,000	—
Repayments of long-term debt	(15,327)	(432,603)	(108,400)
Proceeds from revolver	1,266,250	922,750	392,000
Repayments of revolver	(1,266,250)	(922,750)	(472,925)
Proceeds from exercise of stock options	154	34	408
Payment of debt issuance costs	(1,188)	(8,818)	(2,325)
Prepayment premium on early redemption of debt	—	(1,600)	—
Payments of employee withholding taxes on share-based compensation	(8,138)	(18,036)	(1,994)
Net cash used in financing activities	(24,499)	(211,023)	(193,236)
Exchange rate effect on cash	(5,418)	2,288	1,337
Net change in cash, cash equivalents and restricted cash	195,670	(43,416)	77,554
Cash, cash equivalents and restricted cash – beginning of year	72,651	116,067	38,513
Cash, cash equivalents and restricted cash – end of year	$ 268,321	$ 72,651	$ 116,067
Supplemental Disclosure of Cash Flow Information:			
Interest paid	$ 107,607	$ 117,482	$ 54,267
Income taxes paid	$ 8,819	$ 8,356	$ 13,416
Non-cash investing activities:			
Purchase of capital assets on account	$ 22	$ 3,043	$ 2,716
Common stock issued for business acquisition	$ —	$ —	$ 630,636

The accompanying notes are an integral part of the Consolidated Financial Statements.

V2X, INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(In thousands)	Common Stock Issued Shares	Common Stock Issued Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance at December 31, 2021	11,738	$ 117	$ 88,116	$ 267,754	$ (5,900)	$ 350,087
Net loss	—	—	—	(14,330)	—	(14,330)
Foreign currency translation adjustments	—	—	—	—	(596)	(596)
Unrealized gain on cash flow hedge	—	—	—	—	969	969
Employee stock awards and stock options	140	2	406	—	—	408
Issuance of common stock in connection with a business combination	18,592	186	630,450	—	—	630,636
Taxes withheld on stock compensation awards	—	—	(1,994)	—	—	(1,994)
Stock-based compensation	—	—	31,899	—	—	31,899
Balance at December 31, 2022	30,470	$ 305	$ 748,877	$ 253,424	$ (5,527)	$ 997,079
Net loss	—	—	—	(22,573)	—	(22,573)
Foreign currency translation adjustments	—	—	—	—	3,066	3,066
Unrealized loss on cash flow hedge	—	—	—	—	(226)	(226)
Employee stock awards and stock options	722	7	27	—	—	34
Taxes withheld on stock compensation awards	—	—	(18,036)	—	—	(18,036)
Stock-based compensation	—	—	31,456	—	—	31,456
Balance at December 31, 2023	31,192	$ 312	$ 762,324	$ 230,851	$ (2,687)	$ 990,800
Net income	—	—	—	34,684	—	34,684
Foreign currency translation adjustments	—	—	—	—	(10,934)	(10,934)
Unrealized gain on cash flow hedge	—	—	—	—	4,203	4,203
Employee stock awards and stock options	368	4	150	—	—	154
Taxes withheld on stock compensation awards	—	—	(8,138)	—	—	(8,138)
Stock-based compensation	—	—	15,383	—	—	15,383
Balance at December 31, 2024	31,560	$ 316	$ 769,719	$ 265,535	$ (9,418)	$ 1,026,152

The accompanying notes are an integral part of the Consolidated Financial Statements.

V2X, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1

DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business and Basis of Presentation

Business

V2X, Inc., an Indiana Corporation formed in February 2014, formerly known as Vectrus, Inc. (Vectrus), is a leading provider of critical mission solutions primarily to defense customers globally. The Company operates as one segment and offers a broad suite of capabilities including multi-domain high impact readiness, integrated supply chain management, mission solutions, and platform renewal and modernization to national security, defense, civilian and international customers.

On March 7, 2022, Vectrus entered into an Agreement and Plan of Merger (the Merger Agreement) with Vertex Aerospace Services Holding Corp., a Delaware corporation (Vertex), Andor Merger Sub Inc., a Delaware corporation (Merger Sub Inc.) and Andor Merger Sub LLC, a Delaware limited liability company (Merger Sub LLC). On July 5, 2022 (the Closing Date), Vectrus completed its merger (Merger) thereby forming V2X, Inc. For a description of the Merger, see Note 3, *Merger*.

Unless the context otherwise requires or unless stated otherwise, references in these notes to "V2X", "we," "us," "our," “combined company”, "the Company" and "our Company" refer to V2X, Inc. and all of its consolidated subsidiaries (including, subsequent to the Merger, Vertex and its consolidated subsidiaries), taken together as a whole.

Equity Investment

In 2011, the Company entered into a joint venture agreement with Shaw Environmental & Infrastructure, Inc., which is now APTIM Federal Services LLC. Pursuant to the joint venture agreement, High Desert Support Services, LLC (HDSS) was established to pursue and perform work on the Ft. Irwin Installation Support Services Contract, which was awarded to HDSS in October 2012. In 2018, the Company entered into a joint venture agreement with J&J Maintenance. Pursuant to the joint venture agreement, J&J Facilities Support, LLC (J&J) was established to pursue and perform work on various U.S. government contracts. In 2020, the Company entered into a joint venture agreement with Kuwait Resources House for Human Resources Management and Services Company (KRH). Pursuant to the joint venture agreement, ServCore Resources and Services Solutions, LLC. (ServCore) was established to operate and manage labor and life support services outside of the continental United States at designated locations serviced by V2X and others around the world. In February 2022, the Company and Permagreen Grønland formed Inuksuk A/S (Inuksuk), a corporation in Greenland to bid for certain contracts in Greenland.

The Company accounts for its investments in HDSS, J&J, ServCore, and Inuksuk under the equity method and has the ability to exercise significant influence, but does not hold a controlling interest. The Company's proportionate 25%, 50%, 40%, and 49% shares, respectively, of income or losses from HDSS, J&J, ServCore, and Inuksuk are recorded in selling, general and administrative expenses in the Consolidated Statements of Income (Loss). These investments are recorded in other non-current assets in the Consolidated Balance Sheets.

When cash distributions are received by the Company from its equity method investments, the cash distribution is compared to cumulative earnings and cumulative cash distributions. Cash distributions received are recorded as a return on investment in operating cash flows within the Consolidated Statements of Cash Flows to the extent cumulative cash distributions are less than cumulative earnings. Any cash distributions in excess of cumulative earnings are recorded as a return of investment in investing cash flows within the Consolidated Statements of Cash Flows. As of December 31, 2024 and December 31, 2023, the Company's combined investment balance was $8.6 million and $5.4 million, respectively. The Company's proportionate share of income from equity method investments was $9.9 million, $4.0 million, and $2.8 million for the years ended December 31, 2024, 2023, and 2022, respectively.

Summary of Significant Accounting Policies

Principles of Consolidation

V2X consolidates companies in which it has a controlling financial interest. All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Estimates are revised as additional information becomes available. Estimates and assumptions are used for, but not limited to, revenue recognition; income taxes; fair value and impairment of goodwill and intangible assets. Actual results could differ from these estimates.

Segment Information

Management has concluded that the Company operates as one segment based upon the information used by the chief operating decision maker (CODM) in evaluating the performance of the Company's business and allocating resources and capital. Although we perform services worldwide, the substantial majority of our revenue for the years ended December 31, 2024, 2023 and 2022 was derived from the U.S. government. Refer to Note 19, *Segment Information*, for additional information.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current year presentation. These reclassifications had no material impact on the results of operations, financial position, or changes in shareholders' equity.

Revenue Recognition

As a defense contractor engaging in long-term contracts, the substantial majority of our revenue is derived from long-term service contracts. The unit of account for revenue in ASC Topic 606, *Revenue from Contracts with Customers* (Topic 606) is a performance obligation. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, consideration is given as to whether a single contract should be accounted for as more than one performance obligation. For most of our contracts, the customer contracts with us to perform an integrated set of tasks and deliverables as a single service solution, whereby each service is not separately identifiable from other promises in the contract and therefore is not distinct. As a result, when this integrated set of tasks exists, the contract is accounted for as one performance obligation. The vast majority of our contracts have a single performance obligation. Unexercised contract options and indefinite delivery and indefinite quantity (IDIQ) contracts are considered to be separate performance obligations when the option or IDIQ task order is exercised or awarded. Our performance obligations are satisfied over time as services are provided throughout the contract term. We recognize revenue over time using the input method (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress. Our over time recognition is reinforced by the fact that our customers simultaneously receive and consume the benefits of our services as they are performed. For most U.S. government contracts, this continuous transfer of control to the customer is supported by clauses in the contract that allow the customer to unilaterally terminate the contract for convenience, pay us for costs incurred plus a reasonable profit and take control of any work in process. This continuous transfer of control requires that we track progress towards completion of performance obligations in order to measure and recognize revenue.

Accounting for contracts and programs involves the use of various techniques to estimate total contract revenue and costs. For contracts, we estimate the profit on a contract as the difference between the total estimated revenue and expected costs to complete a contract and recognize that profit over the life of the contract. Contract estimates are based on various assumptions to project the outcome of future events. These assumptions include labor productivity and availability; the complexity of the services being performed; the cost and availability of materials; the performance of subcontractors; and negotiations with the customer on contract modifications. When the estimates of total costs to be incurred on a contract exceed total estimates of the transaction price, a provision for the entire loss is determined at a contract level and is recognized in the period in which the loss was determined.

The nature of our contracts gives rise to several types of variable consideration, including award and incentive fees, inspection of supplies and services, undefinitized change orders, and fluctuation in allowable indirect reimbursable costs. We include award or incentive fees in the estimated transaction price when there is certainty and a basis to reasonably estimate the amount of the fee. These estimates are based on historical award experience, anticipated performance and our best judgment at the time. The inspection of supplies and services is a factor because the U.S. government can reduce the transaction price if we do not perform the services in compliance with contract requirements. Variable consideration associated with undefinitized change orders is included to the extent related estimated costs have been included in the expected costs to complete a contract. The fluctuation of allowable indirect reimbursable costs is a factor because the U.S. government has the right to review our accounting records and retroactively adjust the reimbursable rate. Any prior adjustments are reflected in the U.S. government reserve amounts recorded in our financial statements. We estimate variable consideration at the most likely amount that we expect to be entitled to receive, which is included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur. Refer to Note 15, *Commitments and Contingencies*, for additional information regarding U.S. government reserve amounts.

As a significant change in one or more of these estimates could affect the profitability of our contracts, we review and update our contract estimates regularly. We recognize adjustments in estimated profit on executed contracts cumulatively. The impact of the adjustments on profit recorded to date is recognized in the period the adjustment is identified. Revenue and profit in future periods of contract performance are recognized using the adjusted estimate. If at any time the estimate of contract profitability indicates an anticipated loss on the contract, we recognize the total loss in the quarter it is identified.

Contracts are often modified to account for changes in contract specifications and requirements. If the modification either creates new enforceable rights and obligations or changes the existing enforceable rights and obligations, the modification will be treated as a separate contract. Our contract modifications, except for those to exercise option years, have historically not been distinct from the existing contract and have been accounted for as if they were part of that existing contract.

The timing of revenue recognition, billings and cash collections results in billed and unbilled accounts receivable (contract assets) and customer advances and deposits (contract liabilities) on the Consolidated Balance Sheets. Amounts are billed as work progresses in accordance with agreed-upon contractual terms at periodic intervals (e.g., biweekly or monthly). Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, we may receive advances or deposits from our customers, before revenue is recognized, resulting in contract liabilities. These advance billings and payments are not considered significant financing components because they are frequently intended to fund current operating expenses under the contract. These assets and liabilities are reported on the Consolidated Balance Sheets on a contract-by-contract basis at the end of each reporting period.

Restricted Cash

As of December 31, 2024 the Company had total cash, cash equivalents and restricted cash of $268.3 million which included $3.1 million of restricted cash. The Company's restricted cash was $2.0 million as of December 31, 2023.

Cloud Computing Arrangements (CCA)

The Company capitalizes implementation costs associated with its CCA consistent with costs capitalized for internal-use software. Capitalized CCA implementation costs are included in prepaid expenses and other current assets and other non-current assets on the Company's Consolidated Balance Sheets. The CCA implementation costs are amortized over the term of the related hosting agreement, including renewal periods that are reasonably certain to be exercised. Amortization expense of CCA implementation costs is included in cost of revenue on the Company's Consolidated Statements of Income (Loss). The CCA implementation costs are included within operating activities on the Company's Consolidated Statements of Cash Flows.

As of December 31, 2024 and 2023, the Company had total capitalized CCA implementation costs, net of accumulated amortization, of $29.2 million and $0.8 million, respectively, included in prepaid expenses and other current assets and other non-current assets on the Company's Consolidated Balance Sheets.

Receivables

Receivables include amounts billed and currently due from customers, amounts unbilled, certain estimated contract change amounts, estimates related to expected award fees, claims or REAs in negotiation that are probable of recovery, and amounts retained by the customer pending contract completion. Unbilled receivables are classified as current assets based on our contract operating cycle. Substantially all billed receivables are due from the U.S. government, either directly as prime contractor to the U.S. government or as subcontractor to another prime contractor to the U.S. government. Because the Company’s billed receivables are with the U.S. government, the Company does not believe it has a material credit risk exposure.

Inventory, Net

Inventory, net is substantially comprised of finished goods inventory and is valued at the lower of cost or net realizable value, generally using the average cost method. We establish provisions for excess and obsolete inventories after evaluation of historical sales, current economic trends, forecasted sales, and current inventory levels.

Earnings (Loss) Per Share

We compute earnings (loss) per common share on the basis of the weighted average number of common shares, and, where dilutive, common share equivalents, outstanding during the indicated periods.

Stock-Based Compensation

We recognize stock-based compensation expense based on the grant date fair values of the equity instruments issued or on the fair values of the liabilities incurred. The expense is recognized primarily within selling, general and administrative expenses over the requisite service periods of the awards, which are generally equivalent to the vesting terms.

Property, Plant and Equipment, Net

Property, plant and equipment, net is stated at cost less accumulated depreciation. Major improvements are capitalized at cost while expenditures for maintenance, repairs and minor improvements are expensed. For asset sales or retirements, the assets and related accumulated depreciation and amortization are eliminated from the accounts and any resulting gain or loss is reflected in operating income.

Depreciation and amortization are generally computed using either an accelerated or straight-line method and is based on estimated useful lives or lease terms as follows:

	Years
Buildings and improvements	3 – 11
Machinery, equipment and vehicles	3 – 12
Office furniture and equipment, computers and software	3 – 7

Long-Lived Asset Impairment

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate their carrying value may not be recoverable. We assess the recoverability of long-lived assets based on the undiscounted future cash flow the assets are expected to generate. When carrying value exceeds the undiscounted future cash flow, an impairment is recorded when the carrying value of the asset exceeds its estimated fair value based on a discounted cash flow approach or, when available and appropriate, comparable market values.

Goodwill

Goodwill represents purchase consideration paid in a business combination that exceeds the fair values assigned to the net assets of acquired businesses. Goodwill is not amortized, but instead is tested for impairment annually (or more frequently if impairment indicators arise, such as changes to the reporting unit structure or significant adverse changes in the business climate). We conduct our annual impairment testing on the first day of the Company's fourth fiscal quarter. In reviewing goodwill for impairment, we have the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the estimated fair value of a reporting unit is less than its carrying amount. If we elect to perform a qualitative assessment and determine that an impairment is more likely than not, we then perform a quantitative impairment test as described below. Otherwise, no further analysis is required. We also may elect not to perform the qualitative assessment and, instead, proceed directly to the quantitative impairment test.

For the quantitative impairment test we compare the estimated fair value of a reporting unit to its carrying value, including goodwill. If the estimated fair value of the reporting unit exceeds its carrying value, goodwill of the reporting unit is not impaired. If the carrying value of the reporting unit, including goodwill, exceeds its estimated fair value, a goodwill impairment loss is recognized in an amount equal to that excess limited to the total amount of goodwill allocated to that reporting unit. We estimate the fair value of our reporting unit using an income approach and a market approach. Under the income approach, we estimate fair value based on the present value of estimated future cash flows. Under the market approach, we compare our company to select reasonably similar publicly traded companies.

Intangible Assets

We recognize acquired intangible assets apart from goodwill whenever the intangible assets arise from contractual or other legal rights, or whenever they can be separated or divided from the acquired entity and sold, transferred, licensed, rented or exchanged, either individually or in combination with a related contract, asset or liability. Such intangibles are amortized over their estimated useful lives unless the estimated useful life is determined to be indefinite. Finite lived intangible assets are being amortized over useful lives of four to twelve years. The straight-line method of amortization is used as it has been determined to approximate the use pattern of the assets.

Leases

In accordance with ASC Topic 842, *Leases* (ASC Topic 842), operating leases are included on our Consolidated Balance Sheets as right-of-use (ROU) assets, other accrued liabilities and operating lease liabilities.

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. Lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Because most of our leases do not provide an implicit interest rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The lease ROU assets also include any prepaid lease payments and exclude lease incentives. Many of our leases include one or more options to renew or terminate the lease, solely at our discretion. Such options are factored into the lease term when it is reasonably certain that we will exercise the option. Lease expense for lease payments is recognized on a straight-line basis over the term of the lease.

As allowed under ASC Topic 842, the Company elected the package of practical expedients permitted under the transition guidance which allowed the Company to carry forward the historical lease classification, assessment of whether a contract was or contained a lease and assessment of initial direct costs. In addition, we have made policy elections to apply the short-term leases practical expedient, whereby leases with a term of 12 months or less are not recorded on our balance sheet, and the practical expedient to not separate lease components from non-lease components. The latter expedient is applied to all of our leases. We did not elect to apply the hindsight practical expedient in determining lease terms and assessing impairment of ROU assets. See Note 12, *Leases*, for further information.

Income Taxes

We determine the provision or benefit for income taxes using the asset and liability approach. Under this approach, deferred income taxes represent the expected future tax consequences of temporary differences between the carrying amounts and tax basis of assets and liabilities. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. In assessing the need for a valuation allowance, we look to the future reversal of existing taxable temporary differences, taxable income in carryback years, the feasibility of tax planning strategies, and estimated future taxable income. The valuation allowance can be affected by changes to tax laws, changes to statutory tax rates and changes to future taxable income estimates. See Note 13, *Income Taxes*, for further information.

Commitments and Contingencies

We record accruals for commitments and loss contingencies when they are probable of occurrence and the amounts can be reasonably estimated. In addition, legal fees are accrued for cases where a loss is probable and the related fees can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount of loss. We review these accruals quarterly and adjust the accruals to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other updated information.

Derivative Instruments

Derivative instruments are recognized as either an asset or liability at fair value in our Consolidated Balance Sheets and are classified as current or long-term based on the scheduled maturity of the instrument. Our derivative instruments have been formally designated and qualify as part of a cash flow hedging relationship under applicable accounting standards.

The interest rate derivative instruments are adjusted to fair value through accumulated other comprehensive loss. If we were to determine that a derivative was no longer highly effective as a hedge, we would discontinue the hedge accounting prospectively. Gains or losses would be immediately reclassified from accumulated other comprehensive loss to earnings relating to hedged forecasted transactions that are no longer probable of occurring. Gains or losses relating to terminations of effective cash flow hedges in which the forecasted transactions would still be probable of occurring would be deferred and recognized consistent with the income or loss recognition of the underlying hedged item.

Refer to Note 11, *Derivative Instruments*, for additional information regarding our derivative activities.

Fair Value Measurements

We determine fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In measuring fair value, a fair value hierarchy is applied which categorizes and prioritizes the inputs used to estimate fair value into three levels. The fair value hierarchy is based on maximizing the use of observable inputs and minimizing the use of unobservable inputs when measuring fair value. Classification within the fair value hierarchy is based on the lowest level input that is significant to the fair value measurement. There are three levels of the fair value hierarchy. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices (in nonactive markets or in active markets for similar assets or liabilities), inputs other than quoted prices that are observable, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are unobservable inputs for the assets or liabilities.

Foreign Currency Translation

The financial statements of programs for which the functional currency is not the U.S. dollar are translated into U.S. dollars. Balance sheet accounts are translated at the exchange rate in effect at the end of each period; income statement accounts are translated at the average rates of exchange prevailing during the period. Gains and losses on foreign currency translations are recorded as translation adjustments to other comprehensive income (loss). Net gains or losses from foreign currency transactions are reported in selling, general and administrative expenses and have historically been insignificant.

NOTE 2

RECENT ACCOUNTING STANDARDS UPDATES

Accounting Standards Updates Issued but Not Yet Adopted

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2023-09 Income Taxes (Topic 740) to improve income tax disclosures primarily related to the rate reconciliation and income taxes paid information. ASU No. 2023-09 requires a public business entity (PBE) to disclose, on an annual basis, a tabular rate reconciliation using both percentages and currency amounts, broken out into specified categories with certain reconciling items further broken out by nature and jurisdiction to the extent those items exceed a specified threshold. In addition, all entities are required to disclose income taxes paid, net of refunds received disaggregated by federal, state/local, and foreign and by jurisdiction if the amount is at least 5% of total income tax payments, net of refunds received. For PBEs, the new standard is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company will adopt this ASU prospectively for the period ending December 31, 2025. The Company expects this ASU to impact only its disclosures with no impacts to its results of operations, cash flow and financial condition.

In November 2024, the FASB issued ASU No. 2024-03 Expense Disaggregation Disclosures (Subtopic 220-40) to require public business entities to disclose disaggregated information about expenses to help investors better understand an entity's performance, better assess the entity's prospects for future cash flows, and compare an entity's performance over time and with that of other entities. The amendments in this ASU are effective for fiscal years beginning after December 15, 2026, and interim periods with annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of adoption of this standard on its consolidated financial statements.

Accounting Standards Updates Adopted

In November 2023, the FASB issued ASU No. 2023-07, Segment Reporting (Topic 280), to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. Amongst other amendments, the standard requires annual and interim disclosures of significant segment expenses that are regularly provided to the CODM, and interim disclosures about a reportable segment’s profit or loss and assets that are currently required annually. Additionally, it requires a public entity to disclose the title and position of the CODM. This standard does not change how an entity identifies its operating segments, aggregates those operating segments, or applies the quantitative thresholds to determine its reportable segments. The Company adopted the new standard effective December 31, 2024. The adoption of this ASU affects only the Company's disclosures, with no impacts to financial condition and results of operations.

NOTE 3

MERGER

In accordance with ASC Topic 805, *Business Combinations*, we accounted for the below transaction using the acquisition method. We conducted valuations of certain acquired assets and liabilities for inclusion in our Consolidated Balance Sheets as of the date of the acquisition. Assets that normally would not be recorded in ordinary operations, such as intangibles related to contractual relationships, were recorded at their estimated fair values. The excess purchase price over the estimated fair value of the net assets acquired was recorded as goodwill.

On July 5, 2022, the Closing Date, Vectrus completed its previously announced Merger with Vertex, forming V2X by acquiring all of the outstanding shares of Vertex. On the Closing Date, Vertex and its consolidated subsidiaries became wholly-owned subsidiaries of the Company.

The combined V2X entity from the Merger is a larger and more diversified Company with the ability to compete for more integrated business opportunities and generate revenue across geographies, clients, and contract types in supporting the mission of our customers.

The operating results of Vertex subsequent to the Closing Date are included in the Company's consolidated results of operations. Vertex and its consolidated subsidiaries recognized revenue of $908.4 million and net loss of $39.9 million for the period from the Closing Date until December 31, 2022.

The Company recognized $39.9 million of acquisition-related costs that were expensed as incurred during the year ended December 31, 2022. These costs are included in selling, general and administrative expenses in the Consolidated Statements of Income (Loss).

Purchase Price Allocation

The Merger is accounted for as a business combination. As such, the assets acquired and liabilities assumed are accounted for at fair value, with the excess of the purchase price over the fair value of the net identifiable assets acquired and liabilities assumed recorded as goodwill.

The Closing Date fair value of the consideration transferred totaled $634.0 million, which was comprised of the following:

($ in thousands, except share and per share amounts)	Purchase Price
Shares of V2X common stock issued	18,591,866
Market price per share of V2X as of Closing Date	$ 33.92
Fair value of common shares issued	$ 630,636
Fair value of cash consideration	3,315
Total consideration transferred	$ 633,951

The following table summarizes the final fair values of the assets acquired and liabilities assumed in the Merger as of the Closing Date.

(In thousands)	Fair Value
Cash and cash equivalents	$ 196,993
Receivables	331,300
Inventory	34,735
Prepaid expenses and other current assets	16,103
Property, plant, and equipment	55,678
Intangible assets	480,000
Other non-current assets	17,104
Right-of-use assets	21,062
Accounts payable	(121,515)
Debt	(1,352,303)
Compensation and other employee benefits	(45,968)
Other current and non-current liabilities	(334,469)
Total identifiable net assets	(701,280)
Goodwill	1,335,231
Total purchase consideration	$ 633,951

As a result of the Merger, the Company recognized $1.3 billion of goodwill. The goodwill recognized is attributable to operational and general and administrative cost synergies, expanded market opportunities and other benefits that do not qualify for separate recognition. None of the goodwill is expected to be deductible for tax purposes. In addition, we recognized two intangible assets related to backlog and customer contracts arising from the Merger. The fair value of backlog was $316.0 million, and the fair value of the customer contracts was $164.0 million with amortization periods of 4.5 years and 14.0 years, respectively. The receivables of $331.3 million represent fair value and are considered fully collectible as of December 31, 2024.

As part of the Merger, V2X acquired certain contracts, including a Transition Services Agreement (TSA) with Crestview Aerospace LLC (Crestview), which was previously divested to American Industrial Partners Capital Fund VI, L.P. (AIP). For the year ended December 31, 2024, the Company recorded $0.7 million of income related to the TSA with Crestview, which was recorded as a reduction in cost of sales. As of December 31, 2024, AIP held approximately 45% of V2X common stock.

The following unaudited pro forma information shows the combined results of our operations for the year ended December 31, 2022. The unaudited pro forma information reflects the effects of applying our accounting policies and certain pro forma adjustments to the combined historical financial information of Vertex. The pro forma adjustments include: a) incremental amortization expense associated with identified intangible assets; b) incremental interest expense resulting from fair value adjustments applied to the Vertex debt that we assumed; and c) a reduction of revenues and operating expenses associated with fair value adjustments made to acquire assets and assumed liabilities, such as contract cost assets and contract liabilities.

This unaudited pro forma information is presented for informational purposes only and may not necessarily reflect the actual results of operations that would have been achieved, nor are they necessarily indicative of future results of operations.

(Unaudited, in thousands)	Year Ended December 31, 2022
Pro forma revenue	$ 3,669,567
Pro forma net loss	$ (11,281)

NOTE 4

REVENUE

Remaining Performance Obligations

Remaining performance obligations represent firm orders by the customer and excludes potential orders under IDIQ contracts, unexercised contract options and contracts awarded to us that are being protested by competitors with the U.S. Government Accountability Office (GAO) or in the U.S. Court of Federal Claims (COFC). The level of order activity related to programs can be affected by the timing of government funding authorizations and their project evaluation cycles. Year-over-year comparisons could, at times, be impacted by these factors, among others.

The Company's contracts are multi-year contracts and typically include an initial period of one year or less with annual one-year (or less) option periods. The number of option periods varies by contract, and there is no guarantee that an option period will be exercised. The right to exercise an option period is at the sole discretion of the U.S. government when we are the prime contractor or of the prime contractor when we are a subcontractor. We expect to recognize a substantial portion of our performance obligations as revenue within the next 12 months. However, the U.S. government or the prime contractor may cancel any contract at any time through a termination for convenience or for cause. Substantially all of our contracts have terms that would permit us to recover all or a portion of our incurred costs and fees for work performed in the event of a termination for convenience.

Remaining performance obligations as of December 31, 2024 and December 31, 2023 are presented in the following table:

(In millions)	Year Ended December 31, 2024	2023
Performance Obligations	$ 3,483	$ 3,629

We expect to recognize approximately 68% of the remaining performance obligations as of December 31, 2024 as revenue in 2025 and the majority of the remainder of the balance as revenue in 2026 and 2027.

Contract Estimates

The impact of adjustments in contract estimates on our operating income can be reflected in either revenue or cost of revenue. Cumulative adjustments for the years ended December 31, 2024, 2023 and 2022 were favorable by $24.8 million, $22.7 million and $13.3 million, respectively.

For the years ended December 31, 2024, 2023, and 2022 the net adjustments to operating income increased revenue by $29.1 million, $38.1 million, and $7.5 million, respectively.

Revenue by Category

Generally, the sales price elements for our contracts are cost-plus, cost-reimbursable, time-and-materials and firm-fixed-price. We commonly have elements of cost-plus, cost-reimbursable, time-and-materials and firm-fixed-price contracts on a single contract. On a cost-plus contract, we are paid our allowable incurred costs plus a profit, which can be fixed or variable depending on the contract’s fee arrangement, up to funding levels predetermined by our customers.

On cost-plus contracts, we do not bear the risks of unexpected cost overruns, provided that we do not incur costs that exceed the predetermined funded amounts. Most of our cost-plus contracts also contain a firm-fixed-price element. Cost-plus contracts with award and incentive fee provisions are our primary variable contract fee arrangement. Award fees provide for a fee based on actual performance relative to contractually specified performance criteria. Incentive fees provide for a fee based on the relationship between total allowable and target cost.

On most of our contracts, a cost-reimbursable element captures consumable materials required for the program. Typically, these costs do not bear fees.

On a firm-fixed-price contract, we agree to perform the contractual statement of work for a predetermined contract price. A firm-fixed-price contract typically offers higher profit margin potential than a cost-plus contract, which is commensurate with the greater levels of risk we assume on a firm-fixed-price contract. Although a firm-fixed-price contract generally permits us to retain profits if the total actual contract costs are less than the estimated contract costs, we bear the risk that increased or unexpected costs may reduce our profit or cause us to sustain losses on the contract. Although the overall scope of work required under the contract may not change, profit may be adjusted as experience is gained and as efficiencies are realized or costs are incurred.

On a time-and-materials contract, we are reimbursed for labor at fixed hourly rates and generally reimbursed separately for allowable materials, costs and expenses at cost. For this contract type, we bear the risk that our labor costs and allocable indirect expenses are greater than the fixed hourly rate defined within the contract.

The following tables present our revenue disaggregated by different categories.

Revenue by contract type is as follows:

	Year Ended December 31,		
(In thousands)	2024	2023	2022
Cost-plus and cost-reimbursable	$ 2,531,792	$ 2,209,241	$ 1,625,196
Firm-fixed-price	1,675,603	1,626,262	1,159,743
Time-and-materials	114,760	127,623	105,921
Total revenue	$ 4,322,155	$ 3,963,126	$ 2,890,860

Revenue by geographic region in which the contract is performed is as follows:

	Year Ended December 31,		
(In thousands)	2024	2023	2022
United States	$ 2,388,598	$ 2,286,052	$ 1,494,255
Middle East	1,399,436	1,193,598	1,024,674
Asia	326,961	264,346	167,629
Europe	207,160	219,130	204,302
Total revenue	$ 4,322,155	$ 3,963,126	$ 2,890,860

Revenue by contract relationship is as follows:

	Year Ended December 31,		
(In thousands)	2024	2023	2022
Prime contractor	$ 4,049,543	$ 3,726,199	$ 2,695,067
Subcontractor	272,612	236,927	195,793
Total revenue	$ 4,322,155	$ 3,963,126	$ 2,890,860

Revenue by customer is as follows:

	Year Ended December 31,		
(In thousands)	2024	2023	2022
Army	$ 1,837,843	$ 1,633,525	$ 1,342,406
Navy	1,441,355	1,233,463	713,732
Air Force	481,265	538,698	459,849
Other	561,692	557,440	374,873
Total revenue	$ 4,322,155	$ 3,963,126	$ 2,890,860

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed and unbilled accounts receivable (contract assets) and customer advances and deposits (contract liabilities) on the Consolidated Balance Sheets. Amounts are billed as work progresses in accordance with agreed-upon contractual terms at periodic intervals (e.g., biweekly or monthly). Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, we may receive advances or deposits from our customers, before revenue is recognized, resulting in contract liabilities. These advance billings and payments are not considered significant financing components because they are frequently intended to ensure that both parties are in conformance with the primary contract terms. These assets and liabilities are reported on the Consolidated Balance Sheets on a contract-by-contract basis at the end of each reporting period.

As of January 1, 2023, we had contract assets of $487.8 million. As of December 31, 2024 and 2023, we had contract assets of $620.5 million and $561.9 million, respectively. Contract assets primarily consist of unbilled receivables which represent rights to consideration for work completed but not billed as of the reporting date. The balance of unbilled receivables consists of costs and fees that are: (i) billable immediately; (ii) billable on contract completion; or (iii) billable upon other specified events, such as the resolution of a request for equitable adjustment. Refer to Note 5, *Receivables*, for additional information regarding the composition of our receivables balances. As of January 1, 2023, we had contract liabilities of $76.4 million. As of December 31, 2024 and 2023, we had contract liabilities of $98.7 million and $109.6 million, respectively, included in other accrued liabilities in the Consolidated Balance Sheets.

NOTE 5

RECEIVABLES

Receivables were comprised of the following:

	December 31,	
(In thousands)	2024	2023
Billed receivables	$ 77,982	$ 109,318
Unbilled receivables (contract assets)	620,536	561,862
Other	11,550	34,815
Total receivables	$ 710,068	$ 705,995

As of December 31, 2024 and 2023, substantially all billed receivables are due from the U.S. government, either directly as prime contractor to the U.S. government or as subcontractor to another prime contractor to the U.S. government. Because the Company's billed receivables are with the U.S. government, the Company does not believe it has a material credit risk exposure.

Unbilled receivables are contract assets that represent revenue recognized on long-term contracts in excess of amounts billed as of the balance sheet date. We expect to bill customers for the majority of the December 31, 2024 contract assets during 2025. Changes in the balance of receivables are primarily due to the timing differences between our performance and customer payments.

NOTE 6

EARNINGS (LOSS) PER SHARE

Basic earnings per share (EPS) is computed by dividing net income, or loss, by the weighted average number of common shares outstanding for the period. Diluted EPS reflects potential dilution that could occur if securities to issue common stock were exercised or converted into common stock. Diluted EPS includes the dilutive effect of stock-based compensation outstanding after application of the treasury stock method.

	Year Ended December 31,		
(In thousands, except per share data)	2024	2023	2022
Net income (loss)	$ 34,684	$ (22,573)	$ (14,330)
Weighted average common shares outstanding	31,485	31,084	20,996
Add: Dilutive impact of stock options	19	—	—
Add: Dilutive impact of restricted stock units	463	—	—
Diluted weighted average common shares outstanding	31,967	31,084	20,996
Earnings (loss) per share			
Basic	$ 1.10	$ (0.73)	$ (0.68)
Diluted	$ 1.08	$ (0.73)	$ (0.68)

The following table summarizes the weighted average of anti-dilutive securities excluded from the diluted EPS calculation.

	Year Ended December 31,		
(In thousands)	2024	2023	2022
Anti-dilutive restricted stock units	20	4	—
Total	20	4	—

NOTE 7

PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net consisted of the following at December 31:

(In thousands)	2024	2023
Land, buildings and improvements	$ 35,959	$ 26,962
Machinery, equipment and vehicles	49,350	48,009
Office furniture and equipment, computers and software	53,017	64,504
Property, plant and equipment, gross	138,326	139,475
Less: accumulated depreciation and amortization	(76,325)	(54,046)
Property, plant and equipment, net	$ 62,001	$ 85,429

Depreciation expense of property, plant and equipment was $20.7 million, $22.4 million and $13.5 million in 2024, 2023, and 2022, respectively.

NOTE 8

GOODWILL AND INTANGIBLE ASSETS

The Company tests goodwill for impairment on the first day of the Company's fourth fiscal quarter each year, or more frequently should circumstances change or events occur that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The annual qualitative assessment tests performed in the three years ended December 31, 2024 indicated there was no goodwill impairment.

There was no change in the net carrying amount of goodwill as of December 31, 2024. The change in the net carrying amount of goodwill as of December 31, 2023 is as follows (in thousands):

Balance at December 31, 2022	$ 1,653,822
Adjustments to preliminary purchase price allocation of Vertex and other	3,104
Balance at December 31, 2023	$ 1,656,926

Other identifiable intangible assets consist of the following:

	December 31, 2024			December 31, 2023		
(In thousands)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Contract backlogs and recompetes	$ 393,300	$ (210,084)	$ 183,216	$ 393,300	$ (133,235)	$ 260,065
Customer contracts	177,722	(37,870)	139,852	171,200	(23,902)	147,298
Trade names and other	1,260	(1,260)	—	1,260	(1,093)	167
Total intangible assets	$ 572,282	$ (249,214)	$ 323,068	$ 565,760	$ (158,230)	$ 407,530

Intangible amortization expense was approximately $90.8 million, $90.4 million, and $48.6 million for the years ended December 31, 2024, 2023 and 2022, respectively. As of December 31, 2024, the weighted-average intangible asset amortization period was 6.7 years.

The estimated future annual amortization expense for intangible assets is as follows:

(In thousands)	Amortization
2025	$ 90,258
2026	89,788
2027	19,435
2028	17,801
2029	16,723
After 2029	89,063
Total	$ 323,068

NOTE 9

COMPOSITION OF CERTAIN FINANCIAL STATEMENT CAPTIONS

The following tables present financial information underlying certain balance sheet captions.

Prepaid expenses and other current assets

Prepaid expenses and other current assets were comprised of the following at December 31:

(In thousands)	2024	2023
Prepaid expenses	$ 43,338	$ 30,664
Prepaid taxes	8,236	10,715
Other	19,363	7,863
Total	$ 70,937	$ 49,242

Compensation and other employee benefits

Compensation and other employee benefits are affected by short-term fluctuations in the timing of payments and were comprised of the following at December 31:

(In thousands)	2024	2023
Accrued salaries and wages	$ 64,960	$ 56,738
Accrued bonus	26,502	33,968
Accrued employee benefits	75,456	67,382
Total	$ 166,918	$ 158,088

Other accrued liabilities

Other accrued liabilities were comprised of the following at December 31:

(In thousands)	2024	2023
Contract liabilities	$ 98,674	$ 109,583
Payables from sale of accounts receivable	71,691	10,240
Contract and other reserves	58,432	57,626
Current operating lease liabilities	11,224	13,644
Workers' compensation	9,496	6,979
Other	12,218	15,628
Total	$ 261,735	$ 213,700

Other non-current liabilities

Other non-current liabilities were comprised of the following at December 31:

(In thousands)	2024	2023
Long-term contract-related reserves	$ 42,299	$ 77,228
Income taxes payable	4,716	7,270
Other	17,174	19,678
Total	$ 64,189	$ 104,176

NOTE 10

DEBT

Senior Secured Credit Facilities

Term Loan and Revolver

In September 2014, we and our wholly-owned subsidiary, Vectrus Systems Corporation (VSC), entered into a credit agreement. The credit agreement was subsequently amended on December 24, 2020 and January 24, 2022 (collectively, the Prior Credit Agreement). The credit agreement consisted of a term loan (Amended Term Loan) and a $270.0 million revolving credit facility (Amended Revolver).

In connection with the Merger described in Note 3, *Merger*, on the Closing Date, the outstanding debt from the Amended Term Loan and the Amended Revolver, $50.2 million and $40.0 million, respectively, was repaid and related guarantees and liens were discharged and released. Repayment was made using proceeds from the Vertex First Lien Credit Agreement described below.

On the Closing Date, certain of the Company's subsidiaries, including VSC (and together with VSC, the Company Guarantor Subsidiaries), that became direct or indirect subsidiaries of Vertex Aerospace Service Corp., a Delaware corporation and wholly-owned indirect subsidiary of Vertex (Vertex Borrower), have provided guarantees of the indebtedness under each of:

i. the First Lien Credit Agreement, dated as of December 6, 2021 (as amended by the Amendment No. 1 to First Lien Credit Agreement, dated as of the Closing Date, as further amended by Amendment No. 2 to First Lien Credit Agreement, dated as of May 31, 2023, as further amended by Amendment No. 3 to First Lien Credit Agreement, dated as of October 3, 2023, as further amended by Amendment No. 4 to First Lien Credit Agreement, dated as of May 30, 2024, and as further amended, restated, amended and restated, supplemented and otherwise modified from time to time, the Vertex First Lien Credit Agreement), by and among Vertex Borrower, as borrower, Vertex Aerospace Intermediate LLC, a Delaware limited liability company, direct parent entity of Vertex Borrower and wholly-owned indirect subsidiary of Vertex (Vertex Holdings), the lenders from time to time party thereto and Royal Bank of Canada, as administrative agent;

ii. the Second Lien Credit Agreement, dated as of December 6, 2021 (as amended, restated, amended and restated, supplemented and otherwise modified from time to time, the Vertex Second Lien Credit Agreement), Vertex Borrower, as borrower, Vertex Holdings, the lenders from time to time party thereto and Royal Bank of Canada, as administrative agent; and

iii. the ABL Credit Agreement, dated as of June 29, 2018 (as amended by the First Amendment to ABL Credit Agreement, dated as of May 17, 2019, as further amended by the Second Amendment to ABL Credit Agreement, dated as of May 17, 2021, and as further amended by the Third Amendment to ABL Credit Agreement, dated as of December 6, 2021, as further amended by the Fourth Amendment to ABL Credit Agreement, dated as of the Closing Date, as further amended by the Fifth Amendment to ABL Credit Agreement, dated September 21, 2022, and as further amended, restated, amended and restated, supplemented and otherwise modified from time to time, the Vertex ABL Credit Agreement), by and among Vertex Borrower, Vertex Holdings, certain other subsidiaries of Vertex Borrower from time to time party thereto as co-borrowers, the lenders from time to time party thereto and Ally Bank, as administrative agent (in such capacity, the ABL Agent).

On February 28, 2023, Vertex Borrower entered into a credit agreement (the 2023 Credit Agreement) among the lenders identified therein and Bank of America, N.A., as administrative agent, collateral agent, swingline lender and letter of credit issuer. The 2023 Credit Agreement provides for $750.0 million in senior secured financing, with a first lien on substantially all the Vertex Borrower's assets, consisting of a $500.0 million five-year Revolving Credit Facility (2023 Revolver) and a five-year $250.0 million Term Loan (2023 Term Loan). The proceeds of these Credit Facilities were used to, among other things, (i) repay the First Lien Incremental Term Tranche (as defined below), (ii) repay the entire outstanding amount of the Second Lien Credit Agreement, and (iii) repay the entire outstanding ABL Credit Facility.

Vertex First Lien Credit Agreement

The Vertex First Lien Credit Agreement provides for senior secured first lien term loans in an aggregate principal amount of $1,185.0 million, consisting of a $925.0 million term loan "B" tranche, (the First Lien Initial Term Tranche) and a $260.0 million incremental term loan "B" tranche (the First Lien Incremental Term Tranche and, together with the First Lien Initial Term Tranche, collectively, the First Lien Term Facility). The entire amount of the proceeds from the (i) First Lien Initial Term Tranche were previously used to finance the acquisition of certain subsidiaries of Raytheon Company, a Delaware corporation, and related transaction costs (the Sky Acquisition in December 2021). As provided in the Merger Agreement, the proceeds of the First Lien Incremental Term Tranche were used by the Vertex Borrower to redeem all of the shares of previously issued preferred stock on the Closing Date (but prior to the Merger). The remaining First Lien Incremental Term Tranche proceeds were used to repay in full all outstanding indebtedness under the Prior Credit Agreement, and other transaction costs. Approximately $54.0 million of cash remained after funding the preferred stock redemption, repayment of the Prior Credit Agreement and other transaction costs.

On February 28, 2023, the outstanding balance of the First Incremental Term Tranche of $258.7 million was repaid. The balance of unamortized deferred financing costs related to the First Incremental Term Tranche of $11.9 million was recorded as a loss on extinguishment of debt in the Consolidated Statements of (Loss) Income for the year ended December 31, 2023.

On October 3, 2023, the First Lien Credit Agreement was amended to provide, among other things, a new tranche of term loans to replace or refinance in full all the existing term loans outstanding under the First Lien Initial Term Tranche, resulting in a loss on extinguishment of debt of $0.2 million in the Consolidated Statements of (Loss) Income for the year ended December 31, 2023.

On May 30, 2024, the First Lien Credit Agreement was amended to provide, among other things, a new tranche of term loans in an aggregate original principal amount of $906.6 million (the New Term Loans), in which the New Term Loans replace or refinance in full all the existing term loans outstanding under the First Lien Initial Term Tranche as in effect immediately prior to the amendment (the Existing Term Loans). The loans under the First Lien Credit Agreement, as amended (the First Lien Credit Agreement), amortize in an amount equal to approximately $2.3 million per quarter through September 30, 2030, with the balance of $847.6 million due on December 6, 2030. The replacement of the Existing Term Loans with the New Term Loans resulted in a loss on extinguishment of debt of $2.0 million in the Consolidated Statement of Income (Loss) for the year ended December 31, 2024.

The Vertex Borrower's obligations under the First Lien Term Facility, which were assumed in the Merger, are guaranteed by Vertex Holdings and Vertex Borrower's wholly-owned domestic subsidiaries (including the Company Guarantor Subsidiaries, collectively, the Guarantors), subject to customary exceptions and limitations. The Vertex Borrower's obligations under the First Lien Term Facility and the Guarantors' obligations under the related guarantees are secured by a first-lien on substantially all the Vertex Borrower's and the Guarantors' assets which exists on a *pari passu* basis with the lien held by the 2023 Credit Agreement lenders.

The borrowings under the First Lien Initial Term Tranche bear interest at rates that, at the Vertex Borrower's option, can be either a base rate, determined by reference to the greater of (a) the federal funds rate plus 0.50%, (b) the prime lending rate, or (c) an adjusted Secured Overnight Financing Rate (SOFR) rate plus 1.00%, plus a margin of 1.75% per annum, or SOFR, plus a margin of 2.75% per annum. As of December 31, 2024, the effective interest rate for the First Lien Initial Term Tranche was 7.63%.

The Vertex First Lien Credit Agreement contains customary representations and warranties and affirmative covenants. The Vertex First Lien Credit Agreement also includes negative covenants that limit, among other things, additional indebtedness, additional liens, sales of assets, dividends, investments and advances, prepayments of debt and mergers and acquisitions.

The Vertex First Lien Credit Agreement contains customary events of default, including, but not limited to, payment defaults, breaches of representations and warranties, covenant defaults, events of bankruptcy and insolvency, failure of any guaranty or security document supporting the First Lien Term Facility to be in full force and effect, and a change of control. If an event of default occurs and is continuing, the Vertex Borrower may be required immediately to repay all amounts outstanding under the Vertex First Lien Credit Agreement.

As of December 31, 2024, the carrying value of the First Lien Credit Agreement was $899.8 million, excluding deferred discount and unamortized deferred financing costs of $29.8 million. The estimated fair value of the First Lien Credit Agreement as of December 31, 2024 was $900.9 million. The fair value is based on observable inputs of interest rates that are currently available to us for debt with similar terms and maturities for non-public debt (Level 2).

Vertex Second Lien Credit Agreement

The Vertex Second Lien Credit Agreement provided for senior secured second lien term loans in an aggregate principal amount of $185.0 million (the Second Lien Term Facility). The entire amount of the proceeds from the Second Lien Term Facility were previously used to finance the Sky Acquisition in December 2021. The Company voluntarily prepaid $25.0 million of the Second Lien Term Facility on December 30, 2022. On February 28, 2023, the remaining Second Lien Term Facility balance of $160.0 million was repaid (the 2023 Payoff) and related guarantees and liens were discharged and released. The balance of unamortized deferred financing costs related to the Second Lien Term Facility of $7.1 million was recorded as a loss on extinguishment of debt in the Consolidated Statements of (Loss) Income for the year ended December 31, 2023.

Under the terms of the Vertex Second Lien Credit Agreement, the Vertex Borrower was required to remit a prepayment premium of $1.6 million with the 2023 Payoff, which was recorded as a loss on extinguishment of debt in the Consolidated Statements of (Loss) Income for the year ended December 31, 2023.

Vertex ABL Credit Agreement

The Vertex ABL Credit Agreement provided for a senior secured revolving loan facility (the ABL Facility) of up to an aggregate amount of $200.0 million (the loans thereunder, the ABL Loans). The Vertex ABL Credit Agreement also provided for (i) a $30.0 million sublimit of availability for letters of credit, and (ii) a $10.0 million sublimit for short-term borrowings on a swingline basis. On February 28, 2023, the outstanding ABL Facility borrowings of $67.5 million were repaid and related guarantees and liens were discharged and released. The balance of unamortized deferred financing costs related to the Vertex ABL Credit Agreement of $1.5 million was recorded as a loss on extinguishment of debt in the Consolidated Statements of (Loss) Income for the year ended December 31, 2023.

2023 Credit Agreement

The 2023 Credit Agreement provides for $750.0 million in senior secured financing, with a first lien on substantially all the Vertex Borrower's assets and consists of (a) the 2023 Revolver (which includes (i) a $50.0 million sublimit of availability for letters of credit, and (ii) a $50.0 million sublimit for short-term borrowings on a swingline basis) and (b) a five-year $250.0 million Term Loan.

The 2023 Term Loan amortizes at approximately $1.6 million per quarter for the fiscal quarters ending June 30, 2023 through March 31, 2025, increasing to $3.1 million per quarter for the fiscal quarters ending June 30, 2025 through December 31, 2027, with the balance of $203.1 million due on February 28, 2028.

The Vertex Borrower's obligations under the 2023 Credit Agreement are guaranteed by the Guarantors, subject to customary exceptions and limitations. The Vertex Borrower's obligations under the 2023 Credit Agreement and the Guarantors' obligations under the related guarantees are secured by a first priority-lien on substantially all of the Vertex Borrower's and the Guarantors' assets (subject to customary exceptions and limitations) which exists on a *pari passu* basis with the lien held by the First Lien Credit Agreement lenders.

The borrowings under the 2023 Credit Agreement bear interest at rates that, at the Vertex Borrower's option, can be either a base rate, determined by reference to the greater of (a) the federal funds rate plus 0.50%, (b) the prime lending rate, or (c) an adjusted SOFR rate plus 1.00%, plus a margin of 1.00% to 2.25% per annum, or adjusted SOFR, plus a margin of 2.00% to 3.25% per annum, in each case, depending on the consolidated total net leverage ratio of the Vertex Borrower and its subsidiaries. As of December 31, 2024, the effective interest rate for the 2023 Term Loan was 7.41%.

Unutilized commitments under the 2023 Revolver are subject to a per annum fee ranging from 0.25% to 0.50% depending on the consolidated total net leverage ratio of the Vertex Borrower and its subsidiaries.

The Vertex Borrower is also required to pay a letter of credit fronting fee to each letter of credit issuer equal to 0.125% per annum of the amount available to be drawn under each such letter of credit (or such other amount as may be mutually agreed by the Vertex Borrowers and the applicable letter of credit issuer), as well as a fee to all lenders equal to the applicable margin to SOFR of Revolving Credit loans times the average daily amount available to be drawn under all outstanding letters of credit.

The 2023 Credit Agreement contains customary representations and warranties, which must be accurate for the Vertex Borrower to borrow under the 2023 Credit Agreement, and affirmative covenants. The 2023 Credit Agreement also includes negative covenants that limit, among other things, additional indebtedness, transactions with affiliates, additional liens, sales of assets, dividends, investments and advances, prepayments of debt, mergers and acquisitions.

The 2023 Credit Agreement contains financial covenants requiring (a) the consolidated total net leverage ratio not to exceed 5.00 to 1.00 for the reporting periods ending on or after June 30, 2023, and on or prior to June 30, 2024, with a step down to 4.75 to 1.00 for periods ending on or after July 1, 2024, and on or prior to December 31, 2025, with further step downs thereafter, and (b) the consolidated interest coverage ratio be at least 2.00 to 1.00 commencing with the reporting period ending on June 30, 2023.

The 2023 Credit Agreement contains customary events of default, including, but not limited to, payment defaults, breaches of representations and warranties, covenant defaults, events of bankruptcy and insolvency, failure of any guaranty or security document supporting the 2023 Credit Agreement to be in full force and effect, and a change of control. If an event of default occurs and is continuing, the Borrowers may be required immediately to repay all amounts outstanding under the 2023 Credit Agreement.

As of December 31, 2024, there were no outstanding borrowings and $17.5 million of outstanding letters of credit under the 2023 Revolver. Availability under the 2023 Revolver was $482.5 million as of December 31, 2024. Unamortized deferred financing costs related to the 2023 Revolver of $3.2 million are included in other non-current assets in the Consolidated Balance Sheets as of December 31, 2024. As of December 31, 2024, the fair value of the 2023 Revolver approximated the carrying value because the debt bears a floating interest rate.

As of December 31, 2024, the carrying value of the Term Loan portion of the 2023 Credit Agreement was $239.1 million, excluding unamortized deferred financing costs of $1.6 million. The estimated fair value of the Term Loan portion of the 2023 Credit Agreement as of December 31, 2024 was $239.7 million. The fair value is based on observable inputs of interest rates that are currently available to us for debt with similar terms and maturities for non-public debt (Level 2).

The Company's aggregate scheduled maturities as of December 31, 2024 are as follows:

(In thousands)	Payments due
2025	$ 20,003
2026	21,566
2027	21,566
2028	212,191
2029	9,066
After 2029	854,441
Total	$ 1,138,833

As of December 31, 2024, the Company was in compliance with all covenants related to the First Lien Credit Agreement and the 2023 Credit Agreement.

NOTE 11

DERIVATIVE INSTRUMENTS

Interest Rate Derivative Instruments

The Company is exposed to the risk that earnings and cash flows could be adversely impacted due to fluctuations in interest rates. To mitigate this risk, the Company has periodically entered into interest rate swaps in which we agree to exchange, at specified intervals, the difference between variable and fixed interest amounts calculated by reference to an agreed-upon notional amount. Derivative instruments are not used for trading purposes or to manage exposure to changes in interest rates for investment securities. The Company's outstanding derivative instruments have not contained credit risk related contingent features nor is collateral generally required.

The interest rate swaps are measured at fair value on a recurring basis and are determined using the income approach based on a discounted cash flow model to determine the present value of future cash flows over the remaining term of the contract incorporating observable market inputs such as prevailing interest rates as of the reporting date (Level 2). Changes in fair value of the interest rate swap are recorded, net of tax, as a component of accumulated other comprehensive loss in the accompanying Consolidated Balance Sheets. The Company reclassifies the effective gain or loss from accumulated other comprehensive loss, net of tax, to interest expense on the Consolidated Statements of Income (Loss) as the interest expense is recognized on the related debt. The ineffective portion of the change in fair value of the interest rate swap, if any, is recognized directly in earnings in interest expense.

The Company entered into $100.0 million and $350.0 million of interest rate swap contracts as of December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, these contracts had notional values of $439.1 million and $345.3 million, respectively. These contracts are designated and qualify as effective cash flow hedges.

The following table summarizes the amount at fair value and location of the derivative instruments for interest rate hedges in the Consolidated Balance Sheets:

		Fair Value (level 2)	
(In thousands)	Balance sheet caption	December 31, 2024	December 31, 2023
Interest rate swap designated as cash flow hedge	Prepaid expenses and other current assets	$ 1,918	$ 3,381
Interest rate swap designated as cash flow hedge	Other non-current assets	$ 1,938	$ —
Interest rate swap designated as cash flow hedge	Other non-current liabilities	$ —	$ 3,006
Interest rate swap designated as cash flow hedge	Accumulated other comprehensive loss	$ 3,856	$ 375

The Company regularly assesses the creditworthiness of the counterparty. As of December 31, 2024, the counterparty to the interest rate swaps had performed in accordance with its contractual obligations. Both the counterparty credit risk and the Company's credit risk were considered in the fair value determination.

Net interest rate derivative gains of $5.7 million and $4.1 million, and net interest rate derivative losses of $0.4 million were recognized in interest expense, net in the Consolidated Statements of Income (Loss) during 2024, 2023, and 2022, respectively. The Company expects $1.9 million of existing interest rate swap gains reported in accumulated other comprehensive loss as of December 31, 2024 to be recognized in earnings within the next 12 months.

NOTE 12

LEASES

We determine whether an arrangement contains a lease at inception. We have operating leases for office space, apartments, vehicles, and machinery and equipment. Our operating leases have lease terms of less than one year to ten years. Finance leases are not considered significant to our Consolidated Balance Sheets, Consolidated Statements of Income (Loss), or Consolidated Statements of Cash Flows.

We do not separate lease components from non-lease components (e.g., common area maintenance, property taxes, and insurance) but account for both components in a contract as a single lease component.

The components of lease expense are as follows:

	Year Ended December 31,		
(In thousands)	2024	2023	2022
Operating	$ 15,501	$ 20,064	$ 17,167
Variable	640	348	568
Short-term and other	107,650	85,345	82,952
Sublease income	(805)	(81)	—
Total lease expense	$ 122,986	$ 105,676	$ 100,687

Supplemental balance sheet information related to our operating leases is as follows:

(In thousands)	Year Ended December 31, 2024	2023
Right-of-use assets	$ 37,774	$ 41,215
Current lease liabilities (recorded in other accrued liabilities)	$ 11,224	$ 13,644
Long-term operating lease liabilities	33,811	34,691
Total operating lease liabilities	$ 45,035	$ 48,335

During the year ended December 31, 2024, we recognized additional right-of-use assets of $10.2 million from newly executed operating leases.

The weighted average remaining lease term and discount rate for our operating leases as of December 31, 2024 were 4.85 and 5.1%, respectively.

Maturities of lease liabilities as of December 31, 2024 were as follows:

(In thousands)	Payments due
2025	$ 13,167
2026	10,982
2027	9,062
2028	6,533
2029	4,896
After 2029	5,987
Total minimum lease payments	$ 50,627
Less: Imputed interest	(5,592)
Total operating lease liabilities	$ 45,035

NOTE 13

INCOME TAXES

The Company determines the provision for income taxes using the asset and liability approach. Under this approach, deferred income taxes represent the expected future tax consequences of temporary differences between the carrying amounts and tax basis of assets and liabilities. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. In assessing the need for a valuation allowance, the Company looks to the future reversal of existing taxable temporary differences, taxable income in carryback years, the feasibility of tax planning strategies and estimated future taxable income. The valuation allowance can be affected by changes to tax laws, changes to statutory tax rates and changes to future taxable income estimates. For the year ended December 31, 2024, the Company did not establish or release an additional valuation allowance.

The sources of pre-tax income and the components of income tax expense (benefit) for the years ended December 31, 2024, 2023 and 2022, respectively, are as follows:

(in thousands)	2024	2023	2022
Income components			
United States	$ 31,024	$ (32,143)	$ (8,324)
Foreign	7,817	7,625	2,216
Total pre-tax income (loss)	$ 38,841	$ (24,518)	$ (6,108)
Income tax expense (benefit) components			
Current income tax (benefit) provision			
United States-Federal	$ (10,015)	$ (3,776)	$ 1,145
United States-State and local	(1,207)	1,648	334
Foreign	7,168	7,208	4,558
Total current income tax (benefit) provision	(4,054)	5,080	6,037
Deferred income tax provision (benefit)			
United States-Federal	7,849	(7,368)	(317)
United States-State and local	2,394	747	2,577
Foreign	(2,032)	(404)	(75)
Total deferred income tax provision (benefit)	8,211	(7,025)	2,185
Total income tax expense (benefit)	$ 4,157	$ (1,945)	$ 8,222
Effective income tax rate	10.7 %	7.9 %	(134.6)%

A reconciliation of the income tax provision at the U.S. statutory rate to the effective income tax rate as reported is as follows:

	2024	2023	2022
Tax provision at U.S. statutory rate	21.0 %	21.0 %	21.0 %
State and local income tax, net of federal benefit	3.8 %	(7.7)%	(38.1)%
Foreign taxes	0.4 %	(3.6)%	(24.6)%
Uncertain tax positions	(7.7)%	8.2 %	16.3 %
Return to provision true-ups	(3.8)%	(7.3)%	8.6 %
Foreign derived intangible income deduction	— %	— %	11.3 %
Non-deductible compensation expense	7.0 %	(12.5)%	(79.0)%
Stock-based compensation	(1.5)%	3.9 %	(1.5)%
Non-deductible transaction expense	— %	— %	(59.5)%
Tax credits	(3.8)%	9.4 %	12.2 %
Non-taxable income[1]	(4.2)%	(0.5)%	— %
Global intangible low taxed income[1]	2.0 %	(0.6)%	— %
Meals and entertainment	0.1 %	(2.0)%	(0.3)%
Taxes on gain from acquisitions	(1.7)%	— %	— %
Other[1]	(0.9)%	(0.4)%	(1.0)%
Effective income tax rate	10.7 %	7.9 %	(134.6)%

[1] Prior year rates have been reclassified to conform to current year presentation.

Deferred tax assets and liabilities are determined based on temporary differences between the financial reporting and tax bases of assets and liabilities, applying enacted tax rates in effect for the year in which the Company expects the differences will reverse. Deferred tax assets and liabilities include the following:

(in thousands)	2024	2023
Deferred tax assets		
Compensation and benefits	$ 12,371	$ 16,952
Reserves	23,208	36,193
Lease liability	10,477	11,272
Research expenditures	14,092	14,916
Tax credits	7,951	—
Disallowed interest	49,229	40,130
Net operating losses	2,724	792
Other	3,967	3,165
Total deferred tax assets	$ 124,019	$ 123,420
Deferred tax liabilities		
Goodwill and intangibles	$ (97,225)	$ (96,653)
Unbilled receivables	(22,229)	(14,212)
Property, plant and equipment, net	(7,888)	(9,941)
Right-of-use assets	(8,775)	(9,591)
Other liabilities	(8,885)	(4,786)
Total deferred tax liabilities	(145,002)	(135,183)
Net deferred tax liabilities	$ (20,983)	$ (11,763)

Uncertain Tax Positions

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

(in thousands)	2024	2023	2022
Unrecognized tax benefits-January 1,	$ 6,593	$ 8,611	$ 9,321
Additions for:			
Current year tax positions	—	517	373
Prior year tax positions	—	28	613
Reductions for:			
Lapse of statute of limitations	(3,016)	(2,563)	(1,696)
Unrecognized tax benefits-December 31,	$ 3,577	$ 6,593	$ 8,611

As of December 31, 2024, 2023, and 2022, unrecognized tax benefits from uncertain tax positions were $3.6 million, $6.6 million and $8.6 million, respectively. It is reasonably possible that the Company's total unrecognized tax benefits will decrease by approximately $2.2 million during the next 12 months in connection with matters which may be resolved. The total amount of unrecognized benefit that, if recognized, would affect the effective tax rate was $4.1 million, $7.1 million, and $8.3 million as of December 31, 2024, 2023, and 2022, respectively, excluding the interest and penalties.

Interest relating to tax matters is classified as a component of interest expense and tax penalties as a component of income tax expense on the Consolidated Statements of Income (Loss). The Company recognized net interest including interest related to released reserves to tax matters of $(0.2) million, $0.2 million, and $0.2 million during the years ended December 31, 2024, 2023 and 2022, respectively. The Company has accrued $(0.2) million and $0.1 million of net interest and penalties as of December 31, 2024 and 2023, respectively.

The Company has not recorded a deferred tax liability for undistributed earnings of certain foreign subsidiaries since such earnings are considered to be reinvested indefinitely. If the earnings were distributed, the Company may be subject to federal income and foreign withholding taxes.

The Company files income tax returns in the United States and in various foreign jurisdictions. The Company is no longer subject to U.S. federal or state income tax examinations for years prior to 2021. Under U.S. GAAP, the Company is allowed to make an accounting policy choice of either (i) treating taxes due on future U.S. inclusions in taxable income related to global intangible low taxed income (GILTI) as a current-period expense when incurred (the period cost method) or (ii) factoring such amounts into a measurement of its deferred taxes (the deferred method). The Company has chosen to account for GILTI under the period cost method as an accounting policy, and therefore the anticipated future expense associated with GILTI is not reflected in the Consolidated Financial Statements.

NOTE 14

POST-EMPLOYMENT BENEFIT PLANS

We sponsor two defined contribution savings plans, which allow employees to contribute a portion of their pre-tax and/or after-tax income in accordance with specified guidelines. The Company matches a percentage of eligible employee contributions up to certain limits of employee base pay. Our portion of the matching contributions charged to income amounted to $35.9 million, $30.8 million and $17.4 million for the years ended December 31, 2024, 2023 and 2022, respectively.

The Company participates in multiemployer pension plans for certain employees covered by collective bargaining agreements. Contributions are based on specified hourly rates for eligible hours. Company expenses related to these plans were $18.1 million, $12.9 million and $6.3 million during 2024, 2023, and 2022, respectively. The Company is unaware of any significant future obligations or funding requirements related to these plans other than the ongoing contributions that are paid as hours are worked by plan participants. None of these multiemployer pension plans are individually significant to the Company.

The Company has two non-qualified deferred compensation plans one established during the first quarter of 2021 and one assumed in the Merger. Under these plans, participants are eligible to defer a portion of their compensation on a tax deferred basis. The assets in the plan are held in a Rabbi trust. Plan investments and obligations were recorded in other non-current assets and other non-current liabilities, respectively, in the consolidated balance sheets, representing the fair value related to the deferred compensation plan. Adjustments to the fair value of the plan investments and obligations are recorded in operating expenses. The plan assets and liabilities as of December 31, 2024 and 2023 were $5.2 million and $3.2 million, respectively.

On September 11, 2014, our Board of Directors adopted and approved the Vectrus Systems Corporation Excess Savings Plan (the Excess Savings Plan). Since federal law limits the amount of compensation that can be used to determine employee and employer contribution amounts to our tax-qualified plans, we established the Excess Savings Plan to allow for Company contributions based on an eligible employee's base salary in excess of these limits. No employee contributions are permitted. All balances under the Excess Savings Plan are maintained on the books of the Company and credits and deductions are made to the accumulated savings under the plan based on the earnings or losses attributable to a stable value fund as defined in the Excess Savings Plan. Benefits will be paid in a lump sum generally in the seventh month following the date on which the employee's separation from service occurs. Employees are 100% vested at all times in any amounts credited to their accounts. Although the plan did not end, excess savings were paid out due to the Merger. As of both December 31, 2024 and December 31, 2023 accrued contributions under the Excess Savings Plan were $0.1 million.

The Company has an amended and restated Senior Executive Severance Pay Plan (the Amended Plan) that has been effective since 2016. Termination benefits offered under the Amended Plan are other post-employment benefits as defined by ASC Topic 712 *Compensation - Nonretirement Postemployment Benefits*. Benefits under the Amended Plan vest or accumulate with the employee’s years of service; however, the payment of benefits is not probable, and the Company does not have the ability to reliably estimate when there will be an involuntary termination without cause under the Amended Plan. Accordingly, the Company does not accrue a benefit obligation for severance costs under the Amended Plan over the duration of executive employment.

NOTE 15

COMMITMENTS AND CONTINGENCIES

General

From time to time, to the Company is involved in various investigations, lawsuits, arbitration, claims, enforcement actions and other legal proceedings including government investigations and claims, which are incidental to the operation of its business. Some of these proceedings seek remedies relating to employment matters, matters relating to injuries to people or property damage, matters in connection with the Company's contracts and matters arising under laws relating to the protection of the environment. Additionally, U.S. government customers periodically advise the Company of claims and penalties concerning certain potential disallowed costs. When such findings are presented, V2X and the U.S. government representatives engage in discussions to enable V2X to evaluate the merits of these claims as well as to assess the amounts being claimed.

Where appropriate, provisions are made to reflect probable losses related to the matters raised by U.S. government representatives. Such assessments, along with any assessments regarding provisions for other legal proceedings, are reviewed on a quarterly basis for sufficiency based on the latest information available to us.

The Company estimated and accrued $13.1 million and $12.1 million as of December 31, 2024 and 2023, respectively, in other accrued liabilities in the Consolidated Balance Sheets for legal proceedings and for claims with respect to its U.S. government contracts as discussed below, including years where the U.S. government has not completed its incurred cost audits. Although the ultimate outcome of any legal matter or claim cannot be predicted with certainty, based on present information, including the assessment of the merits of a particular claim, the Company does not expect that any asserted or unasserted legal or contractual claims or proceedings, individually or in the aggregate, will have a material adverse effect on its cash flows, results of operations or financial condition.

U.S. Government Contracts, Investigations and Claims

The Company has U.S. government contracts that are funded incrementally on a year-to-year basis. Changes in government policies, priorities or funding levels through agency or program budget reductions by the U.S. Congress or executive agencies could have a material adverse effect on the Company’s financial condition or results of operations. Furthermore, the Company's contracts with the U.S. government may be terminated or suspended by the U.S. government at any time, with or without cause. Such contract suspensions or terminations could result in non-reimbursable expenses or charges or otherwise adversely affecting the Company's financial condition and results of operations.

Departments and agencies of the U.S. government have the authority to investigate various transactions and operations of the Company, and the results of such investigations may lead to administrative, civil or criminal proceedings, the ultimate outcome of which could be fines, penalties, repayments or compensatory or treble damages. U.S. government regulations provide that certain findings against a contractor may lead to suspension or debarment from future U.S. government contracts or the loss of export privileges for a company or an operating division or subdivision. Suspension or debarment could have a material adverse effect on the Company because of its reliance on U.S. government contracts.

U.S. government agencies, including the Defense Contract Audit Agency, the Defense Contract Management Agency and others, routinely audit and review the Company's performance on government contracts, indirect rates and pricing practices, and compliance with applicable contracting and procurement laws, regulations and standards. Accordingly, costs billed or billable to U.S. government customers are subject to potential adjustment upon audit by such agencies. The U.S. government agencies also review the adequacy of compliance with government standards for business systems, including accounting, earned value management, estimating, materials management and accounting, purchasing, and property management systems. A finding by a U.S. government agency that the Company's business systems are not adequate could adversely affect the Company's financial condition and results of operations.

In the performance of its contracts, the Company routinely requests contract modifications that require additional funding from U.S. government customers. Most often, these requests are due to customer-directed changes in the scope of work. While the Company is entitled to recovery of these costs under its contracts, the administrative process with the U.S. government customer may be protracted. Based on the circumstances, the Company periodically files requests for equitable adjustments (REAs) that are sometimes converted into claims. In some cases, these requests are disputed by the U.S. government customer. The Company believes its outstanding modifications, REAs and other claims will be resolved without material adverse impact to its results of operations, financial condition or cash flows.

NOTE 16

STOCK-BASED COMPENSATION

The Company maintains an equity incentive plan, the 2014 Omnibus Incentive Plan, as amended and restated effective as of October 27, 2022 (the 2014 Omnibus Plan), to govern awards granted to V2X employees and directors, including nonqualified stock options (NQOs), restricted stock units (RSUs), total shareholder return (TSR) awards, performance share units (PSUs) and other awards. The Company accounts for NQOs, stock-settled RSUs and PSUs as equity-based compensation awards. TSR awards, described below, are accounted for as liability-based compensation awards. Liability-based awards are revalued at the end of each reporting period to reflect changes in fair value.

There were 3.5 million shares of the Company's common stock authorized for issuance under the 2014 Omnibus Plan. As of December 31, 2024, 0.7 million shares remained available for future awards.

Stock-based compensation expense and the associated tax benefits impacting our Consolidated Statements of Income were as follows:

	Year Ended December 31,		
(In thousands)	2024	2023	2022
Compensation costs for equity-based awards	$ 15,383	$ 31,456	$ 31,897
Compensation costs for liability-based awards	586	1,387	839
Total compensation costs, pre-tax	$ 15,969	$ 32,843	$ 32,736
Future tax benefit	$ 3,710	$ 7,685	$ 7,726

Liability-based awards were revalued at the end of each reporting period to reflect changes in fair value. For 2022, in concurrence with the Merger, fair value was measured as of the Closing Date and the aggregate future award payouts were fixed at $4.6 million. The Company paid $2.2 million and $1.5 million related to liability-based compensation awards during the years ended December 31, 2024 and 2023, respectively.

At December 31, 2024, total unrecognized compensation costs related to equity-based awards were $12.6 million, which are expected to be recognized ratably over a weighted average period of 1.48 years.

Non-Qualified Stock Options

NQOs vest in one-third increments on the first, second and third anniversaries of the grant date and expire 10 years from the date of grant.

A summary of the status of our NQOs as of December 31, 2024, 2023 and 2022 and changes during the years then ended is presented below:

	2024		2023		2022	
(In thousands, except per share data)	Shares	Weighted Average Exercise Price Per Share	Shares	Weighted Average Exercise Price Per Share	Shares	Weighted Average Exercise Price Per Share
Outstanding at January 1,	40	$ 22.93	42	$ 22.86	59	$ 23.19
Exercised	(6)	$ 25.90	(2)	$ 20.62	(17)	$ 24.02
Outstanding and exercisable at December 31,	34	$ 22.43	40	$ 22.93	42	$ 22.86

All outstanding NQOs are exercisable. The following table summarizes information about NQOs outstanding and exercisable as of December 31, 2024:

(In thousands, except per share data)	Options Outstanding and Exercisable			
Range of Exercise Prices Per Share	Number	Weighted Average Remaining Contractual Life (In Years)	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
$20.06 - $21.98	32	1.90	$ 21.73	$ 841
$26.05 - $32.04	2	0.01	32.04	38
Total options and aggregate intrinsic value	34	1.91	$ 22.43	$ 879

The aggregate intrinsic value in the preceding table represents the total pre-tax intrinsic value, based on our closing stock price of $47.83 per share on December 31, 2024, which would have been received by the option holders if all option holders had exercised their options as of that date. There were no exercisable options "out of the money" as of December 31, 2024. The aggregate intrinsic value of options exercised during both of the years ended December 31, 2024 and 2023 was not material. The aggregate intrinsic value of options exercised during the year ended December 31, 2022 was $0.2 million.

Restricted Stock Units

The fair value of RSUs is determined based on the closing price of V2X common stock on the date of the grant. In general, under the 2014 Omnibus Plan, for employee RSUs granted in 2014 and after, one-third of the award vests on each of the three anniversary dates following the grant date. Director RSUs are typically granted annually and vest approximately one year after the grant date. 2022 grants for three directors vested over an abbreviated service term which ended on the July 5, 2022, the Merger Closing Date. RSUs have no voting rights. If an employee leaves the Company prior to vesting, whether through resignation or termination for cause, the RSUs are forfeited. If an employee retires or is terminated by the Company other than for cause, all or a pro rata portion of the RSUs may vest.

On July 5, 2022, pursuant to the terms of the Merger Agreement, the Company issued an additional 1,346,089 RSUs, with a grant date fair value of $33.92 per share, to certain employees of Vertex (Replacement Awards). As of December 31, 2024, the eligible Replacement Awards have been settled in shares of the Company's common stock.

The table below provides a roll-forward of outstanding RSUs for the years ended December 31, 2024, 2023 and 2022.

	Year Ended December 31,					
	2024		2023		2022	
(In thousands, except per share data)	Shares	Weighted Average Grant Date Fair Value Per Share	Shares	Weighted Average Grant Date Fair Value Per Share	Shares	Weighted Average Grant Date Fair Value Per Share
Outstanding at January 1,	800	$ 37.29	1,628	$ 35.47	245	$ 51.18
Granted	317	$ 45.58	318	$ 40.50	236	$ 35.83
Replacement awards	—	$ —	—	$ —	1,346	$ 33.92
Vested	(549)	$ 37.35	(1,136)	$ 43.07	(171)	$ 44.85
Forfeited or canceled	(132)	$ 42.62	(10)	$ 42.81	(28)	$ 44.12
Outstanding at December 31,	436	$ 43.11	800	$ 37.29	1,628	$ 35.47

The total grant date fair value of RSUs that vested during the years ended December 31, 2024, 2023 and 2022 was $20.5 million, $40.0 million and $7.7 million, respectively.

Total Shareholder Return Awards

TSR awards are performance-based cash awards that are subject to a three-year performance period. Any payments earned are made in cash following completion of the performance period according to the achievement of specified performance goals. In concurrence with the Merger, performance achievement fair value was measured at July 4, 2022 at $4.6 million and the aggregate future award payouts were fixed at that value.

There were no TSR awards granted during the years ended December 31, 2024 and 2023. During the year ended December 31, 2022, the Company granted TSR awards with an aggregate target TSR value of $2.8 million. The fair value of TSR awards was measured quarterly based on the Company's performance relative to the performance of the Aerospace and Defense Companies in the S&P 1500 Index. Depending on the Company's performance during the three-year performance period, payments could range from 0% to 200% of the target value. For the years ended December 31, 2024, 2023 and 2022, $0.6 million, $1.4 million and $0.8 million, respectively, was recorded in selling, general, and administrative expenses for TSR awards. Payments of $1.0 million were made in January 2024 for the 2021 TSR awards, and payments of $0.4 million were made in October 2023 related to a former employee's 2021 and 2022 TSR awards. Payments of $1.1 million were made in January 2023 for the 2020 TSR awards, and payments of $2.9 million were made in January 2022 for the 2019 TSR awards. Payments of $0.2 million were made in September 2024 and $1.4 million in December 2024 related to a former employee's 2022 TSR awards. Payments for the remaining 2022 TSR awards are expected to be made in January 2025. As of December 31, 2024 and 2023, the Company had $0.8 million and $2.4 million, respectively, recorded as a liability related to TSR awards in other accrued liabilities and other non-current liabilities on the Consolidated Balance Sheets.

Performance Share Units

During the years ended December 31, 2024 and 2023, the Company granted two types of performance-based awards with market conditions. The first award will vest and the stock will be issued at the end of a three-year period based on the attainment of certain total shareholder return performance measures relative to Aerospace and Defense companies in the S&P 1500 Index and the employee's continued service through the vesting date. The number of shares ultimately awarded, if any, can range up to 200% of the specified target awards. If performance is below the threshold level of performance, no shares will be issued.

The second award will vest and stock will be issued at the end of a three-year period based on achievement of certain stock price targets, shareholder return performance measures relative to certain Aerospace and Defense companies in the S&P 1500 Index and the employee's continued service through the vest date. The numbers of shares ultimately awarded, if any, can range up to the specified target awards.

The table below provides a roll-forward of outstanding PSUs for the year ended December 31, 2024 and 2023.

	2024		2023	
(In thousands, except per share data)	Shares	Weighted Average Grant Date Fair Value Per Share	Shares	Weighted Average Grant Date Fair Value Per Share
Outstanding at January 1,	267	$ 43.45	—	$ —
Granted	161	$ 45.44	279	$ 40.41
Forfeited or canceled	(170)	$ 36.27	(12)	$ 51.38
Outstanding at December 31,	258	$ 43.98	267	$ 43.45

As of December 31, 2024, there was $3.9 million of unrecognized PSU related compensation expense.

NOTE 17

SHAREHOLDERS' EQUITY

As of December 31, 2024, our authorized capital was comprised of 100.0 million shares of common stock and 10.0 million shares of preferred stock. As of December 31, 2024, there were 31.6 million shares of common stock issued and outstanding.

We issue shares of our common stock in connection with our 2014 Omnibus Plan. There were 3.5 million shares of common stock authorized under this plan. As of December 31, 2024, we had a remaining balance of 0.7 million shares of common stock available for future grants under this plan. Any shares related to awards that terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of shares, are settled in cash in lieu of shares or are exchanged with the Committee's permission for awards not involving shares and are available again for grant under the 2014 Omnibus Plan.

NOTE 18

SALE OF RECEIVABLES

The Company has a Master Accounts Receivable Purchase Agreement (MARPA Facility) with MUFG Bank, Ltd. (MUFG) for the sale of certain designated eligible receivables up to a maximum amount of $300.0 million with the U.S. government. Receivables sold under the MARPA Facility are without recourse for any U.S. government credit risk.

The Company accounts for these receivable transfers under the MARPA Facility as sales under ASC Topic 860, *Transfers and Servicing*, and removes the sold receivables from its balance sheet. The fair value of the sold receivables approximated their book value due to their short-term nature.

	As of and for the Year Ended December 31,	
(In thousands)	2024	2023
Beginning balance:	$ 72,714	$ —
Sale of receivables	3,195,217	1,394,998
Cash collections	(3,049,034)	(1,322,284)
Outstanding balance sold to MUFG[1]	218,897	72,714
Cash collected, not remitted to MUFG[2]	(71,457)	(10,160)
Remaining sold receivables	$ 147,440	$ 62,554

[1] For the year ended December 31, 2024, the Company recorded a net cash inflow from sale of receivables of $146.2 million from operating activities.
[2] Includes the cash collected on behalf of, but not yet remitted to, MUFG as of December 31, 2024. This balance is included in other accrued liabilities as of the balance sheet date.

During the year ended December 31, 2024, the Company incurred purchase discount fees, net of servicing fees, of $10.5 million, which are presented in other expense, net on the Consolidated Statements of Income (Loss) and are reflected as cash flows from operating activities on the Consolidated Statements of Cash Flows.

The Company does not retain an ongoing financial interest in the transferred receivables other than cash collection and administrative services. The Company estimated that its servicing fee was at fair value and therefore has not recognized a servicing asset or liability as of December 31, 2024. Proceeds from the sale of receivables are reflected as cash flows from operating activities on the Consolidated Statements of Cash Flows.

NOTE 19

SEGMENT INFORMATION

The Company operates as a single reportable segment. V2X performs services worldwide, with the substantial majority of revenue derived from the U.S. government. The CODM for the Company is the President and Chief Executive Officer. The CODM uses consolidated profit metrics, including net income (loss) and operating income, as reported on the Consolidated Statements of Income (Loss), to allocate resources and assess financial performance.

Our CODM reviews significant expenses as reported in the Consolidated Statements of Income (Loss) in addition to depreciation and amortization information, which is summarized below for the years ended December 31, 2024, 2023, and 2022:

	Year Ended December 31,		
(In thousands)	2024	2023	2022
Depreciation and amortization	$ 114,882	$ 113,311	$ 62,629

The CODM also reviews consolidated capital expenditures as reported as purchases of capital assets and intangibles in the Consolidated Statements of Cash Flows.

NOTE 20

SUBSEQUENT EVENTS

Amendment No. 5 to First Lien Credit Agreement

On January 2, 2025, Vertex Aerospace Intermediate LLC, a Delaware limited liability company (Holdings), and Vertex Aerospace Services LLC, a Delaware limited liability company (the Borrower), an indirect, wholly owned subsidiary of V2X, Inc., and certain wholly-owned subsidiaries of the Borrower party thereto entered into Amendment No. 5 to First Lien Credit Agreement, dated as of January 2, 2025 (the Amendment), with Royal Bank of Canada, as administrative agent and collateral agent, and the other financial institutions and lenders party thereto, which amended the Credit Agreement, originally dated as of December 6, 2021, by and among the Borrower, Holdings, Royal Bank of Canada, as administrative agent and collateral agent, and the other financial institutions party thereto from time to time (as amended prior to January 2, 2025, the Credit Agreement).

The Amendment provides for, among other things, a new tranche of term loans under the Credit Agreement in an aggregate original principal amount of $899.8 million (the New Term Loans), which New Term Loans replace or refinance in full all of the existing term loans outstanding under the Credit Agreement. The New Term Loans shall bear interest at a rate per annum equal to (x) SOFR plus a margin of 2.25% per annum (SOFR with respect to the New Term Loans shall be subject to a floor of 0.75%) or (y) a base rate (which will be the highest of (i) the prime rate, (ii) 0.5% per annum above the federal funds effective rate and (iii) one-month SOFR plus 1.00% per annum) plus a margin of 1.25% per annum.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

V2X, INC.

/s/ William B. Noon

By: William B. Noon

Chief Accounting Officer

(Principal Accounting Officer)

Date: February 24, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and the dates indicated.

SIGNATURE	TITLE	DATE
/s/ Jeremy C. Wensinger Jeremy C. Wensinger	President and Chief Executive Officer, Director (Principal Executive Officer)	February 24, 2025
/s/ Shawn M. Mural Shawn M. Mural	Chief Financial Officer (Principal Financial Officer)	February 24, 2025
/s/ William B. Noon William B. Noon	Chief Accounting Officer	February 24, 2025
/s/ Mary L. Howell Mary L. Howell	Chair and Director	February 24, 2025
/s/ Dino M. Cusumano Dino M. Cusumano	Director	February 24, 2025
/s/ Abbas O. Elegba Abbas O. Elegba	Director	February 24, 2025
/s/ Lee E. Evangelakos Lee E. Evangelakos	Director	February 24, 2025
/s/ Melvin F. Parker Melvin F. Parker	Director	February 24, 2025
/s/ Eric M. Pillmore Eric M. Pillmore	Director	February 24, 2025
/s/ Joel M. Rotroff Joel M. Rotroff	Director	February 24, 2025
/s/ Neil D. Snyder Neil D. Snyder	Director	February 24, 2025
/s/ Stephen L. Waechter Stephen L. Waechter	Director	February 24, 2025
/s/ Phillip C. Widman Phillip C. Widman	Director	February 24, 2025

Exhibit 10.9

Execution Version

AMENDMENT NO. 5 TO FIRST LIEN CREDIT AGREEMENT

AMENDMENT NO. 5 TO FIRST LIEN CREDIT AGREEMENT, dated as of January 2, 2025 (this "Amendment"), by and among VERTEX AEROSPACE SERVICES LLC (f/k/a Vertex Aerospace Services Corp.), a Delaware limited liability company (the "Borrower"), VERTEX AEROSPACE INTERMEDIATE LLC, a Delaware limited liability company ("Holdings"), the other Loan Parties party hereto, the Additional Lender (as defined below) and ROYAL BANK OF CANADA as administrative agent and collateral agent (in such capacities, the "Administrative Agent").

WITNESSETH:

WHEREAS, Holdings, the Borrower, the Lenders from time to time party thereto and the Administrative Agent are parties to that certain First Lien Credit Agreement, dated as of December 6, 2021 (as amended by that certain Amendment No. 1 to First Lien Credit Agreement, dated as of July 5, 2022, as amended by that certain Amendment No. 2 to First Lien Credit Agreement, dated as of May 31, 2023, as amended by that certain Amendment No. 3 to First Lien Credit Agreement, dated as of October 3, 2023, as amended by that certain Amendment No. 4 to First Lien Credit Agreement, dated as of May 30, 2024 and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Existing Credit Agreement" and, as amended hereby, the "Amended Credit Agreement") (capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Amended Credit Agreement);

WHEREAS, the Loan Parties desire to refinance all 2024 Term Loans into 2024 Term B-2 Loans under the Amended Credit Agreement (the "Refinancing");

WHEREAS, in accordance with Section 2.18 of the Credit Agreement, the Borrower has requested that the Consenting Lenders (as defined below) and the Lender set forth under Schedule I hereto (such Lender, the "Additional Lender" and, together with the Consenting Lenders, the "Refinancing Term Lenders") extend credit to the Borrower in the form of Specified Refinancing Debt on the Amendment No. 5 Effective Date (as defined below) in an initial aggregate principal amount of $899,770,104.68 (such loans, the "2024 Term B-2 Loans"), which 2024 Term B-2 Loans will be used to effectuate the Refinancing and shall have the terms set forth herein and in the Amended Credit Agreement;

WHEREAS, the Additional Lender has indicated its willingness to provide 2024 Term B-2 Loans on the Amendment No. 5 Effective Date in an aggregate principal amount set forth opposite its name under the heading "Additional 2024 Term B-2 Loan Commitments" on Schedule I hereto (the "Additional 2024 Term B-2 Loan Commitments") on the terms and subject to the conditions set forth herein and in the Amended Credit Agreement;

WHEREAS, (i) each existing Lender that has provided the Administrative Agent with a consent to this Amendment in substantially the form of Annex A hereto (a "Lender Consent") and that has selected the "Cashless Amendment Option" on such counterpart (each, a "Consenting Lender") has agreed, on the terms and subject to the conditions set forth herein, to consent to the amendments to the Credit Agreement as provided in Section 2 below and (ii) each Consenting

Lender is consenting to convert its 2024 Term Loans into 2024 Term B-2 Loans on the Amendment No. 5 Effective Date and will have up to all of its outstanding 2024 Term Loans (or such lesser amount as may be notified to such Lender by the Administrative Agent prior to the Amendment No. 5 Effective Date) converted into a like principal amount of 2024 Term B-2 Loans effective as of the Amendment No. 5 Effective Date on the terms and subject to the conditions set forth herein and in the Amended Credit Agreement;

WHEREAS, the Borrower has requested that, effective immediately after the consummation of the Refinancing, the Existing Credit Agreement be amended as set forth herein in the form of the Amended Credit Agreement;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby agree as follows:

SECTION 1. 2024 Term B-2 Loans.

(a) Specified Refinancing Debt. On the Amendment No. 5 Effective Date and subject to the satisfaction of the conditions precedent set forth in Section 3 hereof:

(i) each Additional Lender severally agrees to make to the Borrower on the Amendment No. 5 Effective Date one or more 2024 Term B-2 Loans denominated in Dollars in an aggregate amount equal to such Additional Lender's Additional 2024 Term B-2 Loan Commitment;

(ii) each Consenting Lender severally agrees to convert up to all of its outstanding 2024 Term Loans (or such lesser amount as may be notified to such Lender by the Administrative Agent prior to the Amendment No. 5 Effective Date) into a like principal amount of 2024 Term B-2 Loans;

(iii) the 2024 Term B-2 Loans made by each Additional Lender and the conversion of each Consenting Lender's 2024 Term Loans to 2024 Term B-2 Loans on the Amendment No. 5 Effective Date shall be deemed to be incurred pursuant to a single Term Borrowing of 2024 Term B-2 Loans on the Amendment No. 5 Effective Date;

(iv) on the Amendment No. 5 Effective Date, the Borrower shall prepay in full the 2024 Term Loans by (i) paying or causing to be paid to the Administrative Agent immediately available funds in an aggregate amount equal to the excess of (1) the 2024 Term Loan Prepayment Amount (as defined below), over (2) the 2024 Additional Replacement Term B-2 Loan Funding Amount (as defined below) (such excess, the "Cash Prepayment Amount") and (ii) hereby directing the Administrative Agent to apply the gross cash proceeds of the 2024 Term B-2 Loans (the amount of such gross cash proceeds, the "2024 Additional Replacement Term B-2 Loan Funding Amount"), along with the Cash Prepayment Amount to prepay in full the 2024 Term Loans. The term "2024 Term Loan Prepayment Amount" shall

mean the sum of (I) the aggregate principal amount of the 2024 Term Loans (other than 2024 Term Loans converted into 2024 Term B-2 Loans pursuant to clause (ii) above) outstanding on the Amendment No. 5 Effective Date immediately before giving effect to this Amendment, plus (II) all accrued and unpaid interest on the 2024 Term Loans as of the Amendment No. 5 Effective Date; and

(v) immediately upon the occurrence of the Amendment No. 5 Effective Date, the Administrative Agent will record the 2024 Term B-2 Loans made by each Lender in the Register.

(b) This Amendment shall constitute delivery by the Borrower of a notice of prepayment of the 2024 Term Loans in satisfaction of Section 2.05(a)(i) under the Existing Credit Agreement.

SECTION 2. Amendments to Credit Agreement.

(a) Effective as of the Amendment No. 5 Effective Date, and subject to the terms and conditions set forth herein, the Existing Credit Agreement shall be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Amended Credit Agreement attached as Exhibit A hereto.

(b) From and after the Amendment No. 5 Effective Date, the "Obligations" under the Existing Credit Agreement shall continue as "Obligations" under the Amended Credit Agreement and the Loan Documents until otherwise paid in accordance with the terms thereof, and the 2024 Term B-2 Loans established hereby shall (i) constitute Obligations and have all of the benefits thereof, (ii) be guaranteed by the Guarantors pursuant to the Guaranty and (iii) be secured by the Liens granted to the Collateral Agent for the benefit of the Lenders under the Collateral Documents. Except as set forth in this Amendment, the 2024 Term B-2 Loans shall otherwise be subject to the provisions, including any provisions restricting the rights, or regarding the obligations, of the Loan Parties or any provisions regarding the rights of the Lenders, of the Amended Credit Agreement and the other Loan Documents and, from and after the Amendment No. 5 Effective Date, each reference to a "Loan" or "Loans" in the Amended Credit Agreement, as in effect on the Amendment No. 5 Effective Date, shall be deemed to include the 2024 Term B-2 Loans, each reference to a "Commitment" shall be deemed to include the "2024 Term B-2 Commitment" and each reference to a "Lender" or "Lenders" in the Amended Credit Agreement shall be deemed to include the Refinancing Term Lenders, and other related terms will have correlative meanings mutatis mutandis.

SECTION 3. Conditions of Effectiveness. This Amendment shall become effective as of the first date written hereof (such date being referred to as the "Amendment No. 5 Effective Date") when each of the following conditions shall have been satisfied:

(a) the Administrative Agent shall have received duly executed signature pages for this Amendment signed by each Loan Party, the Administrative Agent and the Additional Lender;

(b) the Administrative Agent shall have received duly executed Lender Consents from each Lender electing a Cashless Amendment Option;

(c) the Administrative Agent shall have received (i) a certificate of a Responsible Officer of the Borrower that the statements set forth in Section 4 of this Amendment and in clauses (e) and (f) below are true and correct and (ii) a solvency certificate in substantially the form of Exhibit G to the Existing Credit Agreement from the chief financial officer (or similar officer, director or authorized signatory) of the Borrower dated as of the Amendment No. 5 Effective Date and certifying as to the matters set forth therein (after giving effect to the transactions contemplated by this Amendment to occur on the Amendment No. 5 Effective Date);

(d) the Administrative Agent shall have received a customary opinion of Ropes & Gray LLP, New York and Delaware counsel to Holdings, the Borrower and the Subsidiary Guarantors, addressed to the Administrative Agent and the Refinancing Term Lenders, in form and substance reasonably satisfactory to the Administrative Agent;

(e) the representations and warranties of the Loan Parties contained in Article V of the Credit Agreement or in any other Loan Document shall be true and correct in all material respects on and as of the Amendment No. 5 Effective Date (except in the case of any representation or warranty which expressly relates to a given date or period, such representation and warranty shall be true and correct in all material respects as of the respective date or for the respective period, as the case may be); provided that any representation and warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates;

(f) immediately after giving effect to this Amendment, no Default or Event of Default shall exist, or would result from, the making of the 2024 Term B-2 Loans or the application of proceeds therefrom;

(g) the Administrative Agent shall have received a Committed Loan Notice no later than 1:00 p.m., New York time, at least one Business Day prior to the requested date of the Borrowing in respect of the 2024 Term B-2 Loans;

(h) substantially concurrently with the making of the 2024 Term B-2 Loans, the 2024 Term Loans (together with any accrued but unpaid interest thereon) shall be repaid

in full (including via a cashless roll election in accordance with procedures established by the Administrative Agent and set forth in this Amendment);

(i) the Borrower shall have paid to the Administrative Agent (I) all fees required to be paid on the Amendment No. 5 Effective Date as separately agreed in writing by the Borrower and the 2024 Term B-2 Loan Arrangers and (II) to the extent invoiced at least three (3) Business Days prior to the Amendment No. 5 Effective Date (except as otherwise reasonably agreed by the Borrower), reimbursement or payment of all reasonable out-of-pocket expenses required to be reimbursed or paid by the Borrower on the Amendment No. 5 Effective Date (which amounts under this clause (i) may be paid substantially simultaneously with the funding of the 2024 Term B-2 Loans and, if applicable, offset against the proceeds of the 2024 Term B-2 Loans);

(j) the Administrative Agent shall have received at least three (3) business days prior to the Amendment No. 5 Effective Date, all documentation and other information about any Loan Party required by U.S. regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act, and if the Borrower qualifies as a "legal entity customer" under the "Beneficial Ownership Regulations" (31 CFR §1010.230), a Beneficial Ownership Certification in relation to the Borrower, in each case, to the extent reasonably requested in writing by the Administrative Agent at least ten (10) business days prior to the Amendment No. 5 Effective Date. "Beneficial Ownership Certification" means a certification regarding individual beneficial ownership solely to the extent required by 31 CFR §1010.230; and

(k) the Administrative Agent shall have received such documents and certifications (including (x) Organization Documents and (y) good standing certificates) as the Administrative Agent may reasonably require to evidence (A) the identity, authority and capacity of each Responsible Officer of the Loan Parties acting as such in connection with this Amendment and the other Loan Documents and (B) that Holdings, the Borrower and each Subsidiary Guarantor is duly incorporated, organized or formed, and that each of them is validly existing and, to the extent applicable, in good standing, except to the extent that failure to be so qualified would not reasonably be expected to have a Material Adverse Effect.

SECTION 4. Representations and Warranties. Each Loan Party represents and warrants as follows as of the date hereof:

(a) Such Loan Party has all requisite power and authority to execute, deliver and perform its obligations under this Amendment;

(b) The execution, delivery and performance by each Loan Party of this Amendment is within such Loan Party's corporate or other powers, have been duly authorized by all necessary corporate or other organizational action and do not (a) contravene the terms of any of such Person's Organization Documents or (b) violate any Law, in each case, except to the extent that such

contravention or violation could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and

(c) This Amendment has been duly executed and delivered by each Loan Party that is a party hereto. Subject to the Legal Reservations, this Amendment constitutes a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party hereto in accordance with its terms.

SECTION 5. Reference to and Effect on the Existing Credit Agreement, Amended Credit Agreement and the Loan Documents.

(a) On and after the Amendment No. 5 Effective Date, each reference in the Existing Credit Agreement and the Amended Credit Agreement to "this Agreement," "hereunder," "hereof" or words of like import referring to the Existing Credit Agreement shall mean and be a reference to the Amended Credit Agreement in accordance with this Amendment.

(b) The Amended Credit Agreement and each of the other Loan Documents, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Security Agreement and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case, as amended by this Amendment.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents. On and after the effectiveness of this Amendment, this Amendment shall for all purposes constitute a Loan Document.

(d) By its execution and delivery of this Amendment, each Loan Party (i) hereby consents to the execution, delivery and performance of this Amendment, including the effectiveness of the Amended Credit Agreement, and agrees that each reference to the Existing Credit Agreement in the Loan Documents shall, on and after the Amendment No. 5 Effective Date, be deemed to be a reference to the Amended Credit Agreement; (ii) hereby acknowledges and agrees that, after giving effect to this Amendment and the Amended Credit Agreement, all of its respective obligations and liabilities under the Loan Documents to which it is a party, as such obligations and liabilities have been amended by this Amendment and the Amended Credit Agreement, are reaffirmed, and remain in full force and effect; (iii) ratifies and reaffirms its guarantee of the Obligations pursuant to the Guaranty and (iv) reaffirms each prior Lien and security interest granted by it to the Collateral Agent for the benefit of the Secured Parties under each of the Loan Documents to which it is a party, which Liens and security interests shall continue in full force and effect during the term of the Amended Credit Agreement and shall continue to secure the Secured Obligations (after giving effect to this Amendment and the Amended Credit Agreement), in each case, on and subject to the terms and conditions set forth in this Amendment and the Amended Credit Agreement, and the other Loan Documents. This Amendment and the Amended Credit Agreement shall not constitute a novation of the Existing Credit Agreement or any of the Loan Documents.

(e) From and after the Amendment No. 5 Effective Date, this Amendment shall be deemed a Refinancing Amendment and a Loan Document for all purposes under the Amended Credit Agreement and the other Loan Documents.

SECTION 6. Costs and Expenses. The Borrower shall pay all reasonable out-of-pocket expenses of the Administrative Agent incurred in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder, if any (including the reasonable fees, disbursements and other charges of Cahill Gordon & Reindel LLP, counsel for the Administrative Agent), in accordance with Section 10.04 of the Existing Credit Agreement.

SECTION 7. Execution in Counterparts. This Amendment may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 8. Successors. The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby.

SECTION 9. Severability. If any provision of this Amendment is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Amendment shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 10. Governing Law and Waiver of Jury Trial. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. The provisions of Section 10.17 of the Existing Credit Agreement shall apply to this Amendment as if fully set forth herein, mutatis mutandis.

[The remainder of page is intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized as of the date first above written.

VERTEX AEROSPACE SERVICES LLC., as Borrower

By:_____
Name: Jeremy Nance
Title: Senior Vice President & General Counsel

VERTEX AEROSPACE INTERMEDIATE LLC, as Holdings

By:_____
Name: Jeremy Nance
Title: Senior Vice President & General Counsel

VERTEX SYSTEMS ISRAEL COMPANY

By:_____
Name: Jeremy Nance
Title: Chief Executive Officer

VECTRUS SYSTEMS LLC

By:_____
Name: Jeremy Nance
Title: President and Chief Executive Officer

VERTEX TECHNICALS SERVICES INTERNATIONAL COMPANY
VERTEX AEROSPACE LLC
VERTEX MODERNIZATION AND SUSTAINMENT LLC
ARMY SUSTAINMENT LLC
FLIGHT INTERNATIONAL AVIATION LLC
VECTOR INTERNATIONAL AVIATION LLC
VERTEX AIRCRAFT INTEGRATION AND SUSTAINMENT LLC
VERTEX PROFESSIONAL SERVICES LLC

By:_____
Name: Jeremy Nance
Title: Senior Vice President & General Counsel

VMSC AFGHANISTAN LLC
ADVANTOR SYSTEMS, LLC
ADVANTOR SYSTEMS II LLC
VECTRUS OVERSEAS VENTURES LLC
VECTRUS INTERNATIONAL LLC
DELEX SYSTEMS, INCORPORATED

By:_____
Name: Jeremy Nance
Title: President

ROYAL BANK OF CANADA, as Administrative Agent

By:_____

Name: Annie Lee

Title: Associate Director, Agency Services

ROYAL BANK OF CANADA, as an Additional Lender

By: _____

Name: JOHN COKINOS

Title: MANAGING DIRECTOR
HEAD OF LEVERAGED FINANCE

[Lender Consents for 2024 Term B-2 Loans on file with Administrative Agent]

Annex A

LENDER CONSENT TO AMENDMENT

This LENDER CONSENT (this "Consent") to the Amendment No. 5 to First Lien Credit Agreement, to be dated on or about December 2024 (the "Amendment"), by and among VERTEX AEROSPACE SERVICES CORP., a Delaware corporation (the "Borrower"), VERTEX AEROSPACE INTERMEDIATE LLC, a Delaware limited liability company ("Holdings"), the Additional Lender, the lenders party thereto and ROYAL BANK OF CANADA as administrative agent (in such capacity, including any successor thereto, the "Administrative Agent"). Capitalized terms used in this Consent but not defined herein shall have the meanings assigned to such terms in the Amendment.

The undersigned hereby irrevocably and unconditionally approves this Amendment and consents as follows (check ONE option):

Cashless Amendment Option

☐ The undersigned Lender agrees to convert the full principal amount (or such lesser amount as notified to the undersigned by the Administrative Agent prior to the Amendment No. 5 Effective Date) of its 2024 Term Loans to a like principal amount of 2024 Term B-2 Loans effective as of the Amendment No. 5 Effective Date.

Post-Closing Settlement Option

☐ The undersigned Lender agrees to have the full principal amount of its 2024 Term Loans prepaid on the Amendment No. 5 Effective Date and purchase by assignment the principal amount of 2024 Term B-2 Loans committed to separately by the undersigned or their affiliates (or such lesser amount as notified to the undersigned by the Administrative Agent prior to the Amendment No. 5 Effective Date).

_____,
(Name of Institution)

By: _____
Name:
Title:

If a second signature is necessary:

By: _____
Name:
Title:

Schedule I

Additional Lender	Additional 2024 Term B-2 Loan Commitments
Royal Bank of Canada	$58,927,078.40
Total:	$58,927,078.40

Exhibit A

Amended Credit Agreement

See attached.

Execution Version

EXHIBIT A

FIRST LIEN CREDIT AGREEMENT

DATED AS OF DECEMBER 6, 2021
AS AMENDED BY AMENDMENT NO. 1 TO FIRST LIEN CREDIT AGREEMENT, DATED AS OF JULY 5, 2022,
AS AMENDED BY AMENDMENT NO. 2 TO FIRST LIEN CREDIT AGREEMENT, DATED AS OF MAY 31, 2023,
AS AMENDED BY AMENDMENT NO. 3 TO FIRST LIEN CREDIT AGREEMENT, DATED AS OF OCTOBER 3, 2023, ~~AND~~
AS AMENDED BY AMENDMENT NO. 4 TO FIRST LIEN CREDIT AGREEMENT, DATED AS OF MAY 30, ~~2024~~2024, AND
AS AMENDED BY AMENDMENT NO. 5 TO FIRST LIEN CREDIT AGREEMENT, DATED AS OF JANUARY 2, 2025

AMONG

VERTEX AEROSPACE SERVICES LLC
(f/k/a Vertex Aerospace Services Corp.),
AS THE BORROWER,

VERTEX AEROSPACE INTERMEDIATE LLC,
AS HOLDINGS,

THE LENDERS PARTY HERETO,

AND

ROYAL BANK OF CANADA,
AS ADMINISTRATIVE AGENT AND COLLATERAL AGENT

—

RBC CAPITAL MARKETS,[1]
MORGAN STANLEY SENIOR FUNDING, INC.,
CREDIT SUISSE LOAN FUNDING LLC,
MUFG UNION BANK, N.A.,

AND

CITIZENS BANK, N.A.,
AS JOINT LEAD ARRANGERS AND JOINT BOOKRUNNERS

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[1] RBC Capital Markets is a brand name for the capital markets businesses of Royal Bank of Canada and its affiliates.

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SCHEDULES

EXHIBITS

This FIRST LIEN CREDIT AGREEMENT is entered into as of December 6, 2021, among VERTEX AEROSPACE SERVICES LLC (f/k/a Vertex Aerospace Services Corp.), a Delaware limited liability company (the "Borrower"), VERTEX AEROSPACE INTERMEDIATE LLC, a Delaware limited liability company ("Holdings"), the lenders party hereto (collectively, the "Lenders" and individually, a "Lender") and ROYAL BANK OF CANADA ("RBC"), as Administrative Agent and Collateral Agent.

PRELIMINARY STATEMENTS

Pursuant to that certain Share and Asset Purchase and Sale Agreement, dated as of September 8, 2021 (together with all exhibits, annexes and schedules thereto, as amended, modified, restated, supplemented or waived in accordance with the terms thereof, the "Purchase Agreement"), by and among Raytheon Company, a Delaware corporation (the "Seller"), Vertex Aerospace LLC, a Delaware limited liability company (the "Purchaser"), and Vertex Aerospace Services Holding Corp., a Delaware corporation ("Vertex Holdings"), the Purchaser will, directly or indirectly, acquire (the "Acquisition") all of the Seller Entities' (as defined in the Purchase Agreement) right, title and interest in and to certain assets constituting the Business (as defined in the Purchase Agreement), including the Purchased Entity Shares (as defined in the Purchase Agreement) (the "Target Business") from the Seller and which, after giving effect to the Transactions, will be owned directly or indirectly by the Borrower.

The Borrower has requested that, upon the satisfaction in full (or waiver by the Administrative Agent) of the conditions precedent set forth in Article IV below, the Lenders make term loans to the Borrower in an aggregate principal amount of $925,000,000, the proceeds of which shall be used, together with the proceeds of the Equity Contribution, Second Lien Term Loans (as defined in this Agreement as in effect on the Closing Date) and proceeds of any borrowings under the ABL Credit Agreement, (i) to finance the Transactions, (ii) to pay the Transaction Costs, (iii) to pay fees and expenses in connection with the foregoing and (iv) to fund working capital and general corporate purposes, on the terms and subject to the conditions set forth in this Agreement.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I.
Definitions and Accounting Terms

Section 1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"2022 Incremental Term Lender" means a Lender with a 2022 Incremental Term Loan Commitment or an outstanding 2022 Incremental Term Loan.

"2022 Incremental Term Loan Arrangers" means each of RBC Capital Markets, Stifel Nicolaus and Company, Incorporated, MUFG Union Bank, N.A., U.S. Bank National Association and Citizens Bank, N.A., in their respective capacities as exclusive joint lead arrangers and joint bookrunners for the 2022 Incremental Term Loans.

"2022 Incremental Term Loan Commitment" means, as to each 2022 Incremental Term Lender, its obligation to make 2022 Incremental Term Loans to the Borrower pursuant to the First Amendment on the First Amendment Effective Date in an aggregate principal amount not to exceed the amount set forth opposite such 2022 Incremental Term Lender's name on Schedule I to the First Amendment under the caption "2022 Incremental Term Loan Commitment" as such amount may be adjusted from time to time

in accordance with this Agreement. As of the Amendment No. 3 Effective Date, the aggregate amount of the 2022 Incremental Term Loan Commitments was $0.

"2022 Incremental Term Loan Facility" means the Term Facility in respect of the 2022 Incremental Term Loans.

"2022 Incremental Term Loans" means the Term Loans incurred pursuant to the First Amendment. The aggregate initial principal amount of 2022 Incremental Term Loans on the Amendment No. 3 Effective Date was $0.

"2023 Term Lender" means a Lender with an outstanding 2023 Term Loan.

"2023 Term Loan Arranger" means each of RBC Capital Markets, Stifel Nicolaus and Company, Incorporated, MUFG Union Bank, N.A., U.S. Bank National Association and Citizens Bank, N.A., in their respective capacities as exclusive joint lead arrangers and joint bookrunners for the 2023 Term Loans.

"2023 Term Loan Facility" means the Term Facility in respect of the 2023 Term Loans.

"2023 Term Loans" means all Term Loans outstanding under this Agreement immediately prior to the Amendment No. 4 Effective Date.

"2024 Term Lender" means a Lender with an outstanding 2024 Term Loan.

"2024 Term Loan Arranger" means each of RBC Capital Markets, Stifel Nicolaus and Company Incorporated, MUFG Union Bank, N.A., U.S. Bank National Association and Citizens Bank, N.A. in their respective capacities as exclusive joint lead arrangers and joint bookrunners for the 2024 Term Loans.

"2024 Term Loan Facility" means the Term Facility in respect of the 2024 Term Loans.

"2024 Term Loans" has the meaning specified in the Fourth Amendment. The aggregate initial principal amount of 2024 Term Loans on the Amendment No. 4 Effective Date is $906,569,375.00.

"2024 Term B-2 Lender" means a Lender with an outstanding 2024 Term B-2 Loan.

"2024 Term B-2 Loan Arranger" means each of RBC Capital Markets, Stifel Nicolaus and Company Incorporated, MUFG Union Bank, N.A., U.S. Bank National Association and Citizens Bank, N.A. in their respective capacities as exclusive joint lead arrangers and joint bookrunners for the 2024 Term B-2 Loans.

"2024 Term B-2 Loan Facility" means the Term Facility in respect of the 2024 Term B-2 Loans.

"2024 Term B-2 Loans" has the meaning specified in the Fifth Amendment. The aggregate initial principal amount of 2024 Term B-2 Loans on the Amendment No. 5 Effective Date is $899,770,104.68.

"ABL Credit Agreement" means the ABL Credit Agreement, dated as of the date hereof, among Holdings, the Borrower, the lenders party thereto from time to time and the ABL Representative, which amends that certain ABL Credit Agreement, originally dated as of June 29, 2018, among the Borrower, Vertex Aerospace Services Holdings Corp., a Delaware corporation, as Holdings, the lenders party thereto from time to time and the ABL Representative, as amended pursuant to the First Amendment to ABL Credit Agreement, dated as of May 17, 2019 and the Second Amendment to ABL Credit

Agreement, dated as of May 17, 2021, and as further amended, amended and restated, modified, supplemented, substituted, replaced, restated or refinanced, in whole or in part, pursuant to a Permitted Refinancing from time to time (whether with the original administrative agent and lenders or other agents and lenders or otherwise and whether provided under the original ABL Credit Agreement or another credit agreement, indenture, instrument, other document or otherwise, unless such credit agreement, indenture, instrument or document expressly provides that it is not an ABL Credit Agreement), in each case as and to the extent permitted by this Agreement and the ABL Intercreditor Agreement.

"ABL Facility" means the senior secured revolving loan facility under the ABL Credit Agreement or any amendment, supplement, modification, substitution, replacement, restatement or refinancing thereof, in whole or in part, pursuant to a Permitted Refinancing from time to time, in each case as and to the extent permitted by this Agreement and the ABL Intercreditor Agreement.

"ABL Intercreditor Agreement" means the ABL Intercreditor Agreement substantially in the form of Exhibit K among the Administrative Agent, the administrative agent under the Pari Passu Loan Documents and the ABL Representative, with such modifications thereto as the Administrative Agent may reasonably agree.

"ABL Loan Documents" means, collectively, (i) the ABL Credit Agreement and (ii) the security documents, intercreditor agreements (including the ABL Intercreditor Agreement), guarantees, joinders and other agreements or instruments executed in connection with the ABL Credit Agreement or such other agreements, in each case, as amended, modified, supplemented, substituted, replaced, restated or refinanced, in whole or in part, pursuant to a Permitted Refinancing from time to time, in each case as and to the extent permitted by this Agreement and the ABL Intercreditor Agreement.

"ABL Loan Parties" has the meaning assigned to the term "Loan Parties" in the ABL Credit Agreement.

"ABL Obligations" means all Indebtedness and other obligations of the Borrower and any other ABL Loan Parties outstanding under or pursuant to the ABL Loan Documents, together with guarantees thereof that are secured, or intended to be secured, under the ABL Loan Documents, including any direct or indirect, absolute or contingent, interest and fees that accrue after the commencement by or against the Borrower or any other ABL Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, and any obligations under a Secured Hedge Agreement or a Secured Cash Management Agreement (in each case, as defined in the ABL Credit Agreement) that are secured pursuant to the ABL Loan Documents.

"ABL Priority Collateral" has the meaning assigned to the term "ABL Collateral" in the ABL Intercreditor Agreement.

"ABL Representative" means initially, Ally Bank, in its capacity as administrative agent and collateral agent under the ABL Credit Agreement and the other ABL Loan Documents and any other administrative agent, collateral agent or representative of the holders of ABL Obligations appointed as a representative for purposes related to the administration of the ABL Loan Documents pursuant to the ABL Credit Agreement, in such capacity as provided in the ABL Credit Agreement.

"Accepting Lender" has the meaning specified in Section 10.01.

"Acquired Indebtedness" means, with respect to any specified Person, (a) Indebtedness of any other Person existing at the time such other Person is merged, amalgamated or consolidated with or into

or becomes a Restricted Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging, amalgamating or consolidating with or into, or becoming a Restricted Subsidiary of, such specified Person and (b) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Acquisition" has the meaning specified in the Preliminary Statements of this Agreement.

"Additional 2023 Term Lender" has the meaning assigned to the term "Additional Lender" in the Third Amendment.

"Additional 2024 Term Lender" has the meaning assigned to the term "Additional Lender" in the Fourth Amendment.

"Additional 2024 Term B-2 Lender" has the meaning assigned to the term "Additional Lender" in the Fifth Amendment.

"Additional 2023 Term Loan Commitment" has the meaning specified in the Third Amendment.

"Additional 2024 Term Loan Commitment" has the meaning specified in the Fourth Amendment.

"Additional 2024 Term B-2 Loan Commitment" has the meaning specified in the Fifth Amendment.

"Administrative Agent" means RBC, acting through such of its Affiliates or branches as it may designate, in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent permitted by the terms hereof.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 10.02 or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in substantially the form of Exhibit D-3 or any other form approved by the Administrative Agent.

"Affected Financial Institution" means (i) any EEA Financial Institution or (ii) any UK Financial Institution.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"Affiliate Lender Assignment and Assumption" has the meaning specified in Section 10.07(i)(i).

"Affiliate Lenders" means, collectively, the Sponsor and its Affiliates (other than any Natural Person, Holdings, the Borrower and any of Holdings' or the Borrower's respective Subsidiaries).

"Affiliate Transaction" has the meaning specified in Section 6.18.

"Agent-Related Distress Event" means, with respect to the Administrative Agent, the Collateral Agent or any Person that directly or indirectly controls the Administrative Agent (each, a "Distressed Agent-Related Person"), a voluntary or involuntary case with respect to such Distressed Agent-Related Person under any Debtor Relief Law is commenced, or a custodian, conservator, receiver or similar official is appointed for such Distressed Agent-Related Person or any substantial part of such Distressed Agent-Related Person's assets, or such Distressed Agent-Related 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 Agent-Related Person to be, insolvent or bankrupt; provided that an Agent-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any Equity Interests in the Administrative Agent or any Person that directly or indirectly controls the Administrative Agent by a Governmental Authority or an instrumentality thereof.

"Agent-Related Persons" means each Agent, together with its Related Parties.

"Agents" means, collectively, the Administrative Agent, the Collateral Agent, the Arrangers and the Supplemental Agents (if any).

"Aggregate Commitments" means the Commitments of all the Lenders.

"Agreement" means this first lien credit agreement.

"AIP Manager" means AIP, LLC, a Delaware limited liability company.

"All-in Yield" means, with respect to any Indebtedness, the yield of such Indebtedness, whether in the form of interest rate, margin, OID, upfront fees, index floors or otherwise, in each case, payable by the Borrower generally to all lenders; provided that OID and upfront fees shall be equated to interest rate assuming a four-year life to maturity or, if less, the remaining life to maturity, and shall not include arrangement fees, structuring fees, advisory fees, success fees, ticking fees, commitment fees, unused line fees, underwriting fees, amendment, consent and similar fees (whether or not shared with all lenders providing such facility) and any other fees not paid by the Borrower generally to all lenders providing such Indebtedness; provided further that (A) if Term SOFR (with an Interest Period of three months) is less than any floor applicable to loans in respect to which the All-in Yield is being calculated on the date on which the All-in Yield is determined, the amount of the resulting difference will be deemed added to the interest rate margin applicable to the relevant Indebtedness for purposes of calculating the All-in Yield and (B) if Term SOFR (with an Interest Period of three months) is greater than any applicable floor on the date on which the All-in Yield is determined, the floor will be disregarded in calculating the All-in Yield.

"Amendment No. 3 Effective Date" has the meaning specified in the Third Amendment.

"Amendment No. 4 Effective Date" has the meaning specified in the Fourth Amendment.

"Amendment No. 5 Effective Date" has the meaning specified in the Fifth Amendment.

"Applicable Discount" has the meaning specified in the definition of "Dutch Auction."

"Applicable Rate" means, with respect to the 2024 Term B-2 Loans, a percentage per annum equal to (i) for SOFR Loans, ~~2.75~~2.25% and (ii) for Base Rate Loans, ~~1.75~~1.25%.

"Appropriate Lender" means, at any time, (a) with respect to the Term Facility, a Lender that has a Commitment with respect to the Term Facility or holds a Term Loan at such time, (b) with respect to any New Term Facility, a Lender that holds a New Term Loan at such time and (c) with respect to any Specified Refinancing Debt, a Lender that holds Specified Refinancing Term Loans.

"Approved Commercial Bank" means a commercial bank with a consolidated combined capital and surplus of at least $5,000,000,000.

"Approved Fund" means any Fund 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.

"Arranger/Lender-Related Persons" has the meaning specified in Section 10.15(d).

"Arrangers" means each of RBC Capital Markets, Morgan Stanley Senior Funding, Inc., Credit Suisse Loan Funding LLC, MUFG Union Bank, N.A. and Citizens Bank, N.A., in their respective capacities as exclusive joint lead arrangers and joint bookrunners for the Initial Term Loans, each of the 2022 Incremental Term Loan Arrangers, each of the 2023 Term Loan Arrangers ~~and~~, each of the 2024 Term Loan Arrangers and the 2024 Term B-2 Loan Arranger.

"Asset Sale" means any Disposition by the Borrower or any Restricted Subsidiary other than:

(a) a sale, exchange or other disposition of cash, Cash Equivalents or Investment Grade Securities, or of obsolete, damaged, unnecessary, surplus, negligible, unsuitable or worn out equipment or other assets in the ordinary course of business, or dispositions of property no longer used, useful or economically practicable to maintain in the conduct of the business of the Borrower and the Restricted Subsidiaries (including allowing any such registrations or any such applications for registration of any such intellectual property or other such intellectual property rights to lapse or become abandoned);

(b) without limiting the provisions of Section 8.01(k), the sale, conveyance, lease or other disposition of all or substantially all of the assets of the Borrower in compliance with the provisions of Section 7.03 or Section 7.04 or any Disposition that constitutes a Change of Control;

(c) any Restricted Payment that is permitted to be made, and is made, pursuant to Section 7.05 or any Permitted Investment;

(d) any Disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary, in a single transaction or series of related transactions, with an aggregate Fair Market Value of less than or equal to the greater of (x) $42,000,000 and (y) 20.0% of Consolidated EBITDA of the Group Parties per fiscal year; provided that any unused amounts pursuant to this clause (d) during any fiscal year shall carry forward to the succeeding fiscal year;

(e) any transfer or Disposition of property or assets or issuance or sale of Equity Interests by a Restricted Subsidiary to the Borrower or by the Borrower or a Restricted Subsidiary to another Restricted Subsidiary;

(f) the creation of any Lien permitted under this Agreement;

(g) any issuance, sale, pledge or other disposition of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(h) the sale, lease, assignment, license or sublease of inventory, equipment, accounts receivable, notes receivable or other current assets held for sale in the ordinary course of business or the conversion of accounts receivable to notes receivable or dispositions of accounts receivable in connection with the collection or compromise thereof;

(i) the lease, assignment, license, sublicense or sublease of any real or personal property in the ordinary course of business;

(j) a sale or transfer of accounts receivable, or participations therein, and related assets of the type specified in the definition of "Receivables Financing" to a Receivables Subsidiary in a Qualified Receivables Financing or in factoring or similar transactions;

(k) a transfer of accounts receivable and related assets of the type specified in the definition of "Receivables Financing" (or a fractional undivided interest therein) by a Receivables Subsidiary in a Qualified Receivables Financing;

(l) any exchange of assets for Related Business Assets (including a combination of Related Business Assets and a *de minimis* amount of cash or Cash Equivalents) of comparable or greater market value than the assets exchanged, as determined in good faith by the Borrower;

(m) (i) the sale, assignment, licensing, sub-licensing, cross-licensing or other disposition of intellectual property or other general intangibles (1) in the ordinary course of business or (2) which do not materially interfere with the ordinary conduct of the business of the Borrower or any Restricted Subsidiary and do not secure any Indebtedness, (ii) the sale, assignment, licensing, sub-licensing or other disposition of intellectual property or other general intangibles pursuant to any Intercompany License Agreement, and (iii) the statutory expiration of any intellectual property (for the avoidance of doubt, this clause (m) is subject to the last paragraph of Section 7.04);

(n) any Sale/Leaseback Transaction of any property acquired or built after the Closing Date; provided that such sale is for at least Fair Market Value;

(o) the surrender or waiver of obligations of trade creditors or customers or other contract rights that were incurred in the ordinary course of business 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 or customer or compromise, settlement, release or surrender of a contract, tort or other litigation claim, arbitration or other disputes;

(p) Dispositions arising from foreclosures, condemnations, eminent domain, seizure, nationalization or any similar action with respect to assets, dispositions of property subject to casualty events and (except for purposes of calculating Net Cash Proceeds of any Asset Sale under the second and third paragraphs of Section 7.04) Dispositions necessary or advisable (as determined by the Borrower in good faith) in order to consummate any acquisition of any Person, business or assets;

(q) Dispositions of Investments (including Equity Interests) in joint ventures to the extent required by, or made pursuant to customary buy/sell arrangements or rights of first refusal

between, the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(r) to the extent allowable under Section 1031 of the Code, any exchange of like property (excluding any boot thereon) for use in a Similar Business;

(s) the issuance of directors' qualifying shares and shares issued to foreign nationals or other third-parties to the extent required by applicable law;

(t) [reserved];

(u) a sale or transfer of equipment receivables, or participations therein, and related assets;

(v) a sale or transfer of receivables made pursuant to factoring arrangements;

(w) any Disposition constituting part of a Permitted Reorganization or a Permitted IPO Reorganization;

(x) Dispositions of any assets (including Equity Interests) (i) acquired in connection with any Investment permitted hereunder, which assets are not core or principal to the business of the Borrower or the Restricted Subsidiaries or (ii) made to obtain the approval of any applicable antitrust or other regulatory authority in connection with any Investment permitted hereunder;

(y) any Sale/Leaseback Transaction so long as either (i) the Maximum Leverage Requirement is satisfied after giving effect to any resulting Capitalized Lease Obligation on a Pro Forma Basis (but excluding the proceeds of such Sale/Leaseback for purposes of cash netting), (ii) any Capitalized Lease Obligation incurred in connection with such Sale/Leaseback Transaction is permitted under Section 7.01(d) or (iii) the Fair Market Value for all such assets disposed of pursuant to Sale/Leaseback Transactions under this clause (iii) does not exceed the greater of (x) $62,000,000 and (y) 30.0% of Consolidated EBITDA of the Group Parties;

(z) Dispositions of assets that do not constitute Collateral with an aggregate Fair Market Value, for all such assets disposed of pursuant to this clause (z) in any fiscal year, not to exceed the greater of (x) $16,000,000 and (y) 7.5% of Consolidated EBITDA of the Group Parties; provided that any unused amounts pursuant to this clause (z) during any fiscal year shall carry forward into the succeeding fiscal year;

(aa) Borrower and any Restricted Subsidiary may: (i) terminate or otherwise collapse its cost sharing agreements with Borrower or any Subsidiary and settle any crossing payments in connection therewith; (ii) convert any intercompany Indebtedness to Equity Interests or any Equity Interests to intercompany Indebtedness; (iii) transfer any intercompany Indebtedness to Borrower or any Restricted Subsidiary; (iv) settle, discount, write off, forgive or cancel any intercompany Indebtedness or other obligation owing by Borrower or any Restricted Subsidiary; (v) settle, discount, write off, forgive or cancel any Indebtedness owing by any present or former consultants, managers, directors, officers or employees of Borrower, any direct or indirect parent thereof, or any Subsidiary thereof or any of their successors or assigns; or (vi) surrender or waive contractual rights and settle, release, surrender or waive contractual or litigation claims (or other disposition of assets in connection therewith);

(bb) Any disposition of property to the extent that (1) such property is exchanged for credit against the purchase price of similar replacement property (excluding any boot thereon) that is purchased within 270 days thereof or (2) the proceeds of such disposition are promptly applied to the purchase price of such replacement property (which replacement property is actually purchased within 270 days thereof); and

(cc) Dispositions set forth on Schedule 1.01(b) hereto.

For the avoidance of doubt, the unwinding of Swap Contracts shall not be deemed to constitute an Asset Sale.

"Assignee Group" means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

"Assignment and Assumption" means an Assignment and Assumption substantially in the form of Exhibit D-1, or otherwise in form and substance reasonably acceptable to the Administrative Agent.

"Auction" has the meaning specified in the definition of "Dutch Auction."

"Auction Amount" has the meaning specified in clause (a) of the definition of "Dutch Auction."

"Auction Notice" has the meaning specified in clause (a) of the definition of "Dutch Auction."

"Available Incremental Amount" has the meaning specified in Section 2.14(a).

"Available Tenor" shall mean, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bankruptcy Code" means Title 11 of the United States Code, entitled "Bankruptcy", as amended from time to time.

"Base Rate" means, for any day, a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate on such day plus 1/2 of 1%, (b) the Prime Lending Rate on such day and (c) Term SOFR published on such day (or if such day is not a Business Day the immediately preceding Business Day) for an Interest Period of one (1) month plus 1% per annum. If the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain

the Federal Funds Rate for any reason, the Base Rate shall be determined without regard to clause (a) above until the circumstances giving rise to such inability no longer exist.

"Base Rate Loan" means a Loan that bears interest based on the Base Rate.

"Basket" means any "basket", amount, threshold, exception or value (including by reference to the Consolidated First Lien Net Leverage Ratio, the Consolidated Secured Net Leverage Ratio, the Consolidated Total Net Leverage Ratio, the Consolidated Interest Coverage Ratio, Consolidated EBITDA or Consolidated Net Tangible Assets) permitted or prescribed with respect to any Lien, Indebtedness, Asset Sale (or other disposition or other sale of property or assets), Investment, Restricted Payment, Affiliate Transaction or any other transaction or action under any provision in this Agreement or any other Loan Document.

"Benchmark" shall mean, initially, with respect to the 2024 Term B-2 Loans, Term SOFR; *provided* that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 1.09(a).

"Benchmark Replacement" means with respect to any Benchmark Transition Event for any Available Tenor, the sum of (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment; provided that if the Benchmark Replacement as so determined above would be less than 0.75%, the Benchmark Replacement will be deemed to be 0.75% for the purposes of this Agreement and the other Loan Documents. Any Benchmark Replacement shall be applied in a manner consistent with market practices; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Benchmark Replacement shall be applied in a manner as otherwise reasonably determined by the Administrative Agent in consultation with the Borrower.

"Benchmark Replacement Adjustment" means, solely for the purposes of clause (y) of the definition of "Benchmark Replacement" with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar denominated syndicated credit facilities at such time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides, in consultation with the Borrower, may be appropriate to reflect the adoption and

implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines, in consultation with the Borrower, that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent, in consultation with the Borrower, decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (y)(a) or (y)(b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (y)(c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (y)(c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (y)(a) or (y)(b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Beneficial Ownership Certification" means a certification regarding individual beneficial ownership solely to the extent required by Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. §1010.230, as amended.

"Benefit Plan" means 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 and subject to 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".

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Board of Directors" means as to any Person, the board of directors, board of managers, sole member or managing member or other governing body of such Person, or if such Person is owned or managed by a single entity or a general partner, the board of directors, board of managers, sole member or managing member or other governing body of such entity or general partner, or in each case, any duly authorized committee thereof, and the term "directors" means members of the Board of Directors.

"Borrower" has the meaning specified in the introductory paragraph to this Agreement.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrowing" means a Term Borrowing.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of the State of New York, or are in fact closed in, New York City

"Capital Stock" means:

(1) in the case of a corporation or company, corporate stock or share capital;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person (it being understood and agreed, for the avoidance of doubt, that "cash-settled phantom appreciation

programs" in connection with employee benefits that do not require a dividend or distribution shall not constitute Capital Stock).

"Capital Lease" means, as applied to any Person, any lease of any property (whether real, personal, or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a finance lease on the balance sheet of that Person.

"Capitalized Lease Obligation" means at the time any determination thereof is to be made, the amount of the liability in respect of a Capital Lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP. For the avoidance of doubt, "Capitalized Lease Obligations" shall not include Non-Financing Lease Obligations.

"Captive Insurance Subsidiary" means any Subsidiary of the Borrower that is subject to regulation as an insurance company (or any Subsidiary thereof).

"Cash-Capped Incremental Facility" has the meaning specified in Section 2.14(a).

"Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Administrative Agent and the Lenders, as collateral for obligations of Lenders to fund participations in respect thereof, cash, Cash Equivalents (if reasonably acceptable to the Administrative Agent) or deposit account balances or, if the Administrative Agent benefiting from such collateral shall agree in its sole discretion, other credit support pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Equivalents" means:

(1) Dollars, Canadian Dollars, Pounds Sterling, Euro, Japanese Yen, the national currency of any Participating Member State of the European Union and, with respect to any Foreign Subsidiaries, other currencies held by such Foreign Subsidiary in the ordinary course of business;

(2) securities issued or directly guaranteed or insured by the government of the United States, the United Kingdom, or any country that is a member of the European Union or any agency or instrumentality thereof in each case with maturities not exceeding two (2) years from the date of acquisition;

(3) money market deposits, certificates of deposit, time deposits and eurodollar time deposits with maturities of two (2) years or less from the date of acquisition, bankers' acceptances, in each case with maturities not exceeding two (2) years, and overnight bank deposits, in each case with any commercial bank having capital and surplus in excess of $250,000,000 in the case of domestic banks or $100,000,000 (or the dollar equivalent thereof) in the case of foreign banks;

(4) repurchase obligations for underlying securities of the types described in clauses (2) and (3) above and clause (6) below entered into with any financial institution or securities dealers of recognized national standing meeting the qualifications specified in clause (3) above;

(5) commercial paper or variable or fixed rate notes issued by a corporation or other Person (other than an Affiliate of the Borrower) rated at least "A-2" or the equivalent thereof by

Moody's or S&P (or reasonably equivalent ratings of another internationally recognized ratings agency) and in each case maturing within two (2) years after the date of acquisition;

(6) readily marketable direct obligations issued by any state, commonwealth or territory of the United States of America or any political subdivision or taxing authority thereof having an Investment Grade Rating from either Moody's or S&P (or reasonably equivalent ratings of another internationally recognized ratings agency) in each case with maturities not exceeding two (2) years from the date of acquisition;

(7) Indebtedness issued by Persons (other than the Sponsor) with a rating of "A" or higher from S&P or "A-2" or higher from Moody's (or reasonably equivalent ratings of another internationally recognized ratings agency) in each case with maturities not exceeding two (2) (years from the date of acquisition, and 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 reasonably equivalent ratings of another internationally recognized ratings agency);

(8) investment funds investing at least 95% of their assets in investments of the types described in clauses (1) through (7) above and (9) and (10) below;

(9) Investments with average maturities of 12 months or less 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 reasonably equivalent ratings of another internationally recognized ratings agency); and

(10) in the case of investments by any Foreign Subsidiary or investments made in a country outside the United States of America, other investments of comparable tenor and credit quality to those described in the foregoing clauses (1) through (9) customarily utilized in the countries where such Foreign Subsidiary is located or in which such investment is made.

In the case of Investments by any Foreign Subsidiary, the term "Cash Equivalents" shall also include (x) Investments of the type and maturity described in clauses (1) through (10) above of foreign obligors, which Investments or obligors (or the parent companies thereof) have the ratings described in such clauses or equivalent ratings from comparable foreign rating agencies and (y) other short-term Investments utilized by Foreign Subsidiaries in accordance with normal investment practices for cash management in Investments that are analogous to the Investments described in clauses (1) through (10) above and in this paragraph.

"Cash Management Agreement" means any agreement or arrangement to provide Cash Management Services to the Borrower or any Restricted Subsidiary.

"Cash Management Bank" means any Person party to a Cash Management Agreement that is (x) a Lender or an Agent or an Affiliate of a Lender or an Agent or (y) any other Person designated by the Borrower, in each case, in its capacity as a party to such Cash Management Agreement; provided that, in the case of clause (y) of this definition, such other Person has delivered to the Collateral Agent a written notice (1) appointing the Collateral Agent as its agent under the applicable Loan Documents and (2) agreeing to be bound by Article IX and Sections 10.05, 10.15 and 10.17 as if such Person were a Lender; provided that no Cash Management Bank shall have any rights in connection with the terms of the Loan Documents or management or release of Collateral or the obligations of any Loan Party under the Loan Documents, other than in its capacity as an Agent or a Lender.

"Cash Management Services" means any of the following: automated clearing house transactions, treasury and/or cash management services, including, without limitation, treasury, depository, overdraft, credit, purchasing or debit card, non-card e-payable services, electronic funds transfer, treasury management services (including controlled disbursement services, overdraft automatic clearing house fund transfer services, return items and interstate depository network services), cash pooling arrangements, other demand deposit or operating account relationships, foreign exchange facilities, credit card processing services and merchant services.

"Casualty Event" means any event that gives rise to the receipt by the Borrower or any Loan Party of any casualty insurance proceeds or condemnation awards or that gives rise to a taking by a Governmental Authority in respect of any equipment, fixed assets or real property (including any improvements thereon), in each case, not constituting ABL Priority Collateral, to replace, restore or repair, or compensate for the loss of, such equipment, fixed assets or real property.

"Change of Control" means, and will be deemed to have occurred if, at any time after the consummation of the Acquisition:

(a) at any time, Holdings ceases to own, directly or indirectly, beneficially or of record, 100% of the issued and outstanding Equity Interests of the Borrower;

(b) at any time prior to the consummation of a Qualified IPO, the Permitted Holders, taken together, shall cease to beneficially own (within the meaning of Rule 13d-5 under the Exchange Act), directly or indirectly, at least a majority of the Voting Stock of Holdings (determined on a fully diluted basis);

(c) at any time after the consummation of a Qualified IPO, any person or "group" (within the meaning of Rule 13d-5 under the Exchange Act, but excluding any employee benefit plan of such person and its subsidiaries and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), other than the Permitted Holders, acquires beneficial ownership (within the meaning of Rule 13d-5 under the Exchange Act) of Voting Stock of Holdings representing both (i) more than 35% of the aggregate ordinary voting power for the election of directors of Holdings and (ii) more than the percentage of the aggregate ordinary voting power for the election of directors of Holdings that is at the time beneficially owned (within the meaning of Rule 13d-5 under the Exchange Act), directly or indirectly, by the Permitted Holders, taken together, unless, in the case of clause (b) above or this clause (c) of this definition of "Change of Control", the Permitted Holders have, at such time, the right or the ability by voting power, contract, or otherwise to elect or designate for election at least a majority of the board of directors (or analogous governing body) of Holding s; or

(d) a "change of control" occurs under the ABL Loan Documents or the Pari Passu Loan Documents;

provided that notwithstanding anything to the contrary in this definition or any provision of the Exchange Act, (A) if any group includes one or more Permitted Holders, the issued and outstanding Capital Stock of Holdings directly or indirectly owned by Permitted Holders that are part of such group shall not be treated as being beneficially owned by such group or any other member of such group for purposes of this definition, (B) a Person or group shall be deemed not to beneficially own securities subject to an equity or asset purchase agreement, merger agreement, option agreement, warrant agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the acquisition of the securities in connection with the transactions contemplated by such agreement and (C) a Person or group will be deemed not to beneficially own the Capital Stock of another Person as a result

of its ownership of Capital Stock or other securities of such other Person's parent (or related contractual rights) unless it owns 50% or more of the Voting Stock of such Person's parent.

"Closing Date" means December 6, 2021.

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"Collateral" means all of the "Collateral" (or similar term) referred to in the Collateral Documents and all of the other property and assets that are or are required under the terms of the Collateral Documents to be subject to Liens in favor of the Collateral Agent for the benefit of the Secured Parties.

"Collateral Agent" means RBC, acting through such of its Affiliates or branches as it may designate, in its capacity as collateral agent under any of the Loan Documents, or any successor collateral agent permitted by the terms hereof.

"Collateral Documents" means, collectively, the Security Agreement, the Intellectual Property Security Agreement, the Mortgages (if any), each of the mortgages, control agreements, collateral assignments, Security Agreement Supplements, Intellectual Property Security Agreement Supplements, security agreements, pledge agreements or other similar agreements delivered to the Collateral Agent pursuant to Section 6.12, Section 6.14 or Section 6.16, and each of the other agreements, instruments or documents that creates or purports to create a Lien in favor of the Collateral Agent for the benefit of the Secured Parties.

"Commitment" means a Term Commitment.

"Committed Loan Notice" means a notice of (a) a Term Borrowing, (b) a conversion of Loans from one Type to the other or (c) a continuation of SOFR Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A, or otherwise in form and substance reasonably acceptable to the Administrative Agent.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et. seq.), as amended from time to time, and any successor statute.

"Company Competitor" means any Person that competes with the business of Holdings, the Borrower and their respective Subsidiaries from time to time.

"Compliance Certificate" means a certificate substantially in the form of Exhibit C or such other form as may be agreed between the Borrower and the Administrative Agent.

"Consenting Lender" has the meaning assigned to such term in the ~~Fourth~~Fifth Amendment.

"Consolidated Cash Interest Expense" means, with respect to any Person on a consolidated basis for any period, Consolidated Interest Expense referred to in clause (a) of the definition thereof (less interest income of such Person and its Restricted Subsidiaries received in cash during such period) of such Person payable in cash during such period and excluding, for the avoidance of doubt, (i) any non-cash interest expense and any capitalized interest, whether paid or accrued, (ii) the amortization of original issue discount resulting from the issuance of Indebtedness at less than par, (iii) amortization of deferred financing costs, debt issuance costs, commissions, fees and expenses (including agency costs, amendment, consent or other front end, one-off or similar non-recurring fees), (iv) any expenses resulting from discounting of indebtedness in connection with the application of recapitalization accounting or

purchase accounting, (v) penalties or interest related to taxes and any other amounts of non-cash interest resulting from the effects of acquisition method accounting or pushdown accounting, (vi) the accretion or accrual of, or accrued interest on, discounted liabilities (other than Indebtedness) during such period, (vii) non-cash interest expense attributable to the movement of the mark-to-market valuation of obligations under Swap Contracts pursuant to FASB ASC 815 (or any similar accounting principle), (viii) any one-time cash costs associated with breakage in respect of Swap Contracts for interest rates, (ix) any payments with respect to make whole premiums, commissions or other breakage costs of any Indebtedness, (x) all non-recurring interest expense consisting of liquidated damages for failure to timely comply with registration rights obligations, all as calculated on a consolidated basis in accordance with GAAP, (xi) expensing of bridge, arrangement, structuring, commitment, fronting or other financing fees, (xii) any interest, expense or other fees or charges incurred with respect to any Excluded Indebtedness and (xiii) any lease, rental or other expense in connection with any Non-Finance Lease Obligation. For purposes of this definition, cash interest on Capitalized Lease Obligations will be deemed to accrue at the interest rate reasonably determined by such Person to be the rate of interest implicit in such Capitalized Lease Obligations in accordance with GAAP.

"Consolidated Current Assets" means, with respect to any Person on a consolidated basis, all assets of such Person and its Restricted Subsidiaries on a consolidated basis that, in accordance with GAAP, would be classified as current assets on the balance sheet of a company conducting a business the same as or similar to that of such Person and its Restricted Subsidiaries on a consolidated basis, after deducting appropriate and adequate reserves therefrom in each case in which a reserve is proper in accordance with GAAP, but excluding (i) cash, (ii) Cash Equivalents, (iii) Swap Contracts to the extent that the mark-to-market Swap Termination Value would be reflected as an asset on the consolidated balance sheet of such Person, (iv) deferred financing fees, (v) amounts related to current or deferred taxes (but excluding assets held for sale, loans (permitted) to third parties, pension assets, deferred bank fees and derivative financial instruments) (so long as the items described in clauses (iv) and (v) are non-cash items) and (vi) in the event that a Qualified Receivables Financing is accounted for off balance sheet, (x) gross accounts receivable comprising part of the receivables and other related assets subject to such Qualified Receivables Financing minus (y) collection by such Person against the amounts sold pursuant to clause (x).

"Consolidated Current Liabilities" means, with respect to any Person on a consolidated basis, all liabilities in accordance with GAAP that would be classified as current liabilities on the consolidated balance sheet of such Person, but excluding (a) the current portion of Indebtedness (including the Swap Termination Value of any Swap Contracts) to the extent reflected as a liability on the consolidated balance sheet of such Person, (b) the current portion of interest, (c) accruals for current or deferred taxes based on income or profits, (d) accruals of any costs or expenses related to restructuring reserves or severance, (e) deferred revenue, (f) escrow account balances, (g) the current portion of pension liabilities, (h) liabilities in respect of unpaid earn-outs, (i) amounts related to derivative financial instruments and assets held for sale and (j) any letter of credit obligations, swing line loans or revolving loans under any revolving credit facility.

"Consolidated EBITDA" means, with respect to any Person on a consolidated basis for any period, the Consolidated Net Income of such Person and its Restricted Subsidiaries for such period:

(1) *increased*, in each case (other than with respect to clauses (i), (k), (l), (o), (p), (q) and (s) of this definition) to the extent deducted and not added back or excluded in calculating such Consolidated Net Income (and without duplication), by:

(a) provision for taxes based on income, profits or capital, including federal, state, franchise, excise, property and similar taxes and foreign withholding taxes paid or

accrued, including any penalties and interest with respect thereto, and state taxes in lieu of business fees (including business license fees) and payroll tax credits, income tax credits and similar credits and including an amount equal to the amount of tax distributions actually made to the holders of Equity Interests of such Person or its Restricted Subsidiaries or any direct or indirect parent of such Person or its Restricted Subsidiaries in respect of such period (in each case, to the extent attributable to the operations of such Person and its Subsidiaries), which shall be included as though such amounts had been paid as income taxes directly by such Person or its Restricted Subsidiaries; *plus*

(b) total interest expense and, to the extent not reflected in such total interest expense, any losses on Swap Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, net of interest income and gains on such Swap Obligations or such derivative instruments, and bank and letter of credit fees, letter of guarantee and bankers' acceptance fees and costs of surety bonds in connection with financing activities, together with items excluded from the definition of "Consolidated Interest Expense" pursuant to the definition thereof (other than clause (13) thereof); *plus*

(c) all depreciation and amortization charges and expenses, including amortization or expense recorded for upfront payments related to any contract signing and signing bonus and incentive payments; *plus*

(d) the amount of any minority interest expense consisting of income attributable to minority equity interests of third parties in any Restricted Subsidiary of such Person that is not a Wholly Owned Restricted Subsidiary of such Person; *plus*

(e) the amount of (i) management, monitoring, consulting, transaction and advisory fees (including termination fees) and related indemnities, charges and expenses paid or accrued to or on behalf of any direct or indirect parent of the Borrower or any of the Permitted Holders, in each case, to the extent permitted by Section 6.18 and (ii) fees, expenses and indemnities paid to members of the board of directors of the Borrower or any direct or indirect parent of the Borrower; *plus*

(f) earn-out obligations incurred in connection with any acquisition or other Investment and paid or accrued during the applicable period, including any mark to market adjustments; *plus*

(g) all charges, costs, expenses, accruals or reserves in connection with the rollover, acceleration or payout of equity interests and all losses, charges and expenses related to payments made to holders of options or other derivative equity interests in the common equity of such Person or any direct or indirect parent of such Person in connection with, or as a result of, any distribution being made to equityholders of such Person or any of its direct or indirect parents, which payments are being made to compensate such optionholders as though they were equityholders at the time of, and entitled to share in, such distribution; *plus*

(h) all non-cash losses, charges and expenses, including any write-offs or write-downs, non-cash compensation expenses, non-cash translation losses, changes in reserves for earnouts and similar obligations and non-cash expenses relating to the vesting of warrants; provided that if any such non-cash loss, charge or expense represents an accrual or reserve for potential cash items in any future period, (i) such

Person may determine not to add back such non-cash loss, charge or expense in the period for which Consolidated EBITDA is being calculated and (ii) to the extent such Person does decide to add back such non-cash loss, charge or expense, the cash payment in respect thereof in such future four-fiscal quarter period will be subtracted from Consolidated EBITDA for such future four-fiscal quarter period; *plus*

(i) (i) all costs and expenses in connection with pre-opening and opening and closure and/or consolidation of facilities that were not already excluded in calculating such Consolidated Net Income and (ii) charges (including branch operating losses) related to any de novo facility, including any construction, pre-opening and start-up period prior to opening, until such facility has been open and operating for a period of 12 consecutive months); *plus*

(j) restructuring charges (including tax restructurings), accruals or reserves and business optimization expense, including any restructuring costs and integration costs incurred in connection with the Transactions and any other acquisitions (including duplicative costs and increased costs in respect of any transition services agreement (including the Transition Arrangements), in each case resulting from the transition of the Target Business to a subsidiary or integrated business of the Borrower, and exit, separation, transition and integration charges, expenses, losses or special items associated with the separation of the Target Business from the consolidated business of the Sellers), start-up costs (including entry into new market/channels and new service offerings), new operation costs, software and other intellectual property development costs, new contract or corporate development costs, costs relating to entering or exiting a market, unused warehouse space costs, costs related to the closure, relocation, shutdown, reconfiguration, pre-opening and opening, expansion and/or consolidation of facilities and offices (including termination costs, moving costs and legal costs) and costs to relocate employees, any employee ramp-up charges or any charges related to underutilized personnel (including duplicative personnel), integration and transaction costs, retention charges, severance, contract termination costs (including costs relating to early termination of rights fee arrangements), recruiting and signing bonuses and expenses, future lease commitments, systems establishment costs, conversion costs and excess pension charges and consulting fees, expenses attributable to the implementation or undertaking of costs savings initiatives, new initiatives, cost rationalization programs, operating expense reductions, synergies and/or similar initiatives or programs (including, without limitation, in connection with any inventory optimization program, any implementation of operational and reporting systems and technology initiatives (including any expense relating to the implementation of enhanced accounting or IT functions or new system designs)), costs associated with tax projects/audits and costs consisting of professional consulting or other fees relating to any of the foregoing; *plus*

(k) Pro Forma Cost Savings; *provided* that such Pro Forma Cost Savings added back pursuant to clause (B) of the definition thereof (excluding any such Pro Forma Cost Savings that result from mergers and other business combinations, acquisitions, investments, dispositions or other sales of assets, the discontinuance of activities or operations or other specified transactions, restructurings, cost savings initiatives, operating initiatives or operating improvements, in each case, occurring prior to the Closing Date) under this clause (k) in any Test Period, when aggregated with (X) the amount of any increase in Consolidated EBITDA for such Test Period as a result of Pro Forma Revenue Synergies (excluding any such Pro Forma Revenue Synergies that result from actions or initiatives undertaken prior to the Closing Date) added pursuant to

clause (s) of the definition of Consolidated EBITDA and (Y) the amount of any increase in Consolidated EBITDA for such Test Period as a result of any "run-rate" cost savings, operating expense reductions and synergies added pursuant to clause (x) of the definition of "Pro Forma Basis" (excluding any such "run-rate" cost savings, operating expense reductions and synergies that either (A) are related to the Transactions or (B) result from, or are related to, mergers and other business combinations, acquisitions, Investments, dispositions or other sales of assets, the discontinuance of activities or operations or other specified transactions, operating improvements or purchasing improvements and other initiatives, in each case under this sub-clause (B), occurring prior to the Closing Date), shall not exceed an aggregate amount equal to 30.0% of Consolidated EBITDA of the Borrower (calculated after giving effect to all add-backs and adjustments (including all add-backs and adjustments subject to this cap)); *plus*

(l) amounts included on Schedule 1.01(a), attached hereto, to the extent such amounts, or amounts of similar type and nature to those listed on Schedule 1.01(a), without duplication, continue to be applicable during such period; *plus*

(m) the amount of loss or discount on sale of receivables and related assets in connection with a Receivables Financing or factoring transaction; *plus*

(n) with respect to any joint venture that is not a Restricted Subsidiary, an amount equal to the proportion of those items described in clauses (a), (b) and (c) above relating to such joint venture corresponding to such Person's and the Restricted Subsidiaries' proportionate share of such joint venture's Consolidated Net Income (determined as if such joint venture were a Restricted Subsidiary) solely to the extent Consolidated Net Income was reduced thereby; *plus*

(o) adjustments calculated in accordance with Regulation S-X; *plus*

(p) adjustments (w) evidenced by, contained in, or of the type contained in, the quality of earnings report with respect to the Transactions prepared by CDS, dated August 31, 2021, (x) identified or set forth in any quality of earnings report in connection with any acquisition or other Permitted Investment conducted by financial advisors (which financial advisors are (A) nationally recognized or (B) reasonably acceptable to the Administrative Agent (it being understood that the "Big Four" accounting firms are acceptable) and retained by the Borrower, (y) identified or set forth in the Public Lender Presentation, dated October 2021, made available in connection with the initial syndication of the Initial Term Loan or (z) approved by the Administrative Agent; *plus*

(q) add backs and adjustments contained in, or of the type contained in, the Financial Model (including, for the avoidance of doubt, add backs and adjustments of the same type in future periods); *plus*

(r) [reserved], *plus*

(s) Pro Forma Revenue Synergies; *provided* that such Pro Forma Revenue Synergies (excluding any such Pro Forma Revenue Synergies that result from actions or initiatives undertaken prior to the Closing Date) added pursuant to this clause (s) in any Test Period, when aggregated with (X) the amount of any increase in Consolidated EBITDA for such Test Period as a result of Pro Forma Cost Savings pursuant to clause

(B) of the definition thereof (excluding any such Pro Forma Cost Savings that result from mergers and other business combinations, acquisitions, investments, dispositions or other sales of assets, the discontinuance of activities or operations or other specified transactions, restructurings, cost savings initiatives, operating initiatives or operating improvements, in each case, occurring prior to the Closing Date) added back under clause (k) of the definition of Consolidated EBITDA for such Test Period and (Y) the amount of any increase in Consolidated EBITDA for such Test Period as a result of any "run-rate" cost savings, operating expense reductions and synergies added pursuant to clause (x) of the definition of "Pro Forma Basis" (excluding any such "run-rate" cost savings, operating expense reductions and synergies that either (A) are related to the Transactions or (B) result from, or are related to, mergers and other business combinations, acquisitions, Investments, dispositions or other sales of assets, the discontinuance of activities or operations or other specified transactions, operating improvements or purchasing improvements and other initiatives, in each case under this sub-clause (B), occurring prior to the Closing Date), shall not exceed an aggregate amount equal to 30.0% of Consolidated EBITDA of the Borrower (calculated after giving effect to all add-backs and adjustments (including all add-backs and adjustments subject to this cap)); *plus*

(t) the amount of any costs or expenses incurred on or prior to the Closing Date that are allocated to the Target Business (or otherwise to the Borrower and its Restricted Subsidiaries) in connection with corporate allocations made between the Borrower and its Subsidiaries, on the one hand, and the businesses of the Seller Entities (as defined in the Purchase Agreement) and their Affiliates (other than the Target Business, the Borrower and its Restricted Subsidiaries) (prior to giving effect to the Acquisition) (the "Post-Contribution Seller Business"), on the other hand, in each case, to the extent in excess of the costs or expenses incurred by the Target Business on a "carveout" basis (after giving effect to the Acquisition and separation of the Target Business from the Pre-Contribution Seller Business); plus

(u) exit, separation, transition and stand-alone charges, expenses or losses associated with the separation of the Target Business from the consolidated business of the Seller Entities and their Affiliates (after giving effect to the Acquisition) (the "Pre-Contribution Seller Business");

(2) *decreased* (without duplication and to the extent increasing such Consolidated Net Income for such period) by (i) non-cash gains or income, excluding any non-cash gains that represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that were deducted (and not added back) in the calculation of Consolidated EBITDA for any prior period ending after the Closing Date; provided that if any such non-cash gains or income relates to a potential cash items in any future period, (x) such Person may determine not to deduct such non-cash gain or income in the period for which Consolidated EBITDA is being calculated and (y) to the extent such Person does not decide to deduct such non-cash gain or income, the cash received in respect thereof in such future four-fiscal quarter period will be deducted from Consolidated EBITDA for such future four-fiscal quarter period; and (ii) the amount of any minority interest income consisting of a Subsidiary loss attributable to minority equity interest of third parties in any non-Wholly Owned Subsidiary (to the extent not deducted from Consolidated Net Income for such period);

(3) *increased* (with respect to losses) or *decreased* (with respect to gains) by, without duplication, any net gains and losses relating to (i) amounts denominated in foreign

currencies resulting from the application of FASB ASC 830 (including net gains and losses from exchange rate fluctuations on intercompany balances and balance sheet items, net of realized gains or losses from related Swap Contracts (entered into in the ordinary course of business or consistent with past practice)) or (ii) any other amounts denominated in or otherwise trued-up to provide similar accounting as if it were denominated in foreign currencies; and

(4) *increased* (with respect to losses) or *decreased* (with respect to gains) by, without duplication, any gain or loss relating to Swap Contracts;

provided that the Borrower may, in its sole discretion, elect to not make any adjustment for any item pursuant to the foregoing clauses (1) through (4) above if any such item individually is less than $1,500,000 in any fiscal quarter.

"Consolidated First Lien Net Leverage Ratio" means, on any date of determination, with respect to the Group Parties on a consolidated basis, the ratio of (a) Consolidated Funded First Lien Indebtedness (less the Unrestricted Cash Amount) of the Group Parties on such date, calculated on a Pro Forma Basis to (b) Consolidated EBITDA of the Group Parties for the Test Period most recently then ended, calculated on a Pro Forma Basis.

"Consolidated Funded First Lien Indebtedness" means Consolidated Funded Indebtedness that is secured by a Lien on the Collateral that does not rank junior in priority or is not expressly subordinated (but, in each case, without regard to the control of remedies) to the Liens on the Collateral securing the Obligations. For the avoidance of doubt, (i) Consolidated Funded First Lien Indebtedness shall not include Capitalized Lease Obligations other than those that are secured on an equal priority basis with the Liens on the Collateral securing the Obligations and (ii) Consolidated Funded First Lien Indebtedness shall include all ABL Obligations that constitute Consolidated Funded Indebtedness.

"Consolidated Funded Indebtedness" means all third-party Indebtedness in respect of borrowed money and Capitalized Lease Obligations of a Person and its Restricted Subsidiaries on a consolidated basis, in an amount that would be reflected on a balance sheet prepared as of such date on a consolidated basis in accordance with GAAP (but (x) excluding the effects of any discounting of Indebtedness resulting from the application of purchase accounting in connection with the Transactions or any acquisition, (y) any Indebtedness that is issued at a discount to its initial principal amount shall be calculated based on the entire stated principal amount thereof, without giving effect to any discounts or upfront payments and (z) excluding obligations in respect of letters of credit, bank guarantees, and guarantees on first demand, in each case, except to the extent of unreimbursed amounts thereunder). For the avoidance of doubt, it is understood that obligations (i) under Swap Contracts, Cash Management Agreements, and any Receivables Financing and (ii) owed by Unrestricted Subsidiaries, do not constitute Consolidated Funded Indebtedness.

"Consolidated Funded Secured Indebtedness" means Consolidated Funded Indebtedness that is secured by a Lien on the Collateral.

"Consolidated Interest Coverage Ratio" means, on any date of determination, with respect to the Group Parties on a consolidated basis, the ratio of (1) Consolidated EBITDA of the Group Parties for the Test Period most recently then ended, calculated on a Pro Forma Basis to (2) the Consolidated Cash Interest Expense of the Group Parties for the Test Period most recently then ended, calculated on a Pro Forma Basis.

"Consolidated Interest Expense" means, with respect to any Person on a consolidated basis for any period, without duplication, the cash interest expense (including that attributable to Capitalized

Lease Obligations), net of cash interest income, with respect to Indebtedness of such Person and its Restricted Subsidiaries for such period, other than Indebtedness that is non-recourse to the Borrower and its Restricted Subsidiaries ("Non-Recourse Indebtedness"), including commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and net cash costs under hedging agreements (other than in connection with the early termination thereof);

excluding, in each case:

(1) amortization of deferred financing costs, debt issuance costs, commissions, fees and expenses and any other amounts of non-cash interest (including as a result of the effects of acquisition method accounting or pushdown accounting),

(2) interest expense attributable to the movement of the mark-to-market valuation of obligations under Swap Obligations or other derivative instruments, including pursuant to FASB Accounting Standards Codification Topic 815, *Derivatives and Hedging*,

(3) costs associated with incurring or terminating Swap Obligations and cash costs associated with breakage in respect of hedging agreements for interest rates,

(4) commissions, discounts, yield, make-whole premium and other fees and charges (including any interest expense) incurred in connection with any Non-Recourse Indebtedness,

(5) "additional interest" owing pursuant to a registration rights agreement with respect to any securities,

(6) any payments with respect to make-whole premiums or other breakage costs of any Indebtedness, including any Indebtedness issued in connection with the Transactions,

(7) penalties and interest relating to Taxes,

(8) accretion or accrual of discounted liabilities not constituting Indebtedness,

(9) interest expense attributable to a Parent Holdings Company resulting from push-down accounting,

(10) any expense resulting from the discounting of Indebtedness in connection with the application of recapitalization or purchase accounting,

(11) any interest expense attributable to the exercise of appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto in connection with the Transactions, any acquisition or Investment,

(12) annual agency fees paid to any administrative agents, collateral agents and trustees with respect to any secured or unsecured loans, debt facilities, debentures, bonds, commercial paper facilities, revolving credit facilities or other forms of Indebtedness (including any security or collateral trust arrangements related thereto),

(13) any interest expense or other fees or charges incurred with respect to any Escrowed Obligations (for the avoidance of doubt, so long as such Escrowed Obligations are held in Escrow), and

(14) any lease, rental or other expense in connection with a Non-Finance Lease.

For purposes of this definition, interest on a Capitalized Lease Obligation will be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP.

"Consolidated Net Income" means, with respect to any Person on a consolidated basis for any period, the aggregate of the net income (or loss) of such Person and its Restricted Subsidiaries for such period, calculated on a consolidated basis in accordance with GAAP and before any reduction in respect of Preferred Stock dividends; provided that (without duplication):

(a) all net after-tax extraordinary, special, nonrecurring, infrequent, exceptional or unusual (as determined by the Borrower in good faith) gains, losses, income, expenses and charges, and in any event including, without limitation, all restructuring, severance, relocation, retention and completion bonuses or payments, consolidation, integration or other similar charges and expenses, contract termination costs, system establishment charges, conversion costs, start-up or closure or transition costs, expenses related to any reconstruction, decommissioning, recommissioning or reconfiguration of fixed assets for alternative uses, fees, expenses or charges relating to curtailments, settlements or modifications to pension and post-retirement employee benefit plans, expenses associated with strategic initiatives, office and facilities shutdown and opening costs, and any fees, expenses, charges or change of control payments related to the Transactions or any acquisition or Investment (including any transition-related expenses (including retention or transaction-related bonuses or payments) incurred before, on or after the Closing Date), will be excluded;

(b) all (i) losses, charges and expenses related to the Transactions, (ii) transaction fees, accruals, costs and expenses (including rationalization, legal, tax, structuring and other costs and expenses) incurred in connection with the consummation of any equity issuances, dividends, investments, acquisitions, dispositions, recapitalizations, mergers, consolidations, amalgamations, option buyouts, exchange of equity interest, the early extinguishment of debt, hedging agreements or other derivative instruments, refinancing transactions, and the Incurrence, exchange, modification or repayment of Indebtedness permitted to be Incurred under this Agreement (including any Refinancing Indebtedness in respect thereof), the ABL Credit Agreement, the Pari Passu Credit Agreement or any amendments, waivers or other modifications under the agreements relating to such Indebtedness or similar transactions, in each case whether or not such transaction was successfully completed, and (iii) without duplication of any of the foregoing, non-operating or non-recurring professional fees, costs and expenses for such period will be excluded;

(c) all net after-tax income, loss, expense or charge from abandoned, closed or discontinued operations and any net after-tax gain or loss on the disposal of abandoned, closed or discontinued operations (and all related expenses) (but if such operations are classified as abandoned, closed or discontinued due to the fact that they are being held for sale or are subject to an agreement to dispose, abandon, divest or terminate such operations, only when and to the extent such operations are actually disposed, abandoned, divested or terminated) will be excluded;

(d) all net after-tax gain, loss, expense or charge attributable to business dispositions and asset dispositions, including the sale or other disposition of any Equity Interests of any Person, other than in the ordinary course of business (as determined in good faith by such Person), will be excluded;

(e) all net after-tax income, loss, expense or charge attributable to the early extinguishment or cancellation of Indebtedness, Swap Contracts or other derivative instruments (including deferred financing costs written off and premiums paid) will be excluded;

(f) all non-cash gains, losses, expenses or charges attributable to the movement in the mark-to-market valuation of Indebtedness, Swap Contracts or other derivative instruments will be excluded;

(g) any non-cash or unrealized currency translation gains and losses related to changes in currency exchange rates (including re-measurements of Indebtedness and any net loss or gain resulting from Swap Contracts for currency exchange risk), will be excluded;

(h) (i) the net income for such period of any Person that is not a Restricted Subsidiary of the referent Person or that is accounted for by the equity method of accounting, will be included only to the extent of the amount of dividends or distributions to the referent Person or a Restricted Subsidiary thereof in respect of such period; and (ii) the net income for such period will include any dividends or distributions received from any such Person during such period in excess of the amounts included in subclause (i) above;

(i) the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies will be excluded;

(j) the effects of adjustments (including the effects of such adjustments pushed down to the referent Person and its Restricted Subsidiaries) (including in the inventory, property and equipment, rights, fee arrangements, software, goodwill, intangible assets, in-process research and development, deferred revenue, advanced billings, leases and debt line items thereof) resulting from the application of purchase accounting, fair value accounting or recapitalization accounting in relation to the Transactions or any acquisition consummated before or after the Closing Date, and the amortization, write-down or write-off of any amounts thereof, net of taxes, will be excluded;

(k) all non-cash impairment charges and asset write-ups, write-downs and write-offs, in each case pursuant to GAAP, and the amortization of intangibles arising from the application of GAAP will be excluded;

(l) all non-cash expenses realized in connection with or resulting from equity or equity-linked compensation plans, employee benefit plans or agreements or post-employment benefit plans or agreements, or grants or sales of stock, stock appreciation or similar rights, stock options and other equity-based compensation, restricted stock, preferred stock or other similar rights will be excluded;

(m) any costs or expenses incurred in connection with the payment of dividend equivalent rights to option holders pursuant to any management equity plan, stock option plan or any other management or employee benefit plan or agreement or post-employment benefit plan or agreement will be excluded;

(n) accruals and reserves for liabilities or expenses that are established or adjusted as a result of (i) the Transactions within 12 months after the Closing Date or (ii) any permitted acquisition within 12 months after the date of such acquisition will be excluded;

(o) all amortization and write-offs of deferred financing fees, debt issuance costs, commissions, fees and expenses, costs of surety bonds, charges owed with respect to letters of credit, bankers' acceptances or similar facilities, and expensing of any bridge, commitment or other financing fees (including in connection with a transaction undertaken but not completed), will be excluded;

(p) all discounts, commissions, fees and other charges (including interest expense) associated with any Receivables Financing will be excluded;

(q) the effects of any revaluation of inventory (including any impact of changes of inventory valuation policy methods including changes in capitalization of variances) or other inventory adjustments will be excluded;

(r) expenses and lost profits with respect to liability or casualty events or business interruption will be excluded to the extent covered by insurance and actually reimbursed, or, so long as such Person has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer, but only to the extent that such amount (i) has not been denied by the applicable carrier in writing and (ii) is in fact reimbursed within 365 days of the date on which such liability was discovered or such casualty event or business interruption occurred (with a deduction for any amounts so added back that are not reimbursed within such 365-day period); provided that any proceeds of such reimbursement when received will be excluded from the calculation of Consolidated Net Income to the extent the expense or lost profit reimbursed was previously excluded pursuant to this clause (r);

(s) the amount of any fee, cost, charge, expense or reserve to the extent actually reimbursed or reimbursable by third parties pursuant to indemnification or reimbursement provisions or similar agreements or insurance will be excluded so long as such Person has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed, but only to the extent that such amount is in fact reimbursed within 365 days of the date on which the underlying event giving rise to such indemnification or reimbursement was discovered (with a deduction for any amounts so added back that are not reimbursed within such 365-day period); provided that any proceeds of such reimbursement when received will be excluded from the calculation of Consolidated Net Income to the extent the fee, cost, charge or expense reimbursed was previously excluded pursuant to this clause (s);

(t) non-cash charges or income relating to increases or decreases of deferred tax asset valuation allowances will be excluded;

(u) cash dividends or returns of capital from Investments received during such period, to the extent not otherwise included in Consolidated Net Income for that period or any prior period subsequent to the Closing Date will be included;

(v) solely for the purpose of determining the amount available for Restricted Payments under clause (c) of the first paragraph of Section 7.05, and without duplication of provisions under clause (c) of the first paragraph of Section 7.05 with respect to returns on Investments, the net income (or loss) for such period of any Restricted Subsidiary (other than a Guarantor) will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by the operation of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, unless such

restriction with respect to the payment of dividends or similar distributions has been legally waived; provided that Consolidated Net Income of such Person will be increased by the amount of dividends or other distributions or other payments actually paid in cash (or to the extent converted into cash) to such Person or any of its Restricted Subsidiaries in respect of such period, to the extent not already included therein (subject, in the case of a dividend to another Restricted Subsidiary (other than a Guarantor), to the limitation contained in this clause);

(w) any Public Company Costs will be excluded;

(x) any (a) severance or relocation costs or expenses, (b) one-time non-cash compensation charges, (c) the costs and expenses related to employment of terminated employees, or (d) costs or expenses realized in connection with or resulting from stock appreciation or similar rights, stock options or other rights of officers, directors and employees, in each case of such Person or any of its Restricted Subsidiaries, shall be excluded;

(y) 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 of any then outstanding Term Loan Tranche, shall be excluded; and

(z) losses, expenses or charges arising from any litigation, legal settlements, fines, judgments or orders and any accruals or reserves in respect thereof will be excluded;

provided that the Borrower may, in its sole discretion, elect to not make any adjustment for any item pursuant to clauses (a) through (z) above if any such item individually is less than $1,500,000 in any fiscal quarter.

For the purpose of Section 7.05 only, there shall be excluded from Consolidated Net Income any income arising from the sale or other disposition of Restricted Investments, from repurchases or redemptions of Restricted Investments, from repayments of loans or advances which constituted Restricted Investments or from any dividends, repayments of loans or advances or other transfers of assets from Unrestricted Subsidiaries, in each case to the extent such amounts increase the amount of Restricted Payments permitted under clause (c)(v) or (c)(vi) of the first paragraph of Section 7.05.

"Consolidated Net Tangible Assets" means the aggregate amount of assets (including deferred tax assets (without reducing such deferred tax assets by deferred tax liabilities), and less applicable reserves and other properly deductible items) after deducting therefrom all goodwill, trade names, trademarks, patents, unamortized debt discount and expense, investments and other like intangibles, all as set forth in the most recent consolidated balance sheet of the Group Parties, calculated on a Pro Forma Basis.

"Consolidated Secured Net Leverage Ratio" means, on any date of determination, with respect to the Group Parties on a consolidated basis, the ratio of (a) Consolidated Funded Secured Indebtedness (less the Unrestricted Cash Amount) of the Group Parties on such date, calculated on a Pro Forma Basis to (b) Consolidated EBITDA of the Group Parties for the Test Period most recently then ended, calculated on a Pro Forma Basis.

"Consolidated Total Net Leverage Ratio" means, on any date of determination, with respect to the Group Parties on a consolidated basis, the ratio of (a) Consolidated Funded Indebtedness (less the Unrestricted Cash Amount) of the Group Parties on such date, calculated on a Pro Forma Basis to (b) Consolidated EBITDA of the Group Parties for the Test Period most recently then ended, calculated on a Pro Forma Basis.

"Contingent Obligations" means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor,

(2) to advance or supply funds:

(a) for the purchase or payment of any such primary obligation; or

(b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, loan agreement, indenture, mortgage, deed of trust, lease, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Contribution Indebtedness" means Indebtedness of the Borrower or any Restricted Subsidiary in an aggregate principal amount not greater than 100% of the aggregate amount of contributions (other than Excluded Contributions, any amounts applied to make Restricted Payments permitted under clause (c)(ii) or (c)(iii) of the first paragraph of Section 7.05 and any amounts applied pursuant to clause (14) of the definition of "Permitted Investments") made to the capital of the Borrower (other than any such contributions applied to cure any default under any "equity cure" provisions with respect to any financial covenant under the ABL Credit Agreement) or any Restricted Subsidiary (other than, in the case of such Restricted Subsidiary, contributions by the Borrower or any other Restricted Subsidiary to its capital) after the Closing Date.

"Controlled Foreign Subsidiary" means any Subsidiary of the Borrower that is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"Converted ~~2023~~2024 Term Loan" means each ~~2023~~2024 Term Loan held by a Consenting Lender on the Amendment No. 45 Effective Date that has consented to its ~~2023~~2024 Term Loans being converted to 2024 Term B-2 Loans (or, if less, the amount notified to such Consenting Lender by the Administrative Agent).

"Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Covered Party" has the meaning specified in Section 10.24(b).

"Credit Agreement" means (i) this Agreement and (ii) whether or not this Agreement remains outstanding, if designated by the Borrower to be included in the definition of "Credit Agreement," one or more (A) debt facilities, indentures or commercial paper facilities providing for revolving credit loans,

term loans, notes, debentures, receivables financing (including through the sale of receivables to lenders or to special purpose entities formed to borrow from lenders against such receivables) or letters of credit, (B) debt securities, notes, mortgages, guarantees, collateral documents, indentures or other forms of debt financing (including convertible or exchangeable debt instruments or bank guarantees or bankers' acceptances), or (C) instruments or agreements evidencing any other Indebtedness, in each case, with the same or different borrower(s) or issuer(s) and, in each case, as amended, supplemented, modified, extended, restructured, renewed, refinanced, restated, increased (provided that such increase in borrowings is permitted under this Agreement), replaced or refunded in whole or in part from time to time and whether by the same or any other agent, lender or investor or group of lenders or investors.

"Daily Simple SOFR" shall mean, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent, in consultation with the Borrower, may establish another convention in its reasonable discretion.

"Debt Fund Affiliate" means any Affiliate of the Sponsor (other than Holdings and its Subsidiaries) that is primarily engaged in, or advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course. Notwithstanding the foregoing, in no event shall a Natural Person be a Debt Fund Affiliate.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all 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 and affecting the rights of creditors generally.

"Declined Amounts" has the meaning specified in Section 2.05(c).

"Declining Lender" has the meaning specified in Section 2.05(c).

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (after as well as before judgment), (a) with respect to any overdue principal or interest for any Loan, the applicable interest rate for such Loan plus 2.00% per annum (provided that with respect to SOFR Loans, the determination of the applicable interest rate is subject to Section 2.02(d) to the extent that SOFR Loans may not be converted to, or continued as, SOFR Loans, pursuant thereto) and (b) with respect to any other overdue amount, the interest rate applicable to Base Rate Loans plus 2.00% per annum, in each case, to the fullest extent permitted by applicable Laws.

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"Defaulting Lender" means, subject to Section 2.17(b), any Lender that (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans within three (3) Business Days of the date required to be funded by it hereunder, (b) has notified the Borrower or the Administrative Agent that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder, (c) has failed, within three (3) Business Days after reasonable request by the Administrative Agent or the Borrower, to confirm in a manner satisfactory

to the Administrative Agent and the Borrower that it will comply with its funding obligations or (d) has, or has a direct or indirect parent company that has, other than via an Undisclosed Administration, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment or (iv) become the subject of a Bail-in Action; provided that no Lender shall be a Defaulting Lender solely by virtue of (x) the ownership or acquisition by a Governmental Authority of any Equity Interest in that Lender or any direct or indirect parent company thereof so long as such ownership interest does not result in or provide such Lender 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 Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender, or (y) the occurrence of any of the events described in clause (d)(i), (d)(ii) or (d)(iii) of this definition which in each case has been dismissed or terminated prior to the date of this Agreement. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.17(b)) upon delivery of written notice of such determination to the Borrower and each Lender.

"Designated Funding Commitments" means any commitment to make loans or extend credit on a revolving basis (including commitments under a revolving credit facility) or delayed draw basis to Borrower or any Restricted Subsidiary by any Person other than Borrower or any Restricted Subsidiary, or any commitment by any Person other than Borrower or any Restricted Subsidiary to purchase Disqualified Stock or Preferred Stock issued by Borrower or any Restricted Subsidiary on a delayed basis, in each case, that have been specifically designated as a Designated Funding Commitment pursuant to a certificate executed by an Responsible Officer of the Borrower and delivered to the Administrative Agent, in each case, until such time as the Borrower delivers a certificate executed by a Responsible Officer of the Borrower specifically designating such Designated Funding Commitment as no longer constituting a Designated Funding Commitment for purposes of this Agreement.

"Designated Non-Cash Consideration" means the Fair Market Value of non-cash consideration received by the Borrower or any of the Restricted Subsidiaries in connection with a Disposition made pursuant to Section 7.04(2)(c) that is designated as "Designated Non-Cash Consideration" pursuant to a certificate of a Responsible Officer of the Borrower, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on such Designated Non-Cash Consideration.

"Designated Preferred Stock" means Preferred Stock of Holdings or any direct or indirect parent of Holdings, as applicable (other than Excluded Equity), that is issued after the Closing Date for cash and is so designated as Designated Preferred Stock, pursuant to an officer's certificate of the Borrower, on the issuance date thereof, the cash proceeds of which are contributed to the capital of the Borrower and do not increase the amount available to make Restricted Payments permitted under clause (c)(ii) of the first paragraph of Section 7.05.

"Discount Range" has the meaning specified in the definition of "Dutch Auction."

"Disinterested Director" means, with respect to any Affiliate Transaction, a member of the Board of Directors of the Borrower, Holdings or any Parent Holding Company having no material direct or indirect financial interest in or with respect to such Affiliate Transaction. A member of the Board of Directors of the Borrower, Holdings or any Parent Holding Company shall not be deemed to have such a

financial interest by reason of such member's holding Capital Stock of Holdings or any options, warrants or other rights in respect of such Capital Stock.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition of any property by any Person (including any sale and leaseback transaction and any issuance of Capital Stock by a Restricted Subsidiary of such Person), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith; provided, however, that "Disposition" and "Dispose" shall not be deemed to include any issuance by Holdings of any of its Capital Stock to another Person.

"Disqualified Institution" means (a) each person identified as a "Disqualified Institution" on a list delivered to the Arrangers by the Borrower (or representatives thereof) prior to September 8, 2021 (as such list may be supplemented by the Borrower after the Closing Date in a manner reasonably acceptable to the Administrative Agent), (b) any Company Competitor identified on a list delivered to the Administrative Agent by the Borrower from time to time and (c) as to any entity referenced in each of clauses (a) and (b) above (the "Primary Disqualified Institution"), any of such Primary Disqualified Institution's Affiliates readily identifiable as such by name, but excluding any Affiliate of any Company Competitor that is primarily engaged in, or that advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course and with respect to which the Primary Disqualified Institution does not, directly or indirectly, possess the power to direct or cause the direction of the investment policies of such entity; provided, that any designation of a Disqualified Institution shall not apply retroactively to disqualify any Person that has previously acquired an assignment or participation of the Term Loans. Notwithstanding the foregoing, any list of Disqualified Institutions shall only be required to be made available to any Lender, on a confidential basis only, upon written request by such Lender. For the purposes of clause (b) of this definition, such list shall be made available to the Administrative Agent pursuant to Section 10.02.

"Disqualified Stock" means, with respect to any Person, any Equity Interests of such Person that, by its terms (or by the terms of any security into which it is convertible or for which it is puttable, redeemable or exchangeable), in each case, at the option of the holder thereof or upon the happening of any event:

(1) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (other than as a result of a change of control, Qualified IPO or asset sale; provided that any purchase requirement triggered thereby may not become operative until compliance with, in the case of an asset sale, the provisions of Section 7.04 or, in the case of a change of control, the repayment in full of the Obligations),

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock, or

(3) is redeemable at the option of the holder thereof, in whole or in part,

in each case prior to the date that is 91 days after the Latest Maturity Date of the Term Loans at the time of issuance of the respective Disqualified Stock; provided that only the portion of Equity Interests that so mature or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Stock; provided further that if such Equity Interests are issued to any employee or to any plan for the benefit of employees of the Borrower or its Subsidiaries or a direct or indirect parent of the Borrower or by any such plan to such employees, such Equity Interests shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Borrower or its Subsidiaries or a direct or indirect

parent of the Borrower in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability; provided further that any class of Equity Interests of such Person that by its terms authorizes such Person to satisfy its obligations thereunder by delivery of Equity Interests that are not Disqualified Stock shall not be deemed to be Disqualified Stock.

"Dollar" and "$" mean lawful money of the United States.

"Dollar Equivalent" shall mean, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any currency other than Dollars, the equivalent amount thereof in Dollars as determined by the Administrative Agent at such time on the basis of the Spot Rate (determined in respect of the most recent date of determination) for the purchase of Dollars with such currency.

"Domestic Subsidiary" means any Subsidiary of the Borrower that is organized under the laws of the United States, any state thereof or the District of Columbia.

"Dutch Auction" means an auction (an "Auction") conducted by Holdings or one of its Subsidiaries in order to purchase any Term Loans under a Tranche (the "Purchase") in accordance with the following procedures or such other procedures as may be agreed to between the Administrative Agent and the Borrower:

(a) Notice Procedures. In connection with any Auction, the Borrower shall provide notification to the Administrative Agent (for distribution to the Appropriate Lenders) of the Term Loans under such Tranche that will be the subject of the Auction (an "Auction Notice"). Each Auction Notice shall be in a form reasonably acceptable to the Administrative Agent and shall specify (i) the total cash value of the bid, in a minimum amount of $10,000,000 with minimum increments of $2,000,000 in excess thereof (the "Auction Amount") and (ii) the discounts to par, which shall be expressed as a range of percentages of the par principal amount of the Term Loans under such Tranche at issue (the "Discount Range"), representing the range of purchase prices that could be paid in the Auction.

(b) Reply Procedures. In connection with any Auction, each applicable Lender may, in its sole discretion, participate in such Auction by providing the Administrative Agent with a notice of participation (the "Return Bid") which shall be in a form reasonably acceptable to the Administrative Agent and shall specify (i) a discount to par that must be expressed as a price (the "Reply Discount"), which must be within the Discount Range, and (ii) a principal amount of the applicable Loans such Lender is willing to sell, which must be in increments of $2,000,000 or in an amount equal to such Lender's entire remaining amount of the applicable Loans (the "Reply Amount"). Lenders may only submit one Return Bid per Auction. In addition to the Return Bid, each Lender wishing to participate in such Auction must execute and deliver, to be held in escrow by the Administrative Agent, an assignment and acceptance agreement in a form reasonably acceptable to the Administrative Agent.

(c) Acceptance Procedures. Based on the Reply Discounts and Reply Amounts received by the Administrative Agent, the Administrative Agent, in consultation with the Borrower, will determine the applicable discount (the "Applicable Discount") for the Auction, which shall be the lowest Reply Discount for which Holdings or its Subsidiary, as applicable, can complete the Auction at the Auction Amount; provided that, in the event that the Reply Amounts are insufficient to allow Holdings or its Subsidiary, as applicable, to complete a purchase of the entire Auction Amount (any such Auction, a "Failed Auction"), Holdings or such Subsidiary shall either, at its election, (i) withdraw the Auction or (ii) complete the Auction at an Applicable

Discount equal to the highest Reply Discount. Holdings or its Subsidiary, as applicable, shall purchase the applicable Loans (or the respective portions thereof) from each applicable Lender with a Reply Discount that is equal to or greater than the Applicable Discount ("Qualifying Bids") at the Applicable Discount; provided that if the aggregate proceeds required to purchase all applicable Loans subject to Qualifying Bids would exceed the Auction Amount for such Auction, Holdings or its Subsidiary, as applicable, shall purchase such Loans at the Applicable Discount ratably based on the principal amounts of such Qualifying Bids (subject to adjustment for rounding as specified by the Administrative Agent). Each participating Lender will receive notice of a Qualifying Bid as soon as reasonably practicable but in no case later than five (5) Business Days from the date the Return Bid was due.

(d) Additional Procedures. Once initiated by an Auction Notice, Holdings or any of its Subsidiaries, as applicable, may not withdraw an Auction other than a Failed Auction. Furthermore, in connection with any Auction, upon submission by a Lender of a Qualifying Bid, such Lender will be obligated to sell the entirety or its allocable portion of the Reply Amount, as the case may be, at the Applicable Discount. The Purchase shall be consummated pursuant to and in accordance with Section 10.07 and, to the extent not otherwise provided herein, shall otherwise be consummated pursuant to procedures (including as to timing, rounding and minimum amounts, Interest Periods, and other notices by Holdings or such Subsidiary, as applicable) reasonably acceptable to the Administrative Agent and the Borrower.

"Early Opt-in Effective Date" shall mean, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders.

"Early Opt-in Election" means the occurrence of both (a) (i) a determination by the Administrative Agent or (ii) a notification by the Required Lenders to the Administrative Agent (with a copy to the Borrower) that the Required Lenders have determined, that U.S. dollar-denominated syndicated credit facilities are being executed or amended, as applicable, at such time, to incorporate or adopt a new benchmark interest rate to replace the then-current Benchmark, and (b) the joint election by the Administrative Agent and the Borrower to declare that an Early Opt-in Election has occurred and the provision, as applicable, by the Administrative Agent of written notice of such election to the Borrower and the Lenders.

"ECF Deductions" has the meaning specified in Section 2.05(b)(i).

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 10.07(b) (subject to receipt of such consents, if any, as may be required for the assignment of the applicable Loan and/or Commitments to such Person under Section 10.07(b)(iii)).

"EMU" means the economic and monetary union as contemplated in the EU Treaty.

"EMU Legislation" means the legislative measures of the EMU for the introduction of, changeover to, or operation of the Euro in one or more member states.

"Environment" means 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 Laws" means any and all applicable federal, state, local and foreign statutes, laws, including common law, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses or governmental restrictions relating to pollution, the protection of the Environment, human health (to the extent relating to exposure to Hazardous Materials) or safety, including those related to Hazardous Materials, air emissions and discharges to public pollution control systems.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, monitoring or oversight by a Governmental Authority, fines, penalties or indemnities) of the Borrower, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) any actual or alleged violation of any Environmental Law, (b) the generation, use, handling, transportation, storage or treatment of any Hazardous Materials, (c) human exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the Environment or (e) any contract, agreement or other binding consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Environmental Permit" means any permit, approval, identification number, license or other authorization required under any Environmental Law.

"Equity Contribution" has the meaning specified in the definition of "Transactions".

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any Capital Stock that arises only by reason of the happening of a contingency or any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Issuance" means any issuance by any Person to any other Person of (a) its Equity Interests for cash, (b) any of its Equity Interests pursuant to the exercise of options or warrants, (c) any of its Equity Interests pursuant to the conversion of any debt securities to equity or (d) any options or warrants relating to its Equity Interests.

"ERISA" means the Employee Retirement Income Security Act of 1974, and the rules and regulations thereunder, each as amended or modified from time to time.

"ERISA Affiliate" means any Person who together with any Loan Party is treated as a single employer within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code) or Section 4001 of ERISA.

"ERISA Event" means (a) a Reportable Event with respect to a Plan; (b) the withdrawal of any Loan Party or any ERISA Affiliate from a Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by any Loan Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent (within the meaning of Section 4245 of ERISA); (d) the filing of a notice of intent to terminate or the treatment of a plan amendment as a termination under Section 4041 or 4041A of ERISA, respectively, (e) the institution by the PBGC of proceedings to terminate a Plan or Multiemployer Plan; (f) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan or Multiemployer Plan; (g) the determination that any Plan is considered an at-risk plan within the meaning of Section 430 of the Code or Section 303 of ERISA; (h) the determination that any Multiemployer Plan is considered a plan in "endangered," "critical," or "critical and declining" status within the meaning of Section 432 of the Code or Section 305 of ERISA; (i) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Loan Party or any ERISA Affiliate; (j) the conditions for the imposition of a Lien under Section 430(k) of the Code or Section 303(k) of ERISA shall have been met with respect to any Plan or (k) any other event or condition with respect to a Plan or Multiemployer Plan that could result in liability of the Borrower or any Subsidiary.

"Erroneous Payment" has the meaning assigned to it in Section 9.18(a).

"Erroneous Payment Deficiency Assignment" has the meaning assigned to it in Section 9.18(d)(i).

"Erroneous Payment Impacted Class" has the meaning assigned to it in Section 9.18(d)(i).

"Erroneous Payment Return Deficiency" has the meaning assigned to it in Section 9.18(d)(i).

"Escrow" has the meaning specified in the definition of "Indebtedness".

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"EU Treaty" means the Treaty on European Union.

"Euro" and "€" means the single currency of the Participating Member States introduced in accordance with the provisions of Article 109(i)4 of the EU Treaty.

"Event of Default" has the meaning specified in Section 8.01.

"Excess Cash Flow" means, with respect to any Excess Cash Flow Period, an amount, not less than zero, equal to:

(a) Consolidated Net Income of the Group Parties for such Excess Cash Flow Period, *plus*, without duplication:

(i) all non-cash charges, losses and expenses (including, without limitation, taxes) of such Person or any of its Restricted Subsidiaries that were deducted in calculating such Consolidated Net Income (provided, in each case, that 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); *plus*

(ii) an amount equal to the sum of (A) the decrease in Working Capital of such Person during such period (measured as the excess, if any, of Working Capital at the beginning of such Excess Cash Flow Period minus Working Capital at the end of such Excess Cash Flow Period), if any, plus (B) the decrease in long-term accounts receivable of such Person and its Restricted Subsidiaries, if any (other than any such decreases contemplated by clauses (A) and (B) of this clause (ii) that are directly attributable to dispositions of a Person or business unit by Holdings and its Restricted Subsidiaries during such period); *minus*

(b) the sum, without duplication (in each case, for the Borrower and the Restricted Subsidiaries on a consolidated basis), of:

(i) to the extent not deducted as an ECF Deduction, repayments, prepayments, repurchases, redemptions and other cash payments made with respect to the principal of any Indebtedness (including principal representing capitalized interest) or the principal component of any Capitalized Lease Obligations of such Person or any of its Restricted Subsidiaries during such period (excluding voluntary and mandatory prepayments of Term Loans, but including all premium, make-whole or penalty payments paid in cash (to the extent such payments are not expensed during such period or are not deducted in calculating Consolidated Net Income and such payments are not otherwise prohibited under this Agreement) and all repayments with respect to revolving Indebtedness to the extent accompanied by a corresponding reduction in commitments); provided that, with respect to any mandatory prepayment of Indebtedness (other than, for the avoidance of doubt, Term Loans), such prepayments shall only be deducted pursuant to this clause (i) to the extent not deducted in the computation of net proceeds in respect of the asset disposition or condemnation giving rise thereto; *plus*

(ii) (A) cash payments made by such Person or any of its Restricted Subsidiaries during such period in respect of Taxes (including distributions to any Parent Holding Company in respect of Taxes), to the extent such payments exceed the amount of tax expense deducted in calculating such Consolidated Net Income, and (B) cash payments that such Person or any of its Restricted Subsidiaries will be required to make in respect of Taxes (including distributions to any Parent Holding Company in respect of Taxes) within 180 days after the end of such period; provided that amounts described in this clause (B) will not reduce Excess Cash Flow in subsequent periods, and, to the extent not paid, will increase Excess Cash Flow in the subsequent period; *plus*

(iii) all cash payments and other cash expenditures made by such Person or any of its Restricted Subsidiaries during such period (A) with respect to items that were excluded in the calculation of such Consolidated Net Income pursuant to clauses (a) through (y) of the definition of "Consolidated Net Income" or (B) that were not expensed during such period in accordance with GAAP; *plus*

(iv) all non-cash credits included in calculating such Consolidated Net Income (including insured or indemnified losses referred to in clauses (r) and (s) of the definition of "Consolidated Net Income" to the extent not reimbursed in cash during such period); *plus*

(v) an amount equal to the sum of (A) the increase in the Working Capital of such Person during such period (measured as the excess, if any, of Working Capital at the end of such Excess Cash Flow Period minus Working Capital at the beginning of such Excess Cash Flow Period), if any, *plus* (B) the increase in long-term accounts receivable of such Person and its Restricted Subsidiaries, if any; *plus*

(vi) cash payments made in satisfaction of noncurrent liabilities (excluding payments of Indebtedness for borrowed money) not made directly or indirectly using proceeds, payments or any other amounts available from events or circumstances that were not included in determining Consolidated Net Income during such period; *plus*

(vii) to the extent not deducted in arriving at Consolidated Net Income, cash fees, expenses and purchase price adjustments incurred in connection with the Transactions, any acquisition consummated before or after the Closing Date or any Permitted Investment, Equity Issuance or debt issuance (whether or not consummated) and any Restricted Payment made to pay any of the foregoing incurred by Holdings; *plus*

(viii) the amount of cash payments made in respect of pensions and other postemployment benefits in such period to the extent not deducted in arriving at such Consolidated Net Income; *plus*

(ix) cash payments made by such Person or any of its Restricted Subsidiaries during such period in respect of items for which an accrual or reserve was established in a prior period, in each case to the extent such payments are not expensed during such period or are not deducted in calculating Consolidated Net Income; *plus*

(x) to the extent not deducted in arriving at Consolidated Net Income, cash payments (including reimbursement of out-of-pocket expenses or payments under any indemnity obligations) made by such Person during such period pursuant to the Management Agreement to the extent permitted hereunder.

"Excess Cash Flow Period" means any fiscal year of Holdings, commencing with the fiscal year ending on December 31, 2022.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Exchange Agent" means (a) the Administrative Agent or (b) any other financial institution or advisor employed by the Borrower (whether or not an Affiliate of the Administrative Agent), after consultation with the Administrative Agent, to act as an arranger in connection with any Permitted Debt Exchange pursuant to Section 2.19; provided that the Borrower shall not designate the Administrative Agent as the Exchange Agent without the written consent of the Administrative Agent (it being understood that the Administrative Agent shall be under no obligation to agree to act as the Exchange Agent); provided further that neither the Borrower nor any of its Affiliates may act as the Exchange Agent.

"Excluded Contributions" means the net cash proceeds and Cash Equivalents, or the Fair Market Value of other assets, received by the Borrower after the Closing Date from:

(1) contributions in the form of Equity Interests which are not Excluded Equity, and

(2) the sale of Capital Stock (other than Excluded Equity) of the Borrower,

in each case designated as Excluded Contributions pursuant to an officer's certificate of a Responsible Officer, or that has been utilized to make a Restricted Payment pursuant to clause (2) of the second paragraph of Section 7.05. Excluded Contributions will be excluded from the calculation set forth in clause (c) of the first paragraph of Section 7.05.

"Excluded Equity" means (i) Disqualified Stock, (ii) any Equity Interests issued or sold to a Restricted Subsidiary or any employee stock ownership plan or trust established by Holdings or any of its Subsidiaries or a direct or indirect parent of Holdings (to the extent such employee stock ownership plan or trust has been funded by Holdings or any Subsidiary or a direct or indirect parent of Holdings) and (iii) any Equity Interest that has already been used or designated (x) as (or the proceeds of which have been used or designated as) Designated Preferred Stock, an Excluded Contribution or Refunding Capital Stock, (y) to Incur Contribution Indebtedness or (z) to increase the amount available under clause (5)(a) of the second paragraph under Section 7.05 or clause (14) of the definition of "Permitted Investments" or is proceeds of Indebtedness referred to in clause (14)(b) of the second paragraph in Section 7.05.

"Excluded Indebtedness" has the meaning specified in the definition of "Indebtedness."

"Excluded Information" has the meaning specified in Section 10.07(j).

"Excluded Property" means, with respect to any Loan Party, (a) (i) any fee-owned real property not constituting Material Real Property, any real property leasehold or subleasehold interests and (ii) any fee-owned real property (whether already mortgaged, or required or intended to be mortgaged, at any time of determination) located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a "special flood hazard area" or such property or mortgage thereon would be subject to any flood insurance due diligence, flood insurance requirements or compliance with any flood insurance laws (it being agreed that (A) if it is subsequently determined that any such real property subject to, or otherwise required or intended to be subject to, a mortgage is or might be located in a flood hazard area, such property shall be deemed to constitute Excluded Property until a determination is made that such property is not located in a flood hazard area and does not require flood insurance, and (B) if there is an existing mortgage on such property, such mortgage shall be released if located in a special flood hazard area and would require flood insurance or if it cannot determined whether such fee owned real property is located in a special flood hazard area or would require flood insurance if the time or information necessary to make such determination would (as determined by the Borrower in good faith) delay or impair the intended date of funding any Loan or effectiveness of any amendment or supplement under this Agreement), (b) any motor vehicle, airplane or other asset subject to a certificate of title (other than to the extent a security interest therein can be perfected by filing an "all assets" UCC-1 financing statement and without the requirement to list any VIN, serial or similar number), (c) assets to the extent granting a security interest in such assets could reasonably be expected to result in material adverse tax consequences to the Borrower, Holdings or any of the Restricted Subsidiaries or Parent Holding Companies (other than the grant of security by Holdings or any Restricted Subsidiary of the Borrower that is a Loan Party as of the Closing Date), or material adverse regulatory consequences, in each case, as determined by the Borrower in good faith, (d) pledges of, and security interests in, certain assets, in favor of the Collateral Agent which are prohibited by applicable Law or would require obtaining the consent of any governmental authority; provided that (i) any such limitation described in this clause (d) on the security interests granted shall only apply to the extent that any such prohibition is not rendered ineffective pursuant to the Uniform Commercial Code of any applicable jurisdiction and shall not apply to any proceeds or receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code of any applicable jurisdiction notwithstanding such prohibition and (ii) in the event of the termination or elimination of any such prohibition contained in any applicable Law or to the

extent such consent is obtained, a security interest in such assets shall be automatically and simultaneously granted under the applicable Collateral Documents and such asset shall be included as Collateral, (e) subject to the FACA Requirement, any governmental or regulatory licenses or state or local franchises, charters, consent, permits and authorizations, to the extent security interests in favor of the Collateral Agent in such licenses, franchises, charters, consents, permits or authorizations are prohibited or restricted thereby or by applicable law, in each case, except to the extent such prohibition is unenforceable after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code of any applicable jurisdiction and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code of any applicable jurisdiction notwithstanding such prohibition; provided (i) any such limitation described in this clause (e) on the security interests granted shall only apply to the extent that any such prohibition could not be rendered ineffective pursuant to the Uniform Commercial Code of any applicable jurisdiction or any other applicable Law or principles of equity and shall not apply to any proceeds or receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code of any applicable jurisdiction notwithstanding such prohibition and that in the event of the termination or elimination of any such prohibition or restriction contained in any applicable license, franchise, charter or authorization, or under applicable law, a security interest in such licenses, franchises, charters or authorizations shall be automatically and simultaneously granted under the applicable Collateral Documents and such licenses, franchises, charters, permits, consents or authorizations shall be included as Collateral, (f) Equity Interests in (A) any Person (other than the Borrower and Wholly Owned Restricted Subsidiaries of Holdings that are not Immaterial Subsidiaries), (B) any not-for-profit Subsidiary, (C) any Captive Insurance Subsidiary, (D) any Receivables Subsidiary or special purpose securitization vehicle (or similar entity), (E) any broker-dealer Subsidiary, (F) Subsidiaries that are special purpose entities (the entities in subclauses (B), (C), (D), (E) and (F) of this clause (f), each, a "Limited Purpose Subsidiary"), (G) any Unrestricted Subsidiary, (H) any Person which is acquired after the date hereof to the extent and for so long as such Equity Interests are pledged in respect of Acquired Indebtedness and such pledge constitutes a Permitted Lien and does not permit the grant of a security interest on such Equity Interests and (I) any Person that is an Excluded Subsidiary pursuant to clause (e) of the definition of "Excluded Subsidiary", (g) subject to the FACA Requirement, any general intangible and any lease, license, permit or other agreement or any property or right subject thereto (including pursuant to a purchase money security interest, Capitalized Lease Obligation or similar arrangement, in each case permitted to be incurred under this Agreement or, in the case of after-acquired property, pre-existing secured debt not incurred in anticipation of the acquisition by the applicable Loan Party of such property), to the extent that a grant of a security interest therein would violate or invalidate such item or create a right of termination in favor of any other party thereto (other than a Loan Party), in each case, except to the extent such prohibition is unenforceable after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code of any applicable jurisdiction and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code of any applicable jurisdiction notwithstanding such prohibition, (h) "intent-to-use" trademark applications prior to the filing of a "Statement of Use" or "Amendment to Allege Use" filing, (i) receivables and related assets (or interests therein) (A) sold to any Receivables Subsidiary or (B) otherwise pledged, factored, transferred or sold in connection with any Receivables Financing, (j) Equity Interests in excess of 65% of the Capital Stock of any first-tier Subsidiary that is a (A) a Controlled Foreign Subsidiary or (B) a FSHCO, (k) trust accounts holding funds for third parties, payroll accounts and escrow accounts holding funds for third parties, in each case, as long as each such account is used solely for such purpose, (l) cash to secure letter of credit reimbursement obligations and such pledge constitutes a Permitted Lien, (m) Margin Stock, (n) leasehold or subleasehold interests to the extent a security interest in respect thereof cannot be perfected by filing an "all-assets" UCC-1 financing statement, (o) letter of credit rights, except to the extent constituting a supporting obligation for other Collateral as to which perfection of the security interest therein is accomplished by the filing of a UCC-1 financing statement, (p) all commercial tort claims that are not expected to result in a judgment or

settlement payment in excess of $10,000,000 (as determined by the Borrower in good faith), (q) from and after the date of the termination and repayment in full of the ABL Facility and so long as no other similar facility is in effect with a first priority lien on the ABL Priority Collateral, cash and Cash Equivalents (other than cash and Cash Equivalents representing identifiable proceeds of other "Collateral" a security interest in which is perfected through the filing of a UCC-1 financing statement or automatically without filing), and any deposit, commodity or securities account (including any securities entitlement and any related asset) (in each case, except to the extent a security interest therein can be perfected through the filing of a UCC-1 financing statement or automatically without a filing), (s) any assets or property located or titled in any jurisdiction outside the U.S. and held by any Loan Party, to the extent a security interest in respect thereof cannot be perfected by filing an "all-assets" UCC-1 financing statement or the delivery of certificates or instruments otherwise required pursuant to the terms of the Loan Documents or automatically without a filing (provided that this clause (s) shall not apply to (x) the assets of any Loan Party that is a Foreign Subsidiary to the extent such assets or property are located in jurisdictions outside the U.S. that are agreed between the Borrower and the Administrative Agent, and (y) the Equity Interests of any Foreign Subsidiary that is a Guarantor); provided that Excluded Property shall not include any assets of any Loan Party which secure (or purport to secure) the ABL Obligations. Other assets shall be deemed to be "Excluded Property" if the Borrower determines in good faith that the burden or cost of obtaining or perfecting a security interest in such assets (including, without limitation, the cost of title insurance, surveys or flood insurance (if necessary)) outweighs the benefit to the Lenders of the security afforded thereby. Notwithstanding anything herein or the Collateral Documents to the contrary, Excluded Property shall not include any Proceeds (as defined in the UCC), substitutions or replacements of any Excluded Property (unless such Proceeds, substitutions or replacements would otherwise constitute Excluded Property referred to above).

"Excluded Subsidiary" means any direct or indirect Subsidiary of the Borrower that is (a) an Unrestricted Subsidiary, (b) a non-Wholly-Owned Subsidiary, (c) an Immaterial Subsidiary, (d) a FSHCO, (e) established or created pursuant to clause (14)(g) of the second paragraph of Section 7.05 and meeting the requirements of the proviso thereto; provided that such Subsidiary shall only be an Excluded Subsidiary for the period immediately prior to such acquisition, (f) a Foreign Subsidiary and any Subsidiary of a Controlled Foreign Subsidiary; (g) a Subsidiary that is prohibited by applicable Law from guaranteeing the Facilities, or which would require governmental (including regulatory) consent, approval, license or authorization to provide a guarantee (including, for the avoidance of doubt, Laws relating to financial assistance, corporate benefit, thin capitalization, capital maintenance, liquidity maintenance or similar legal principles, restrictions on upstreaming and/or cross-streaming of cash intra-group and Laws relating to the fiduciary and/or statutory duties of the Board of Directors of Holdings and/or any of its Subsidiaries) unless, such consent, approval, license or authorization has been received; provided that none of Holdings or is Restricted Subsidiaries shall have any obligation to obtain such consent, approval, license or authorization, (h) a Subsidiary that is prohibited from guaranteeing the Facilities by any Contractual Obligation in existence on the Closing Date (but not entered into in contemplation thereof) and for so long as any such Contractual Obligation exists (or, in the case of any newly-acquired Subsidiary, in existence at the time of acquisition thereof but not entered into in contemplation thereof and for so long as any such Contractual Obligation exists), (i) a Person (other than Holdings or a Restricted Subsidiary of the Borrower that is a Subsidiary of any Loan Party as of the Closing Date) whose guarantee of the Facilities would result in material adverse tax consequences to the Borrower, Holdings or any of the Restricted Subsidiaries or Parent Holding Companies, as determined by the Borrower in good faith, (j) any Limited Purpose Subsidiary, (k) any Restricted Subsidiary acquired by Holdings or any of the Restricted Subsidiaries after the Closing Date that, at the time of the relevant acquisition, is an obligor in respect of assumed Indebtedness that is permitted under this Agreement, and any Restricted Subsidiary thereof that guarantees such Indebtedness, in each case, to the extent (and for so long as) the documentation governing the applicable assumed Indebtedness or guaranty thereof prohibits such Subsidiary from becoming a Guarantor so long as such restriction was not incurred in

contemplation of such acquisition, and (l) any other Subsidiary with respect to which, in the good faith determination of the Borrower, the burden or cost of guaranteeing the Facilities outweighs the benefits to be obtained by the Lenders therefrom; provided that the Borrower may from time to time elect to cause any Excluded Subsidiary (in the case of any Foreign Subsidiary, with the consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed)) to become a Guarantor upon notice to the Administrative Agent; provided further that if a Subsidiary executes the Subsidiary Guaranty as a "Subsidiary Guarantor," then it shall not constitute an "Excluded Subsidiary" (unless released from its obligations under the Subsidiary Guaranty as a "Subsidiary Guarantor" in accordance with the terms hereof and thereof).

"Excluded Swap Obligation" means, 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 of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal 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 effect to any applicable keepwell, support, or other agreement for the benefit of such Guarantor), 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) 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 Loan Parties and Hedge Bank applicable to such Swap Obligation.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by such Recipient's net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being 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) that are Other Connection Taxes, (b) in the case of a Lender, any U.S. federal withholding Taxes imposed pursuant to a Law in effect on the date on which such Lender becomes a party hereto (other than pursuant to a request by any Loan Party under Section 3.08) or changes its lending office, except in each case to the extent that, pursuant to Section 3.01, additional amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changes its lending office, (c) Taxes attributable to such Recipient's failure to comply with 3.01(g)., (d) any Taxes imposed under FATCA, (e) U.S. federal backup withholding Taxes under Section 3406 of the Code and (f) Other Connection Taxes that are excluded from the definition of Other Taxes.

"Existing Lender Assignment" means an assignment of, as applicable, (x) Commitments under a Term Facility, a Specified Refinancing Term Loan Facility or a New Term Facility or (y) Term Loans, Specified Refinancing Term Loans and New Term Loans, in each case to an existing Lender, an Affiliate of an existing Lender or an Approved Fund thereof (other than any Disqualified Institution).

"Existing Term Loan Credit Agreement" means that certain Term Loan Credit Agreement, dated as of June 29, 2018, by and among, the Borrower, Vertex Holdings, the lenders from time to time party thereto and Morgan Stanley Senior Funding, Inc., as administrative agent, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"Extendable Bridge Loans" means any bridge loan which provides for an automatic extension of the maturity thereof, subject to customary conditions, to a date that is not earlier than the Latest Maturity Date of the 2024 Term B-2 Loan Facility and the Weighted Average Life to Maturity of the long-term debt into which such bridge loan is to be converted or exchanged is not shorter than the remaining Weighted Average Life to Maturity of the 2024 Term B-2 Loan Facility or any Indebtedness that is being refinanced with the proceeds of such Extendable Bridge Loans, as applicable.

"FACA" means the Assignment of Claims Act of 1940 (41 U.S.C. Section 15, 31 U.S.C. Section 3737, and 31 U.S.C. Section 3727) including all amendments thereto and regulations promulgated thereunder.

"FACA Requirement" has the meaning specified in Section 6.20.

"FACA Requirement Documents" means all documents, instruments and assignments, as may be reasonably requested by the ABL Representative to comply with FACA in its Permitted Discretion (as defined in the ABL Credit Agreement).

"Facility" means the Term Facilities.

"Failed Auction" has the meaning specified in the definition of "Dutch Auction."

"Fair Market Value" means, with respect to any asset or property, the price that could be negotiated in an arm's-length, free market transaction, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction (as determined in good faith by the Borrower, whose determination will be conclusive for all purposes under the Loan Documents).

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future Treasury regulations or official administrative interpretations thereof, any agreements entered into pursuant to current Section 1471(b)(1) of the Code (or any amended or successor version described above) and any intergovernmental agreements implementing the foregoing (together with any Laws implementing such agreements).

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent; provided further that if the Federal Funds Rate is negative, then it shall be deemed to be 0% per annum.

"Fifth Amendment" means that certain Amendment No. 5 to First Lien Credit Agreement, dated as of the Amendment No. 5 Effective Date, by and among the Borrower, Holdings, the other Loan Parties party thereto, the Additional 2024 Term B-2 Lender and the Administrative Agent.

"Financial Incurrence Test" has the meaning specified in Section 1.11(b).

"Financial Model" means the model made available by the Sponsor to the Arrangers on August 31, 2021.

"First Amendment" means that certain Amendment No. 1 to First Lien Credit Agreement, dated as of the First Amendment Effective Date, by and among the Borrower, Holdings, the other Loan Parties party thereto, the 2022 Incremental Term Lenders party thereto and the Administrative Agent.

"First Amendment Effective Date" has the meaning specified in the First Amendment.

"Fixed Amounts" has the meaning specified in Section 1.11(b).

"Foreign Casualty Event" shall have the meaning assigned to such term in Section 2.05(b)(viii).

"Foreign Disposition" shall have the meaning assigned to such term in Section 2.05(b)(viii).

"Foreign Lender" means a lender that is not a U.S. Person.

"Foreign Subsidiary" means any direct or indirect Subsidiary of the Borrower that is not a Domestic Subsidiary.

"Fourth Amendment" means that certain Amendment No. 4 to First Lien Credit Agreement, dated as of the Amendment No. 4 Effective Date, by and among the Borrower, Holdings, the other Loan Parties party thereto, the Additional 2024 Term Lender and the Administrative Agent.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"FSHCO" means any direct or indirect Subsidiary of the Borrower that owns, directly or indirectly, no material assets other than Capital Stock (or, if applicable, Capital Stock and indebtedness) of one or more Controlled Foreign Subsidiaries or another FSHCO.

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

"GAAP" means generally accepted accounting principles in the United States of America as in effect from time to time, including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as approved by a significant segment of the accounting profession (but excluding the policies, rules and regulations of the SEC applicable only to public companies); provided that the Borrower may at any time elect by written notice to the Administrative Agent to use IFRS in lieu of GAAP for financial reporting purposes and, upon any such notice, references herein to GAAP shall thereafter be construed to mean (a) for periods beginning on and after the date specified in such notice, IFRS as in effect from time to time and (b) for prior periods, GAAP as defined in this sentence without giving effect to the proviso thereto. All ratios and computations based on GAAP contained in this Agreement shall be computed in conformity with GAAP.

"General Asset Sale Basket" has the meaning set forth in Section 7.04(2).

"General Debt Basket" has the meaning specified in Section 7.01(l).

"General Debt Basket Reallocated Amount" means any amount then available to be incurred under the General Debt Basket that, at the option of the Borrower, has been reallocated from the General Debt Basket to the Cash-Capped Incremental Facility.

"Government Contract" means an agreement, contract or license to which any Loan Party and the United States or any of its departments, agencies or instrumentalities are parties.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any applicable supranational bodies (such as the European Union or the European Central Bank).

"Granting Lender" has the meaning specified in Section 10.07(g).

"Group Parties" means the collective reference to the Borrower and the Restricted Subsidiaries, and "Group Party" means any one of them.

"Guarantee" means, as to any Person, without duplication, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other monetary obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other monetary obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other monetary obligation of the payment or performance of such Indebtedness or other monetary obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other monetary obligation or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other monetary obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (b) any Lien on any assets of such Person securing any Indebtedness or other monetary obligation of any other Person, whether or not such Indebtedness or other monetary obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien); provided that the term "Guarantee" shall not include endorsements for collection or deposit, in either case in the ordinary course of business, or customary or 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 such obligations with respect to Indebtedness). The amount of any Guarantee shall be deemed to be an amount 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 by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guarantors" means, collectively, Holdings and, as of the Closing Date, the Subsidiaries of the Borrower listed on Schedule 1 and each other Subsidiary of the Borrower that executes and delivers a Guaranty or guaranty supplement pursuant to the Guaranty, Sections 6.12 or 6.16, unless it has ceased to be a Guarantor pursuant to the terms hereof.

"Guaranty" means, collectively, the Holdings Guaranty and the Subsidiary Guaranty.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, materials or wastes, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, toxic mold, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other toxic substances, materials or wastes of any nature regulated pursuant to any Environmental Law.

"Hedge Bank" means (x) any Person that is a Lender or an Agent or an Affiliate of a Lender or an Agent or (y) any other Person designated by the Borrower, in each case, in its capacity as a party to such Swap Contract; provided that, in the case of clause (y), such other Person has delivered to the Collateral Agent a written notice (1) appointing the Collateral Agent as its agent under the applicable Loan Documents and (2) agreeing to be bound by Article IX and Sections 10.05, 10.15 and 10.17 as if such Person were a Lender; provided that no Hedge Bank shall have any rights in connection with the terms of the Loan Documents or management or release of Collateral or the obligations of any Loan Party under the Loan Documents, other than in its capacity as a Lender or an Agent.

"Historical Financial Statements" means (x) the audited balance sheet and the corresponding audited statement of income of Vertex Holdings for the fiscal year ended December 31, 2020 and (y) the unaudited balance sheet and statement of income for the fiscal quarters ended March 31, 2021, June 30, 2021 and September 30, 2021, in each case without regard to the Target Business.

"Holdings" has the meaning specified in the introductory paragraph to this Agreement.

"Holdings Guaranty" means the Holdings Guaranty made by Holdings in favor of the Administrative Agent on behalf of the Secured Parties, substantially in the form of Exhibit E-1.

"IFRS" means the International Financial Reporting Standards as issued by the International Accounting Standards Board.

"Immaterial Subsidiary" means any Subsidiary of the Borrower that, as of the last day of the Test Period most recently then ended, does not have (a) assets (when combined with the assets of all other Immaterial Subsidiaries, after eliminating intercompany obligations) in excess of 5.0% of Consolidated Net Tangible Assets of the Group Parties or (b) Consolidated EBITDA (when combined with the Consolidated EBITDA of all other Immaterial Subsidiaries) in excess of 5.0% of the Consolidated EBITDA of the Group Parties; provided that, at all times prior to the first delivery of financial statements pursuant to Section 6.01(a) or (b), this definition shall be applied based on the pro forma consolidated financial statements of the Group Parties delivered to the Administrative Agent prior to the date hereof.

"Immediate Family Member" means with respect to any individual, such individual's child, stepchild, grandchild or more remote descendant, parent, stepparent, grandparent, spouse, former spouse, domestic partner, former domestic partner, sibling, mother-in-law, father-in-law, son-in-law or daughter-in-law (including adoptive relationships), any trust, partnership or other bona fide estate-planning vehicle the only beneficiaries of which are any of the foregoing individuals, such individual's estate (or an executor, administrator, heir or legatee, in each case, acting on their behalf) 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.

"Increase Effective Date" has the meaning specified in Section 2.14(c).

"Incremental Amounts" means the amount of any unused commitments under the applicable refinanced Indebtedness, Disqualified Stock or Preferred Stock and any accrued interest, fees, defeasance costs and premium (including call and tender premiums), if any, under the refinanced Indebtedness,

Disqualified Stock or Preferred Stock, and underwriting discounts, fees, commissions and expenses (including original issue discount, upfront fees and similar items) in connection with the refinancing of the applicable Indebtedness, Disqualified Stock or Preferred Stock and the incurrence or issuance of the applicable refinancing Indebtedness, Disqualified Stock or Preferred Stock in connection therewith.

"Incremental Arranger" has the meaning specified in Section 2.14(a).

"Incremental Equivalent Cash Component Debt" has the meaning specified in the first paragraph of Section 7.01.

"Incremental Equivalent Debt" has the meaning specified in the first paragraph of Section 7.01.

"Incremental Equivalent Prepayment Component Debt" has the meaning specified in the first paragraph of Section 7.01.

"Incremental Equivalent Ratio Component Debt" has the meaning specified in the first paragraph of Section 7.01.

"Incur" means, with respect to any Indebtedness, Capital Stock or Lien, to issue, assume, guarantee, incur or otherwise become liable for such Indebtedness, Capital Stock or Lien, as applicable; provided that any Indebtedness, Capital Stock or Lien of a Person existing at the time such Person becomes a Subsidiary (whether by merger, amalgamation, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at the time it becomes a Subsidiary.

"Incurrence-Based Amounts" has the meaning specified in Section 1.11(b).

"Indebtedness" means, with respect to any Person, without duplication:

(a) the principal of any indebtedness of such Person, whether or not contingent, (i) in respect of borrowed money, (ii) evidenced by bonds, notes, debentures or similar instruments or letters of credit or bankers' acceptances (or, without duplication, reimbursement agreements in respect thereof), (iii) representing the deferred and unpaid purchase price of any property, (iv) in respect of Capitalized Lease Obligations or (v) representing any Swap Contracts, in each case, if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Swap Contracts) would appear as a liability on a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP;

(b) to the extent not otherwise included, any guarantee by such Person of the Indebtedness of another Person (other than by endorsement of negotiable instruments for collection in the ordinary course of business); and

(c) to the extent not otherwise included, Indebtedness of another Person secured by a Lien on any asset owned by such Person (whether or not such Indebtedness is assumed by such Person); provided, however, that the amount of such Indebtedness will be the lesser of: (a) the Fair Market Value of such asset at such date of determination, and (b) the amount of such Indebtedness of such other Person.

The term "Indebtedness" shall not include any prepayments of deposits received from clients or customers in the ordinary course of business or consistent with past practices, or obligations under any license, permit or other approval (or guarantees given in respect of such obligations) Incurred prior to the Closing Date or in the ordinary course of business or consistent with past practices.

Notwithstanding the above provisions, in no event shall the following constitute Indebtedness:

(i) Contingent Obligations Incurred in the ordinary course of business or consistent with past practices;

(ii) obligations under or in respect of Receivables Financings;

(iii) any balance that constitutes a trade payable, accrued expense or similar obligation to a trade creditor, in each case Incurred in the ordinary course of business;

(iv) intercompany liabilities that would be eliminated on the consolidated balance sheet of Holdings and its consolidated Subsidiaries;

(v) prepaid or deferred revenue arising in the ordinary course of business;

(vi) Cash Management Services;

(vii) any earn out obligation, purchase price adjustment or similar obligation until such obligation becomes a liability on the balance sheet (excluding the footnotes thereto) in accordance with GAAP and is not paid within 30 days after becoming due and payable;

(viii) obligations, to the extent such obligations would otherwise constitute Indebtedness, under any agreement that have been defeased or satisfied and discharged pursuant to the terms of such agreement;

(ix) for the avoidance of doubt, any obligations in respect of workers' compensation claims, early retirement or termination obligations, deferred compensatory or employee or director equity plans, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage taxes;

(x) Capital Stock (other than Disqualified Stock and Preferred Stock);

(xi) Non-Finance Lease Obligations; or

(xii) any obligations of Borrower and its Restricted Subsidiaries to any Seller Guarantor (as defined in the Purchase Agreement) in respect of Business Guarantees (as defined in the Purchase Agreement) pursuant to the Purchase Agreement, and any obligation of Borrower and its Restricted Subsidiaries in respect of Seller Guarantees (as defined in the Purchase Agreement) that are reimbursable to the Borrower or its Restricted Subsidiaries pursuant to the Purchase Agreement.

Subject to Section 1.02(i), Indebtedness will not be deemed to include obligations ("Escrowed Obligations") Incurred in advance of, and the proceeds of which are to be applied in connection with, the consummation of a transaction solely to the extent the proceeds thereof are and continue to be held in an escrow, trust, collateral or similar account or arrangement (collectively, an "Escrow") and are not otherwise made available to such Person (such indebtedness, "Excluded Indebtedness"). From and after the date on which any Escrow is established and prior to the date on which the proceeds in which such Escrow have been fully released to Holdings, any other Person or otherwise, for the purposes of determining whether any Indebtedness is permitted to be Incurred under this Agreement, such determination shall be made on a Pro Forma Basis assuming the release of proceeds under the Escrow,

the use of proceeds thereof (and the consummation of the associated transactions) and the inclusion of the Excluded Indebtedness.

"Indemnified Liabilities" has the meaning specified in Section 10.05.

"Indemnified Taxes" means (a) all Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), all Other Taxes.

"Indemnitees" has the meaning specified in Section 10.05.

"Independent Financial Advisor" means an accounting, appraisal or investment banking firm or consultant, in each case of nationally recognized standing that is, in the good faith determination of the Borrower, qualified to perform the task for which it has been engaged.

"Information" has the meaning specified in Section 10.08.

"Initial Term Borrowing" means a borrowing consisting of simultaneous Initial Term Loans of the same Type and, in the case of SOFR Loans, having the same Interest Period made by each of the Term Lenders pursuant to Section 2.01(a) of this Agreement (as in effect on the Closing Date), in each case, on the Closing Date.

"Initial Term Commitment" means, as to each Term Lender, its obligation to make Initial Term Loans to the Borrower pursuant to Section 2.01(a) of this Agreement (as in effect on the Closing Date) in an aggregate principal amount not to exceed the amount set forth opposite such Term Lender's name on Schedule 2.01 under the caption "Initial Term Commitment" as such amount may be adjusted from time to time in accordance with this Agreement. The initial aggregate amount of the Initial Term Commitments on the Closing Date was $925,000,000.

"Initial Term Loans" means all Term Loans outstanding under this Agreement immediately prior to the Amendment No. 3 Effective Date.

"Initial Term Loan Facility" means the Term Facility in respect of the Initial Term Loans.

"Intercompany License Agreement" means any cost sharing agreement, commission or royalty agreement, license or sub-license agreement, distribution agreement, services agreement, intellectual property rights transfer agreement or any related agreements, in each case where all the parties to such agreement are one or more of the Borrower and any Restricted Subsidiary thereof.

"intellectual property" means intellectual property, including all (a) patents, inventions, industrial designs, processes, developments, technology, and know-how; (b) copyrights and works of authorship in any media, including graphics, advertising materials, labels, package designs, and photographs; (c) trademarks, service marks, trade names, brand names, corporate names, domain names, logos, trade dress, and other source indicators, and the goodwill of any business symbolized thereby; and (d) trade secrets, confidential, proprietary, or non public information.

"Intellectual Property Security Agreement" means, collectively, the intellectual property security agreement substantially in the form of Exhibit B to the Security Agreement, dated the date of this Agreement, together with each other intellectual property security agreement or Intellectual Property Security Agreement Supplement executed and delivered pursuant to Section 6.12, Section 6.14 or Section 6.16.

"Intellectual Property Security Agreement Supplement" means, collectively, any intellectual property security agreement supplement entered into in connection with, and pursuant to the terms of, any Intellectual Property Security Agreement.

"Intercompany Note" means an intercompany note, in substantially the form of Exhibit H hereto, or otherwise in form and substance reasonably satisfactory to the Administrative Agent and the Borrower.

"Interest Payment Date" means, (a) as to any Loan other than a Base Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date of the Facility under which such Loan was made; provided, however, that if any Interest Period for a SOFR Loan exceeds three (3) months, the respective dates that fall every three (3) months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan, the last Business Day of each March, June, September and December, and the Maturity Date of the Facility under which such Loan was made, commencing December 31, 2021.

"Interest Period" means, as to each SOFR Loan, the period commencing on the date such SOFR Loan is disbursed or converted to or continued as a SOFR Loan and ending on the date one (1), three (3) or six (6) months thereafter,(or such shorter interest period as may be agreed to by all Lenders of the applicable Tranche) as the Borrower may elect; as selected by the Borrower in a Committed Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the scheduled Maturity Date of the Facility under which such Loan was made;

provided further that the Interest Period for any Borrowing to be made on the Amendment No. ~~4~~5 Effective Date (which Interest Period shall commence on the Amendment No. ~~4~~5 Effective Date) may end on ~~June 28, 2024.~~January 31, 2025.

"Investment" means, with respect to any Person, (i) all investments by such Person in other Persons (including Affiliates) in the form of (a) loans (including guarantees of Indebtedness), (b) advances or capital contributions (excluding accounts receivable, trade credit and advances or other payments made to customers, dealers, suppliers and distributors and payroll, commission, travel and similar advances to officers, directors, managers, employees consultants and independent contractors made in the ordinary course of business), and (c) purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and (ii) investments that are required by GAAP to be classified on the balance sheet of the Borrower in the same manner as the other investments included in clause (i) of this definition to the extent such transactions involve the transfer of cash or other property; provided that Investments shall not include, in the case of the Borrower and the Restricted Subsidiaries, intercompany loans, advances, or Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business. If the Borrower or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any

Restricted Subsidiary, or any Restricted Subsidiary issues any Equity Interests, in either case, such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Borrower, the Borrower shall be deemed to have made an Investment on the date of any such sale or other disposition equal to the Fair Market Value of the Equity Interests of and all other Investments in such Restricted Subsidiary retained. In no event shall a guarantee of an operating lease or Non-Financing Lease Obligations of the Borrower or any Restricted Subsidiary be deemed an Investment. For purposes of the definition of "Unrestricted Subsidiary" and Section 7.05:

(1) "Investments" shall include the portion (proportionate to the Borrower's equity interest in such Subsidiary) of the Fair Market Value of the net assets of a Subsidiary of the Borrower at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided, however, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Borrower shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary in an amount (if positive) equal to:

(a) the Borrower's "Investment" in such Subsidiary at the time of such redesignation; less

(b) the portion (proportionate to the Borrower's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer.

The amount of any Investment outstanding at any time (including for purposes of calculating the amount of any Investment outstanding at any time under any provision of Section 7.05 and otherwise determining compliance with Section 7.05) shall be the original cost of such Investment (determined, in the case of any Investment made with assets of the Borrower or any Restricted Subsidiary, based on the Fair Market Value of the assets invested and without taking into account subsequent increases or decreases in value), reduced by any dividend, distribution, interest payment, return of capital, repayment or other amount received in cash by the Borrower or a Restricted Subsidiary in respect of such Investment and shall be net of any Investment by such Person in the Borrower or any Restricted Subsidiary.

"Investment Grade Rating" means 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 "nationally recognized statistical rating organization" within the meaning of Section 3 under the Exchange Act selected by the Borrower as a replacement agency for Moody's or S&P, as the case may be.

"Investment Grade Securities" means:

(1) securities issued or directly and guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents),

(2) securities that have an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Borrower and its Subsidiaries,

(3) investments in any fund that invests at least 95.0% of its assets in investments of the type described in clauses (1) and (2) above and clause (4) below which fund may also hold immaterial amounts of cash pending investment and/or distribution, and

(4) corresponding instruments in countries other than the United States customarily utilized for high quality investments and in each case with maturities not exceeding two years from the date of acquisition.

"Investors" has the meaning specified in the definition of "Transactions".

"IP Cross-License Agreement" the IP Cross-License Agreement (as defined in the Purchase Agreement), to be entered into on or prior to the Closing Date, as amended, restated, amended and restated, modified or supplemented from time to time.

"IRS" means the United States Internal Revenue Service.

"ISDA CDS Definitions" has the meaning specified in Section 10.01.

"Japanese Yen" and "¥" means freely transferable lawful money of Japan.

"joint venture" means any joint venture or similar arrangement (in each case, regardless of legal formation), including but not limited to collaboration arrangements, profit sharing arrangements or other contractual arrangements.

"Junior Financing" has the meaning specified in Section 7.05(3).

"Junior Financing Document" means any documentation governing any Junior Financing.

"Junior Lien Obligations" shall mean any Indebtedness secured by Liens on the Collateral ranking junior to the Liens on the Collateral securing the 2024 Term B-2 Loans (but without regard to the control of remedies).

"JV Distribution" means, at any time, 50% of the aggregate amount of all cash dividends or distributions received by the Borrower or any of its Restricted Subsidiaries as a return on an Investment in a Permitted Joint Venture during the period from the Closing Date through the end of the fiscal quarter most recently ended for which financial statements are internally available; provided that the Borrower or any of its Restricted Subsidiaries are not required to reinvest such dividends or distributions in the Permitted Joint Venture.

"Latest Maturity Date" means, at any date of determination, the latest maturity or expiration date applicable to any Term Loan Tranche at such time under this Agreement, in each case as extended in accordance with this Agreement from time to time.

"Laws" means, collectively, all applicable international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority.

"Legal Reservations" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court, the limitation of enforcement by laws relating to insolvency, bankruptcy, liquidation, judicial management, reorganization, court schemes, moratoria, administration and other laws

generally affecting the rights of creditors and similar principles or limitations under the laws of any applicable jurisdiction;

(b) the time barring of claims under applicable limitation laws, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of stamp duty may be void and defenses of set-off or counterclaim and similar principles or limitations under the laws of any applicable jurisdiction;

(c) any general principles, reservations or qualifications, in each case as to matters of law as set out in any legal opinion delivered to the Administrative Agent in connection with any provision of any Loan Document;

(d) the principle that any additional interest imposed under any relevant agreement may be held to be unenforceable on the grounds that it is a penalty and thus void;

(e) with respect to any Foreign Subsidiary, the principle that in certain circumstances security granted by way of fixed charge may be characterized as a floating charge or that security purported to be constituted by way of an assignment may be recharacterized as a charge;

(f) the principle that a court may not give effect to an indemnity for legal costs incurred by an unsuccessful litigant;

(g) the principle that the creation or purported creation of security over any contract or agreement which is subject to a prohibition against transfer, assignment or charging may be void, ineffective or invalid and may give rise to a breach entitling the contracting party to terminate or take any other action in relation to such contract or agreement;

(h) provisions of a contract being invalid or unenforceable for reasons of oppression or undue influence; and

(i) similar principles, rights and defenses under the laws of any relevant jurisdiction.

"Lender" has the meaning specified in the introductory paragraph to this Agreement.

"Lender-Related Persons" has the meaning specified in Section 10.15(d).

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, hypothecation, charge, security interest, preference, priority or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent or similar statutes) of any jurisdiction); provided that in no event shall an operating lease (or any precautionary filing made in connection therewith) or an agreement to sell be deemed to constitute a Lien.

"Limited Purpose Subsidiary" has the meaning specified in the definition of "Excluded Property."

"Loan" means an extension of credit by a Lender to the Borrower under Article II in the form of a Term Loan.

"Loan Documents" means, collectively, (i) this Agreement, (ii) the Notes, (iii) the Guaranty, (iv) the Collateral Documents, (v) the ABL Intercreditor Agreement, (vi) the Term Loan Intercreditor Agreement, (vii) the First Amendment, (viii) the Second Amendment, (ix) the Third Amendment, (x) the Fourth Amendment, (xi) the Fifth Amendment, (xii) any other intercreditor agreement required to be entered into pursuant to the terms of this Agreement, (~~xii~~xiii) any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.16 of this Agreement and (~~xiii~~xiv) any Refinancing Amendment.

"Loan Parties" means, collectively, the Borrower and each Guarantor.

"Majority Lenders" of any Tranche means those Non-Defaulting Lenders which would constitute the Required Lenders under, and as defined in, this Agreement if all outstanding Obligations of the other Tranches under this Agreement were repaid in full and all Commitments with respect thereto were terminated.

"Management Agreement" means that certain Management Services Agreement, dated as of June 29, 2018, among Vertex Holdings, the Borrower, the other parties thereto and AIP Manager, as the same may be amended, restated, supplemented or otherwise modified from time to time to the extent such amendment, restatement, supplement or other modification is not materially disadvantageous to the Lenders; provided that any amendment, restatement, supplement or other modification thereof that adds (i) a management, consulting, monitoring, advisory or similar fee payable to the AIP Manager or any Affiliate thereof in an amount not to exceed $2,500,000 in any fiscal year or (ii) customary transaction fees, expense reimbursement or indemnities in favor of the AIP Manager or any Affiliate thereof shall, in each case, be deemed not to be materially disadvantageous to the Lenders.

"Margin Stock" has the meaning assigned to such term in Regulation U of the FRB as from time to time in effect.

"Market Capitalization" means an amount equal to (1) the total number of issued and outstanding shares of common Capital Stock of Holdings or any applicable Parent Holding Company, as applicable, on the date of the declaration of a Restricted Payment multiplied by (2) the arithmetic mean of the closing prices per share of such common Equity Interests on the principal securities exchange on which such common Equity Interests are traded for the 30 consecutive trading days immediately preceding the date of declaration of such Restricted Payment.

"Market Intercreditor Agreement" means (a) to the extent executed in connection with the incurrence of Indebtedness secured by Liens on the Collateral which are intended to rank equal in priority to the Liens on the Collateral securing the Secured Obligations (without regard to the control of remedies), a customary intercreditor agreement in form and substance reasonably acceptable to the Administrative Agent, 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 Secured Obligations (without regard to the control of remedies), (b) to the extent executed in connection with the incurrence of Indebtedness secured by Liens on the Collateral which are intended to rank junior to the Liens on the Collateral securing the Secured Obligations, the Term Loan Intercreditor Agreement or a customary intercreditor agreement in form and substance reasonably

acceptable to the Administrative Agent, 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 Secured Obligations and (c) to the extent executed in connection with the incurrence of Indebtedness secured by Liens on the Collateral which are intended to rank senior in priority with respect to the ABL Priority Collateral (or the assets secured on a priority basis under any ABL Facility) and junior in priority with respect to the Term Loan Priority Collateral (or the assets secured on a junior lien basis under any ABL Facility), the ABL Intercreditor Agreement or another customary intercreditor agreement in form and substance reasonably acceptable to the Administrative Agent, the Collateral Agent and the Borrower, which shall provide that the Liens on the Collateral securing such Indebtedness shall rank senior in priority with respect to the ABL Priority Collateral (or the assets secured on a priority basis under any ABL Facility) and junior in priority with respect to the Term Loan Priority Collateral (or the assets secured on a junior lien basis under any ABL Facility).

"Material Acquisition" means any acquisition or other Investment by the Borrower or any Restricted Subsidiary and for which the aggregate consideration (including the principal amount of any assumed Indebtedness) is in excess of an amount equal to the lesser of (i) $52,000,000 and (ii) 25.0% of Consolidated EBITDA of the Group Parties.

"Material Adverse Effect" means (a) on the Closing Date, a Target Business Material Adverse Effect and (b) after the Closing Date, (i) a material adverse effect on the business, financial condition or results of operations of the Borrower and its Subsidiaries, taken as a whole, (ii) a material adverse effect on the ability of the Loan Parties (taken as a whole) to perform their respective payment obligations under the Loan Documents or (iii) a material adverse effect on the material remedies, taken as a whole, of the Administrative Agent under the Loan Documents.

"Material Disposition" means any disposition of property or series of related dispositions of property by Holdings or any Restricted Subsidiary that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the Capital Stock of a Person and (b) yields gross proceeds to Holdings or any Restricted Subsidiary in excess of the lesser of (i) $52,000,000 and (ii) 25.0% of Consolidated EBITDA of the Group Parties.

"Material Intellectual Property or Contracts" has the meaning set forth in Section 7.04.

"Material Real Property" means any parcel of real property (other than a parcel with a Fair Market Value as of the Closing Date (or, in the case of after-acquired property, as of the date of acquisition thereof) of less than $16,000,000 and other than a parcel constituting Excluded Property) owned in fee by a Loan Party and located in the United States.

"Maturity Date" means, with respect to the 2024 Term B-2 Loans, the earliest of (i) December 6, 2030 and (ii) the date that the 2024 Term B-2 Loans are declared due and payable pursuant to Section 8.02; provided that the reference to Maturity Date with respect to (i) Term Loans that are the subject of a loan modification offer pursuant to Section 10.01 and (ii) Term Loans that are Incurred pursuant to Section 2.14 or 2.18 shall, in each case, be the final maturity date as specified in the loan modification documentation, incremental documentation, or specified refinancing documentation, as applicable thereto; provided further, in each case, that if such day is not a Business Day, the applicable Maturity Date shall be the Business Day immediately preceding such day.

"Maximum Leverage Requirement" means, with respect to any Indebtedness, the requirement that, on a Pro Forma Basis, after giving effect to such increase and the use of proceeds thereof,

(i) with respect to any such Indebtedness secured by all or any portion of the Collateral on a *pari passu* basis with the Liens securing the Obligations, (x) the Consolidated First Lien Net Leverage Ratio does not exceed 4.25 to 1.00 or (y) if such Indebtedness is Incurred in connection with an Investment, the Consolidated First Lien Net Leverage Ratio does not exceed the greater of (I) 4.25 to 1.00 and (II) the Consolidated First Lien Net Leverage Ratio immediately prior to the consummation of such Investment,

(ii) with respect to any such Indebtedness secured by the Collateral on a "junior" basis to the Liens securing the Obligations, (x) the Consolidated Secured Net Leverage Ratio does not exceed 5.50 to 1.00 or (y) if such Indebtedness is Incurred in connection with an Investment, the Consolidated Secured Net Leverage Ratio does not exceed the greater of (A) 5.50 to 1.00 and (B) the Consolidated Secured Net Leverage Ratio immediately prior to the consummation of such Investment and

(iii) with respect to any such Indebtedness that is unsecured or secured solely by a Lien on assets that are not Collateral, either (x)(I) the Consolidated Interest Coverage Ratio is not less than 2.00 to 1.00 or (II) if such Indebtedness is Incurred in connection with an Investment, the Consolidated Interest Coverage Ratio is not less than the lower of (A) 2.00 to 1.00 and (B) the Consolidated Interest Coverage Ratio immediately prior to the consummation of such Investment or (y)(I) the Consolidated Total Net Leverage Ratio does not exceed 6.00 to 1.00 or (II) if such Indebtedness is Incurred in connection with an Investment, the Consolidated Total Net Leverage Ratio does not exceed the greater of (A) 6.00 to 1.00 and (B) the Consolidated Total Net Leverage Ratio immediately prior to the consummation of such Investment;

provided, that solely for the purpose of calculating the Consolidated First Lien Net Leverage Ratio, Consolidated Secured Net Leverage Ratio and Consolidated Total Net Leverage Ratio pursuant to this definition, any cash proceeds from Indebtedness then being Incurred shall be excluded for purposes of cash netting.

"Maximum Rate" has the meaning specified in Section 10.10.

"Minimum Tender Condition" has the meaning specified in Section 2.19(b).

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" means, collectively, the deeds of trust, trust deeds, deeds to secure debt and mortgages in respect of Mortgaged Properties in the United States made by the Loan Parties in favor or for the benefit of the Collateral Agent on behalf of the Secured Parties in form and substance reasonably satisfactory to the Borrower and Administrative Agent, in each case as the same may be amended, amended and restated, extended, supplemented, substituted or otherwise modified from time to time.

"Mortgage Policies" has the meaning specified in Section 6.14(ii).

"Mortgaged Properties" means the parcels of real property identified on Schedule 4 of the Perfection Certificate and any Material Real Property with respect to which a Mortgage is required pursuant to Section 6.12 or 6.14.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA, to which any Loan Party or any ERISA Affiliate makes or is obligated to make contributions.

"Natural Person" means (a) any natural person or (b) a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person.

"Net Cash Proceeds" means:

(a) with respect to the Disposition of any asset by the Borrower or any of its Restricted Subsidiaries (other than any Disposition of any receivables in a Qualified Receivables Financing by Holdings or any of its Restricted Subsidiaries to a Receivables Subsidiary) or any Casualty Event, the excess, if any, of (i) the sum of cash and Cash Equivalents received in connection with such Disposition or Casualty Event (including any cash or Cash Equivalents received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received and, with respect to any Casualty Event, any insurance proceeds or condemnation awards in respect of such Casualty Event received by or paid to or for the account of the Borrower or any of its Restricted Subsidiaries and including any proceeds received as a result of unwinding any related Swap Contract in connection with such related transaction) over (ii) the sum of:

(A) the principal amount of any Indebtedness that is secured by a Lien on the asset subject to such Disposition or Casualty Event and that is required to be repaid in connection with such Disposition or Casualty Event (other than (x) Indebtedness under the Loan Documents and (y) if such asset constitutes Collateral, any Indebtedness secured by such asset with a Lien ranking *pari passu* with or junior to the Lien securing the Obligations), together with any applicable premiums, penalties, interest or breakage costs,

(B) the fees and out-of-pocket expenses incurred by the Borrower or such Restricted Subsidiary in connection with such Disposition or Casualty Event (including attorneys' fees, accountants' fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, transfer taxes, deed or mortgage recording taxes, other customary expenses and brokerage, consultant and other customary fees actually incurred in connection therewith),

(C) all taxes or tax distributions paid or reasonably estimated to be payable in connection with such Disposition or Casualty Event and any costs associated with receipt or distribution by the applicable taxpayer of such proceeds in connection with the repatriation of such proceeds to the United States,

(D) any costs associated with unwinding any related Swap Contract in connection with such transaction,

(E) any reserve for adjustment in respect of (x) the sale price of the property that is the subject of such Disposition established in accordance with GAAP and (y) any liabilities associated with such property and retained by the Borrower or any of its Restricted Subsidiaries after such Disposition, including pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction, and it being understood that "Net Cash Proceeds" shall include, without limitation, any cash or Cash Equivalents (i) received upon the Disposition of any non-cash consideration received by the Borrower or any of its Restricted Subsidiaries in any such Disposition and (ii) upon the reversal (without the satisfaction of any applicable liabilities in cash in a corresponding amount) of any reserve described in this clause (E), and

(F) in the case of any Disposition or Casualty Event by a Restricted Subsidiary that is a joint venture or other non-Wholly Owned Restricted Subsidiary, the

pro rata portion of the Net Cash Proceeds thereof (calculated without regard to this clause (F)) attributable to the minority interests and not available for distribution to or for the account of Holdings or a Wholly Owned Restricted Subsidiary as a result thereof; and

(b) with respect to the Incurrence or issuance of any Indebtedness by the Borrower or any of its Restricted Subsidiaries, the excess, if any, of (i) the sum of the cash received in connection with such Incurrence or issuance and in connection with unwinding any related Swap Contract in connection therewith over (ii) the investment banking fees, underwriting discounts and commissions, premiums, expenses, accrued interest and fees related thereto, taxes reasonably estimated to be payable and other out-of-pocket expenses and other customary expenses, incurred by the Borrower or such Restricted Subsidiary in connection with such Incurrence or issuance and any costs associated with unwinding any related Swap Contract in connection therewith and, in the case of Indebtedness of any Foreign Subsidiary, deductions in respect of withholding taxes that are or would otherwise be payable in cash if such funds were repatriated to the United States.

"Net Short Lender" has the meaning specified in Section 10.01.

"New Incremental Notes" has the meaning specified in Section 2.15(a).

"New Incremental Notes Indentures" means, collectively, the indentures or other similar agreements pursuant to which any New Incremental Notes are issued, together with all instruments and other agreements in connection therewith, as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, but only to the extent permitted under the terms of the Loan Documents.

"New Loan Commitments" has the meaning specified in Section 2.14(a).

"New Revolving Commitments" has the meaning specified in Section 2.14(a).

"New Revolving Facility" has the meaning specified in Section 2.14(a).

"New Revolving Loan" has the meaning specified in Section 2.14(a).

"New Term Commitment" has the meaning specified in Section 2.14(a).

"New Term Facility" has the meaning specified in Section 2.14(a).

"New Term Loan" has the meaning specified in Section 2.14(a).

"Non-Consenting Lender" has the meaning specified in Section 3.08(c).

"Non-Defaulting Lender" means any Lender other than a Defaulting Lender.

"Non-Financing Lease Obligation" means 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 the avoidance of doubt, subject to Section 1.03(d), a straight-line or operating lease (including any lease that would not have been a capital lease under GAAP prior to giving effect to FASB ASC 842 (or any similar accounting principle)) shall be considered a Non-Financing Lease Obligation.

"Non-Loan Party" means any Restricted Subsidiary of the Borrower that is not a Loan Party.

"Note" means a promissory note of the Borrower payable to any Term Lender or its registered assigns, in substantially the form of Exhibit B hereto, evidencing the indebtedness of the Borrower to such Term Lender resulting from the Term Loans under the same Term Loan Tranche made or held by such Term Lender.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, Secured Cash Management Agreement or Secured Hedge Agreement, in each case 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, fees and other amounts that accrue after the commencement by or against any Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest, fees and other amounts are allowed claims in such proceeding; provided that (a) obligations of any Loan Party under any Secured Cash Management Agreement or Secured Hedge Agreement shall be secured and guaranteed pursuant to the Collateral Documents only to the extent that, and for so long as, the other Obligations are so secured and guaranteed, (b) any release of Collateral or Guarantors effected in the manner permitted by this Agreement shall not require the consent of holders of obligations under Secured Hedge Agreements or Secured Cash Management Agreements and (c) the Obligations with respect to any Guarantor shall not include Excluded Swap Obligations of such Guarantor.

"OFAC" has the meaning specified in Section 5.19(b).

"OID" means original issue discount.

"Organization Documents" means (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 or limited liability company agreement (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction) and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture, trust or other applicable agreement of formation or organization and 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 Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising solely from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment, grant of a participation or designation of a new office for receiving payments by or on account of the Borrower (other than an assignment or designation of a new office made pursuant to Section 3.07(b) or Section 3.08).

"Outstanding Amount" means, with respect to the Term Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of the Term Loans occurring on such date.

"Parent Holding Company" means any direct or indirect parent entity of Holdings which holds (or together with other Parent Holding Companies holds) directly or indirectly 100% of the Equity Interests of Holdings.

"Pari Passu Credit Agreement" means the certain Credit Agreement, dated as of February 28, 2023, among the Borrower, Holdings, the lenders party thereto from time to time, and Bank of America, N.A., as the same may be amended, restated, modified, supplemented, extended, renewed, refunded, replaced or refinanced from time to time, in whole or in part, in one or more indentures, credit agreements, or other agreements (in each case with the same or new lenders, noteholders, institutional investors or agents), including any indentures, credit agreements or other agreements that replace, refund, supplement, extend, renew, restate, amend, modify or refinance any part of the loans, notes, other credit facilities or commitments thereunder, including any agreement extending the maturity thereof or otherwise restructuring all or any portion of the Indebtedness thereunder or increasing the amount loaned or issued thereunder, in each case as and to the extent permitted by this Agreement.

"Pari Passu Loan Documents" means collectively, (i) the Pari Passu Credit Agreement and (ii) the security documents, intercreditor agreements, guarantees, joinders and other agreements or instruments executed in connection with the Pari Passu Credit Agreement or such other agreements, in each case, as amended, modified, supplemented, substituted, replaced, restated or refinanced, in whole or in part, pursuant to a Permitted Refinancing from time to time, in each case as and to the extent permitted by this Agreement.

"Participant" has the meaning specified in Section 10.07(d).

"Participant Register" has the meaning specified in Section 10.07(m).

"Participating Member State" means each state as described in any EMU Legislation.

"PATRIOT Act" has the meaning specified in Section 10.22.

"Payment Block" has the meaning specified in Section 2.05(b)(ix).

"Payment Notice" has the meaning assigned to it in Section 9.18(a).

"Payment Recipient" has the meaning assigned to it in Section 9.18(a).

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Plans and set forth in Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Perfection Certificate" means that certain Perfection Certificate, dated as of the date hereof, executed by the Borrower.

"Perfection Exceptions" means that (a) with respect to any Collateral located in the United States, no Loan Party shall be required to (i) other than as expressly required by the Security Agreement, enter into control agreements with respect to, or otherwise perfect any security interest by "control" (or

similar arrangements) over securities accounts, deposit accounts, other bank accounts, cash and cash equivalents and accounts related to the clearing, payment processing and similar operations of the Borrower and the Restricted Subsidiaries, (ii) perfect any pledge, security interest or mortgage other than by, as applicable, (1) the filing of a UCC-1 financing statement, (2) the filing in any applicable real estate records in the United States with respect to any mortgaged property or any fixture relating to any mortgaged property, (3) the filing of intellectual property security agreements the United States Copyright Office or the United States Patent and Trademark Office with respect to intellectual property, (4) delivering Stock Certificates and the Pledged Debt (as defined in the Security Agreement) and (5) the applicable filings with respect to Government Contracts pursuant to Section 6.20, (iii) enter into any source code escrow arrangement or register any intellectual property, (iv) send notices to account debtors or other contractual third-parties unless an Event of Default has not been cured or waived and is continuing and the Administrative Agent has exercised its rights pursuant to Section 8.02 of this Agreement, (v) (a) enter into any security documents to be governed by the law of any jurisdiction in which assets are located other than the United States or any state thereof (or the District of Columbia) or (b) create any security interests in assets located, titled, registered or filed outside of the United States or any state thereof (or the District of Columbia) or to perfect such security interests (provided that this clause (v) shall not be deemed to apply to any Foreign Subsidiary that is a Guarantor with respect to foreign jurisdictions to be mutually agreed between the Borrower and the Administrative Agent or any Equity Interests of any Foreign Subsidiary that is a Guarantor), (vi) deliver landlord waivers, estoppels or collateral access letters or (vii) except as provided in Section 6.20, take any action with respect to contract rights arising under any agreement with governmental agencies of the United States of America or otherwise comply with, or deliver any documents, agreements or instruments in connection with, the FACA Requirements.

"Permitted ABL Debt" means the ABL Obligations (including any additional Indebtedness permitted to be Incurred under any incremental facilities potentially available under the ABL Credit Agreement as in effect on the Closing Date) in an outstanding principal amount not to exceed 125% of the greater of (a) $175.0 million and (b) the sum of (i) 85% of the book value of Eligible Accounts Receivable, Eligible Government Accounts Receivable and Eligible Government Subcontract Accounts Receivable (each as defined in the ABL Credit Agreement or such similar defined terms contained in any other ABL Facility), (ii) 75% of the Book Value (as defined in the ABL Credit Agreement or such similar defined term contained in any other ABL Facility) of Eligible Inventory (as defined in the ABL Credit Agreement or such similar defined term contained in any other ABL Facility) and (iii) 100% of cash and Cash Equivalents, in each case, of the Borrower and its Restricted Subsidiaries.

"Permitted Asset Swap" means the substantially concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between Holdings or any of its Restricted Subsidiaries and another Person; provided that any cash or Cash Equivalents received must be applied in accordance with Section 7.04.

"Permitted Debt" has the meaning specified in Section 7.01.

"Permitted Debt Exchange" has the meaning specified in Section 2.19(a).

"Permitted Debt Exchange Notes" means Indebtedness in the form of unsecured, first lien, second lien or other junior lien notes; provided that such Indebtedness (i) except in the case of Permitted Earlier Maturity Debt, does not mature prior to the Latest Maturity Date of the Term Loan Tranche being exchanged, (ii) the covenants of such Indebtedness, taken as a whole, either (A) reflect market terms at the time of issuance of such Permitted Debt Exchange Notes (or the time of obtaining a commitment with respect thereto) (as determined by the Borrower in good faith) or (B) are not more restrictive to the Borrower and the Restricted Subsidiaries than those contained in the Loan Documents applicable to the

Term Loan Tranche being exchanged (taken as a whole) (except for (x) covenants applicable only to periods after the Maturity Date of the applicable Facility existing at the time of Incurrence or issuance of such Permitted Debt Exchange Notes and (y) any covenants to the extent such covenants are also added for the benefit of the lenders under the applicable Facility), (iii) such Indebtedness is not guaranteed by any Restricted Subsidiary other than Guarantors, and (iv) to the extent secured, such Indebtedness is not secured by property of any Loan Party or its Subsidiaries other than the Collateral (in each case, subject to a Market Intercreditor Agreement).

"Permitted Debt Exchange Offer" has the meaning specified in Section 2.19(a).

"Permitted Earlier Maturity Debt" means at the option of the Borrower (in its sole discretion), Indebtedness incurred with a final maturity date prior to the earliest maturity date otherwise expressly required under this Agreement with respect to such Indebtedness and/or a Weighted Average Life to Maturity shorter than the minimum Weighted Average Life to Maturity otherwise expressly required under this Agreement with respect to such Indebtedness in an aggregate outstanding principal amount not to exceed the greater of (a) $206,000,000 and (b) 100.0% of Consolidated EBITDA of the Group Parties for the most recently ended Test Period (calculated on a Pro Forma Basis), in each case, solely to the extent the final maturity date of such Indebtedness is expressly restricted from occurring prior to such earliest maturity date, or the Weighted Average Life to Maturity of such Indebtedness is expressly restricted from being shorter than the minimum Weighted Average Life otherwise required, under the applicable Basket.

"Permitted Holders" means each of (a) the Sponsor, (b) current, future and former managers and members of management of Holdings (or any Permitted Parent (other than clause (b) of the definition thereof)) or its Subsidiaries that have ownership interests in Holdings (or such Permitted Parent (other than clause (b) of the definition thereof)), (c) any other beneficial owner in the common equity of Holdings (or such Permitted Parent (other than clause (b) of the definition thereof)) as of the Closing Date or any Person identified to the Administrative Agent prior to the Closing Date to which common equity of Holdings (or such Permitted Parent) will be transferred after the Closing Date, (d) any group (within the meaning of Rule 13d-5 under the Exchange Act) of which any of the Persons described in clauses (a), (b) or (c) above are members (and, in each case, with respect to any such Person that is a natural person, his or her Immediate Family Members); provided that, without giving effect to the existence of such group or any other group, any of the Persons described in clauses (a), (b) and (c), collectively, beneficially own Voting Stock representing 50% or more of the total voting power of the Voting Stock of Holdings (or any Permitted Parent (other than clause (b) of the definition thereof)) then held by such group, and (e) any Permitted Parent.

"Permitted Investments" means:

(1) any Investment in cash and Cash Equivalents or Investment Grade Securities and Investments that were Cash Equivalents or Investment Grade Securities when made;

(2) any Investment in the Borrower or any Restricted Subsidiary;

(3) [reserved];

(4) any Investment by the Borrower or any Restricted Subsidiary in a Person that is primarily engaged in a Similar Business if as a result of such Investment (a) such Person becomes a Restricted Subsidiary, or (b) such Person, in one transaction or a series of related transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys all or substantially all of its assets constituting a business unit, a line of business or a division of such

Person, to, or is liquidated into, the Borrower or a Restricted Subsidiary (and any Investment held by such Person that was not acquired by such Person in contemplation of so becoming a Restricted Subsidiary or in contemplation of such merger, consolidation, amalgamation, transfer, conveyance or liquidation); provided that no Specified Event of Default shall exist at the time of the consummation of such Investment;

(5) any Investment in securities or other assets received in connection with an Asset Sale made pursuant to Section 7.04 or any other Disposition of assets not constituting an Asset Sale;

(6) any Investment (x) existing on the Closing Date and, in the case of Investments having a Fair Market Value in excess of $16,000,000, listed on Schedule 7.05, (y) made pursuant to binding commitments in effect on the Closing Date or (z) that replaces, refinances, refunds, renews or extends any Investment described under either of the immediately preceding clauses (x) or (y); provided that any such Investment is in an amount that does not exceed the amount replaced, refinanced, refunded, renewed or extended, except as contemplated pursuant to the terms of such Investment in existence on the Closing Date or as otherwise permitted under this definition or otherwise under Section 7.05;

(7) loans and advances to, or guarantees of Indebtedness of, employees, directors, officers, managers, consultants or independent contractors in an aggregate amount, taken together with all other Investments made pursuant to this clause (7) that are at the time outstanding, not in excess of the greater of (x) $16,000,000 and (y) 7.5% of Consolidated EBITDA of the Group Parties outstanding at any one time in the aggregate;

(8) loans and advances to officers, directors, employees, managers, consultants and independent contractors for business related travel and entertainment expenses, moving and relocation expenses and other similar expenses, in each case in the ordinary course of business, and loans and advances to officers, directors, employees, managers, consultants and independent contractors to fund such Person's purchase of Equity Interests of the Borrower or any Parent Holding Company thereof;

(9) any Investment (x) acquired by the Borrower or any of its Restricted Subsidiaries (a) 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 a bankruptcy, workout, reorganization or recapitalization of the Borrower or any such Restricted Subsidiary of such other Investment or accounts receivable or (b) as a result of a foreclosure or other remedial action by the Borrower or any of its Restricted Subsidiaries with respect to any Investment or other transfer of title with respect to any Investment in default and (y) received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business 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 or customer, or (B) litigation, arbitration or other disputes;

(10) Swap Contracts and cash management services permitted under Section 7.01(j);

(11) any Investment by the Borrower or any Restricted Subsidiary in a Similar Business (other than an Investment in an Unrestricted Subsidiary) in an aggregate amount, taken together with all other Investments made pursuant to this clause (11) that are at the time outstanding, not to exceed the greater of (x) $93,000,000 and (y) 45.0% of Consolidated EBITDA of the Group Parties; provided, however, that if any Investment pursuant to this clause

(11) 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 after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (2) above and shall cease to have been made pursuant to this clause (11) for so long as such Person continues to be a Restricted Subsidiary;

(12) Investments by the Borrower or any of its Restricted Subsidiaries in an aggregate amount, taken together with all other Investments made pursuant to this clause (12) that are at the time outstanding, not to exceed the greater of (x) $103,000,000 and (y) 50.0% of Consolidated EBITDA of the Group Parties; provided, however, that if any Investment pursuant to this clause (12) 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 after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (2) above and shall cease to have been made pursuant to this clause (12) for so long as such Person continues to be a Restricted Subsidiary;

(13) any transaction to the extent it constitutes an Investment that is permitted and made in accordance with the provisions of Section 6.18(b) (except transactions described in clause (2), (3), (4), (8), (9), (13) or (14) of such Section 6.18(b));

(14) Investments the payment for which consists of Equity Interests (other than Excluded Equity) of the Borrower or any direct or indirect parent of the Borrower, as applicable; provided, however, that such Equity Interests will not increase the amount available for Restricted Payments under clause (c) of the first paragraph of Section 7.05 or be available to Incur Contribution Indebtedness;

(15) Investments consisting of the leasing, licensing, sublicensing or contribution of intellectual property in the ordinary course of business or pursuant to joint marketing arrangements with other Persons;

(16) Investments consisting of purchases or acquisitions of inventory, supplies, materials and equipment or purchases, acquisitions, licenses, sublicenses or leases or subleases of intellectual property, or other rights or assets, in each case in the ordinary course of business;

(17) any Investment in a Receivables Subsidiary or any Investment by a Receivables Subsidiary in any other Person in connection with a Qualified Receivables Financing, including Investments of funds held in accounts permitted or required by the arrangements governing such Qualified Receivables Financing or any related Indebtedness;

(18) Investments of a Restricted Subsidiary acquired after the Closing Date or of an entity merged into or amalgamated or consolidated with a Restricted Subsidiary in a transaction that is not prohibited by Section 7.03 after the Closing Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(19) any Investment by any Captive Insurance Subsidiary, which Investment is made in the ordinary course of business or consistent with industry practice of such Captive Insurance Subsidiary, or by reason of applicable Law, rule, regulation or order, or that is required or permitted by any regulatory authority having jurisdiction over such Captive Insurance Subsidiary or its business, as applicable;

(20) guarantees of Indebtedness permitted to be Incurred under Section 7.01 and obligations relating to such Indebtedness and guarantees (other than guarantees of Indebtedness) in the ordinary course of business;

(21) advances, loans or extensions of trade credit in the ordinary course of business by the Borrower or any of the Restricted Subsidiaries;

(22) Investments consisting of purchases and acquisitions of assets or services in the ordinary course of business;

(23) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Uniform Commercial Code Article 4 customary trade arrangements with customers;

(24) intercompany current liabilities owed to or from Unrestricted Subsidiaries or joint ventures Incurred in the ordinary course of business in connection with the cash management operations of the Borrower and its Subsidiaries;

(25) Investments in joint ventures of the Borrower or any of its Restricted Subsidiaries in an aggregate amount, taken together with all other Investments made pursuant to this clause (25) that are at the time outstanding, not to exceed the greater of (x) $75,000,000 and (y) 35.0% of Consolidated EBITDA of the Group Parties; provided that the Investments permitted pursuant to this clause may be increased by the amount of JV Distributions, without duplication of dividends or distributions increasing amounts available pursuant to clause (c) of the first paragraph of Section 7.05;

(26) Investments made in connection with the Transactions and any Transition Arrangements;

(27) accounts receivable, security deposits and prepayments and other credits granted or made in the ordinary course of business and any Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors and others, including in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with or judgments against, such account debtors and others, in each case in the ordinary course of business;

(28) Investments acquired as a result of a foreclosure by the Borrower or any Restricted Subsidiary with respect to any secured Investments or other transfer of title with respect to any secured Investment in default;

(29) Investments resulting from pledges and deposits that are Permitted Liens;

(30) acquisitions of obligations of one or more officers or other employees of any direct or indirect parent of the Borrower or any Subsidiary of the Borrower in connection with such officer's or employee's acquisition of Equity Interests of any direct or indirect parent of the Borrower, so long as no cash is actually advanced by the Borrower or any Restricted Subsidiary to such officers or employees in connection with the acquisition of any such obligations;

(31) guarantees of operating leases or Non-Finance Lease Obligations (for the avoidance of doubt, excluding Capitalized Lease Obligations) or of other obligations that do not

constitute Indebtedness, in each case, entered into by the Borrower or any Restricted Subsidiary in the ordinary course of business;

(32) Investments consisting of the redemption, purchase, repurchase or retirement of any Equity Interests permitted by Section 7.05;

(33) Investments made in connection with tax planning activities or any Permitted Reorganization or Permitted IPO Reorganization; provided that, after giving effect to any such reorganization and related activities, the security interest of the Collateral Agent in the Collateral, taken as a whole, is not materially impaired or reduced (in each case, as determined by the Borrower in good faith);

(34) Investments made pursuant to obligations entered into when the Investment would have been permitted hereunder so long as such Investment when made reduces the amount available under the clause under which the Investment would have been permitted;

(35) Investments made in the ordinary course of business in connection with obtaining, maintaining or renewing client and customer contracts and loans or advances made to, and guarantees with respect to obligations of, distributors, suppliers, licensors and licensees in the ordinary course of business;

(36) Investments made pursuant to receivables factoring arrangements entered into in the ordinary course of business;

(37) Investments so long as after giving effect to any such Investment on a Pro Forma Basis, the Consolidated Total Net Leverage Ratio shall not exceed the greater of (x) 5.25 to 1.00 or (y) the Consolidated Total Net Leverage Ratio immediately prior to the consummation of such Investment; and

(38) Investments in joint ventures to the extent required by, or made pursuant to customary buy/sell or put/call arrangements between the joint venture parties set forth in the joint venture agreements and similar binding arrangements.

"Permitted Joint Venture" means, with respect to any specified Person, a joint venture in any other Person engaged in a Similar Business in respect of which the Borrower or a Restricted Subsidiary beneficially owns at least 35% of the shares of Equity Interests of such Person.

"Permitted IPO Reorganization" means any transactions or actions taken in connection with and reasonably related to consummating an initial public offering of Holdings or any direct or indirect parent thereof, so long as, after giving effect thereto, the security interest of the Collateral Agent in the Collateral, taken as a whole, is not materially impaired or reduced (in each case as determined by the Borrower in good faith).

"Permitted Liens" means, with respect to any Person:

(1) Liens Incurred in connection with workers' compensation laws, unemployment insurance laws or similar legislation, or in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or to secure public or statutory obligations of such Person or to secure surety, stay, customs or appeal bonds to which such Person is a party, or import duties or for the payment of rent, in each case Incurred in the ordinary course of business;

(2) Liens imposed by law, such as carriers', warehousemen's, landlords', materialmen's, repairman's, construction contractors', mechanics' or other like Liens, in each case for sums not yet overdue by more than 30 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review (or which, if due and payable, are being contested in good faith by appropriate proceedings) or with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect as determined in good faith by the management of the Borrower;

(3) Liens for taxes, assessments or other governmental charges or levies (i) which are not yet due or payable, (ii) which are being contested in good faith by appropriate proceedings and for which adequate reserves are being maintained to the extent required by GAAP, or for property taxes on property such Person or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge, levy or claim is to such property or (iii) with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect;

(4) Liens Incurred or deposits made in favor of the issuers of performance and surety bonds, bid, indemnity, warranty, release, appeal or similar bonds or with respect to regulatory requirements or letters of credit or bankers' acceptances issued and completion of guarantees provided for, in each case, pursuant to the request of and for the account of such Person in the ordinary course of its business;

(5) survey exceptions, encumbrances, ground leases, easements or reservations of, or rights of others for, licenses, rights-of-way, servitudes, sewers, electric lines, drains, telegraph and telephone and cable television lines, gas and oil pipelines and other similar purposes, reservations of rights, or zoning, building codes or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental to the conduct of the business of such Person or to the ownership of its properties which do not in the aggregate materially adversely interfere with the ordinary conduct of the business of such Person;

(6) Liens Incurred to secure obligations in respect of Indebtedness permitted to be Incurred pursuant to Section 7.01(a) or (d) and obligations secured ratably thereunder; provided that (x) in the case of Liens securing Indebtedness that is permitted to be Incurred pursuant to clause (d) of Section 7.01, such Lien extends only to the assets and/or Capital Stock the purchase, acquisition, lease, installation, construction, repair, replacement or improvement of which is financed thereby (or that secures the obligations converted from a "synthetic lease" to on-balance sheet Indebtedness) and any replacements, additions and accessions thereto and any income or profits thereof and customary security deposits related thereto (provided that individual financings provided by a lender may be cross collateralized to other financings provided by such lender or its affiliates) and (y) in the case of Liens securing Indebtedness that is permitted to be Incurred pursuant to clause (a) of Section 7.01, any such Indebtedness that is secured by a Lien on the Collateral shall be subject to a Market Intercreditor Agreement, as applicable;

(7) Liens existing on the Closing Date and, in the case of Liens securing Indebtedness in an aggregate principal amount in excess of $16,000,000, listed on Schedule 7.02 and any modifications, replacements, renewals or extensions thereof and, without duplication, any refinancing (or successive refinancings thereof) of any Indebtedness secured thereby

(including any cash collateral backstopping existing letters of credit or similar instruments); provided that such modified, replacement, renewal or extension Lien, and any such Lien securing any such refinancing, does not extend to any additional property other than (A) after-acquired property that is affixed or incorporated into the property covered by such Lien or (B) proceeds and products thereof; provided further that individual financings provided by a lender may be cross collateralized to other financings provided by such lender or its affiliates;

(8) Liens on assets of, or Equity Interests in, a Person at the time such Person becomes a Subsidiary; provided, however, that such Liens are not created or Incurred in connection with, or in contemplation of, such other Person becoming such a Subsidiary; provided further that such Liens are limited to all or a portion of the assets (and improvements on such assets) that secured (or, under the written arrangements under which the Liens arose, could secure) the obligations to which such Liens relate; provided further that for purposes of this clause (8), if a Person becomes a Subsidiary, any Subsidiary of such Person shall be deemed to become a Subsidiary of the Borrower, and any property or assets of such Person or any Subsidiary of such Person shall be deemed acquired by the Borrower at the time of such merger, amalgamation or consolidation;

(9) Liens on assets at the time the Borrower or any Restricted Subsidiary acquired the assets including any acquisition by means of a merger, amalgamation or consolidation with or into the Borrower or such Restricted Subsidiary; provided, however, that such Liens are not created or Incurred in connection with, or in contemplation of, such acquisition; provided further that such Liens are limited to all or a portion of the property or assets (and improvements on such property or assets) that secured (or, under the written arrangements under which the Liens arose, could secure) the obligations to which such Liens relate; provided further that for purposes of this clause (9), if, in connection with an acquisition by means of a merger, amalgamation or consolidation with or into the Borrower or any Restricted Subsidiary, a Person other than the Borrower or Restricted Subsidiary is the successor company with respect thereto, any Subsidiary of such Person shall be deemed to become a Subsidiary of the Borrower or such Restricted Subsidiary, as applicable, and any property or assets of such Person or any such Subsidiary of such Person (and the Equity Interests thereof) shall be deemed acquired by the Borrower or such Restricted Subsidiary, as the case may be, at the time of such merger, amalgamation or consolidation;

(10) Liens securing Indebtedness or other obligations of the Borrower or a Subsidiary Guarantor owing to any Loan Party permitted to be Incurred in accordance with Section 7.01;

(11) Liens securing Swap Contracts Incurred in accordance with Section 7.01;

(12) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances or letters of credit entered into in the ordinary course of business issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(13) leases, subleases, licenses, sublicenses, occupancy agreements or assignments of or in respect of real or personal property;

(14) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases, Non-Finance Lease Obligations or consignments;

(15) Liens in favor of the Borrower or any Subsidiary Guarantor;

(16) (i) Liens on accounts receivable and related assets of the type specified in the definition of "Receivables Financing" Incurred in connection with a Qualified Receivables Financing, (ii) Liens securing Indebtedness or other obligations of any Receivables Subsidiary and (iii) Liens on accounts receivable and related assets Incurred pursuant to factoring arrangements entered into in the ordinary course of business;

(17) deposits made or other security provided in the ordinary course of business to secure liability to insurance carriers or under self-insurance arrangements in respect of such obligations;

(18) Liens on the Equity Interests of Unrestricted Subsidiaries;

(19) grants of intellectual property, software and other technology licenses;

(20) judgment and attachment Liens not giving rise to an Event of Default pursuant to Section 8.01(f), (g) or (h) and notices of *lis pendens* and associated rights related to litigation being contested in good faith by appropriate proceedings;

(21) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(22) Liens Incurred to secure Cash Management Services and other "bank products" (including those described in Sections 7.01(j) and (w));

(23) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (7), (8), (9) or (11), or succeeding clauses (24), (25), (50) or (51) of this definition or this clause (23); provided, however, that (x) such new Lien shall be limited to all or part of the same property that secured the original Lien (*plus* improvements on such property, replacements of such property, additions and accessions thereto, after-acquired property and the proceeds and the products of the foregoing and customary security deposits in respect thereof and, in the case of multiple financings of equipment (or assets affixed or appurtenant thereto and additions and accessions) provided by any lender, other equipment (or assets affixed or appurtenant thereto and additions and accessions) financed by such lender or as otherwise permitted in any other exception hereunder, (y) any amounts Incurred under this clause (23) as a refinancing indebtedness of clause (25) of this definition hereunder shall reduce the amount available under such clause (25) and (z) any such Indebtedness that is secured by Liens on the Collateral shall be subject to a Market Intercreditor Agreement if the Indebtedness that is so refinanced, refunded, extended, renewed or replaced was subject to a Market Intercreditor Agreement;

(24) Liens securing Indebtedness permitted to be Incurred under the first paragraph of Section 7.01 and that is permitted to be secured; provided that any such Indebtedness that is secured by a Lien on the Collateral shall be subject to a Market Intercreditor Agreement;

(25) other Liens securing obligations the principal amount of which does not exceed the greater of (x) $125,000,000 and (y) 60.0% of Consolidated EBITDA of the Group Parties at any one time outstanding (after giving effect to clause (23) above as applicable); provided that any such obligations constituting Indebtedness may, at the option of the Borrower, be subject to a Market Intercreditor Agreement;

(26) Liens on the Equity Interests or assets of a joint venture to secure Indebtedness of such joint venture;

(27) Liens on equipment of the Borrower or any Guarantor granted in the ordinary course of business to the Borrower's or such Guarantor's client at which such equipment is located;

(28) Liens securing Indebtedness permitted under Section 7.01(b), so long as all such Liens on the Term Loan Priority Collateral rank junior in priority to the Liens on the Term Loan Priority Collateral securing the Obligations (it being understood that such Liens on the ABL Priority Collateral may rank senior in priority to the Liens on the ABL Priority Collateral securing the Obligations) pursuant to the ABL Intercreditor Agreement or another Market Intercreditor Agreement; provided that, at the option of the Borrower, such Liens may rank pari passu with the Liens on the Collateral securing the Obligations in the event that the ABL Credit Agreement is refinanced or replaced with a cash flow revolving credit facility;

(29) Liens on property or assets used to redeem, repay, defease or to satisfy and discharge Indebtedness; provided that such redemption, repayment, defeasance or satisfaction and discharge is not prohibited by this Agreement and that such deposit shall be deemed for purposes of Section 7.05 (to the extent applicable) to be a prepayment of such Indebtedness;

(30) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation and exportation of goods in the ordinary course of business;

(31) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code, or any comparable or successor provision, on items in the course of collection; (ii) attaching to pooling, commodity trading accounts or other commodity brokerage accounts Incurred in the ordinary course of business; and (iii) in favor of banking or other financial institutions or entities, or electronic payment service providers, arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(32) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks or other Persons not given in connection with the issuance of Indebtedness; (ii) relating to pooled deposit 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 its Restricted Subsidiaries; or (iii) relating to purchase orders and other agreements entered into with customers of the Borrower or any Restricted Subsidiary in the ordinary course of business;

(33) (i) Liens on Equity Interests of any joint venture securing capital contributions to, or obligations of, such Persons and (ii) customary rights of first refusal, put and call arrangements, and tag, drag and similar rights in joint venture agreements;

(34) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(35) Liens on vehicles or equipment of the Borrower or any Restricted Subsidiary granted in the ordinary course of business;

(36) Liens on assets of Non-Loan Parties and the Equity Interests issued by Non-Loan Parties, securing Indebtedness or other obligations of such Person and any other Non-Loan Party;

(37) Liens disclosed by the title insurance policies delivered on or subsequent to the Closing Date for any Mortgaged Property and any replacement, extension or renewal of any such Liens (so long as the Indebtedness and other obligations secured by such replacement, extension or renewal Liens are permitted by this Agreement); provided that such replacement, extension or renewal Liens do not cover any property other than the property that was subject to such Liens prior to such replacement, extension or renewal;

(38) Liens arising solely by virtue of any statutory or common law provision or customary business provision relating to banker's liens, rights of set-off or similar rights;

(39) (a) Liens solely on any cash earnest money deposits made by the Borrower or any Restricted Subsidiary in connection with any letter of intent or other agreement in respect of any Permitted Investment and (b) Liens on advances of cash or Cash Equivalents in favor of the seller of any property to be acquired in a Permitted Investment to be applied against the purchase price for such Investment;

(40) the prior rights of consignees and their lenders under consignment arrangements entered into in the ordinary course of business;

(41) Liens on securities that are the subject of repurchase agreements constituting Cash Equivalents under clause (4) of the definition thereof;

(42) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts Incurred in the ordinary course of business and not for speculative purposes;

(43) rights reserved or vested in any Person by the terms of any lease, license, franchise, grant or permit held by the Borrower or any of its 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;

(44) restrictive covenants affecting the use to which real property may be put so long as such restrictions do not, in the aggregate, materially interfere with the ordinary conduct of the business of Holdings and its Restricted Subsidiaries, taken as a whole;

(45) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;

(46) zoning by-laws and other land use restrictions, including, without limitation, site plan agreements, development agreements and contract zoning agreements;

(47) Liens on property constituting Collateral securing obligations issued or Incurred under (i) any Refinancing Notes and the Refinancing Notes Indentures related thereto, (ii) any Permitted Debt Exchange Notes, (iii) any Specified Refinancing Debt and (iv) any New Incremental Notes and the New Incremental Notes Indentures related thereto and, in each case, any Permitted Refinancings thereof (or successive Permitted Refinancings thereof); provided that

any such Indebtedness secured by liens on the Collateral shall be subject to a Market Intercreditor Agreement;

(48) Liens on (x) cash proceeds of Indebtedness (and on the related escrow accounts) in connection with the issuance of such Indebtedness into (and pending the release from) a customary escrow arrangement, to the extent such Indebtedness is Incurred in compliance with Section 7.01 and (y) on cash proceeds held in Escrow securing obligations in respect of Excluded Indebtedness;

(49) Liens on assets not constituting Collateral securing Indebtedness with an aggregate principal amount not in excess of the greater of (x) $52,000,000 and (y) 25.0% of Consolidated EBITDA of the Group Parties at any one time outstanding;

(50) Liens securing Indebtedness permitted under Section 7.01(jj); provided that in the case of Liens securing Indebtedness that is permitted to be Incurred pursuant to clause (jj) of Section 7.01, at the option of the Borrower, any such Indebtedness secured by liens on the Collateral shall be subject to a Market Intercreditor Agreement; and

(51) Liens securing Indebtedness permitted under Section 7.01(r) or (ii); provided that in the case of Liens securing Indebtedness that is permitted to be Incurred pursuant to clause (r) or (ii) of Section 7.01, at the option of the Borrower, any such Indebtedness secured by liens on the Collateral shall be subject to a Market Intercreditor Agreement.

For purposes of determining compliance with this definition, a Lien need not be Incurred solely by reference to one category of Permitted Liens described in this definition but may be Incurred under any combination of such categories (including in part under one such category and in part under any other such category).

"Permitted Parent" means (a) any direct or indirect parent of Holdings so long as a Permitted Holder pursuant to clauses (a), (b), (c) or (d) of the definition thereof holds 50.0% or more of the Voting Stock of such direct or indirect parent of Holdings, and (b) any Public Company (or Wholly Owned Subsidiary of such Public Company) to the extent and until such time as any Person or group (other than a Permitted Holder under clauses (a), (b), (c) or (d) of the definition thereof) is deemed to be or become a beneficial owner of Voting 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" means, with respect to any Person, any modification, refinancing, refunding, renewal, replacement, exchange or extension of any Indebtedness of such Person; provided that

(a) the principal amount (or accreted value, if applicable) thereof does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so modified, refinanced, refunded, renewed, replaced, exchanged or extended except by an amount equal to accrued and unpaid interest and any premium thereon plus other reasonable amounts paid, and fees and expenses reasonably incurred (including original issue discount and upfront fees), in connection with such modification, refinancing, refunding, renewal, replacement, exchange or extension and by an amount equal to any existing commitments unutilized thereunder;

(b) except with respect to any Permitted ABL Debt (or any Permitted Refinancing thereof), and excluding any Permitted Earlier Maturity Debt, such modification, refinancing, refunding, renewal, replacement, exchange or extension has a final maturity date equal to or later than the final maturity date

of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being modified, refinanced, refunded, renewed, replaced, exchanged or extended;

(c) if the Indebtedness being modified, refinanced, refunded, renewed, replaced, exchanged or extended is subordinated in right of payment to the Obligations, such modification, refinancing, refunding, renewal, replacement, exchange or extension is subordinated in right of payment to the Obligations on terms, taken as a whole, as favorable in all material respects to the Lenders (including, if applicable, as to Collateral) as those contained in the documentation governing the Indebtedness being modified, refinanced, refunded, renewed, replaced, exchanged or extended or otherwise acceptable to the Administrative Agent;

(d) except with respect to any Permitted ABL Debt (or any Permitted Refinancing thereof), if the Indebtedness being modified, refinanced, refunded, renewed, replaced, exchanged or extended is (i) unsecured, such modification, refinancing, refunding, renewal, replacement, exchange or extension is unsecured or is secured by a Permitted Lien other than under clause (6) or (47) of the definition thereof, or (ii) secured by Liens on the Collateral, such modification, refinancing, refunding, replacement, renewal or extension is secured to the same extent, including with respect to any subordination provisions, and subject to a Market Intercreditor Agreement; and

(e) such modification, refinancing, refunding, renewal, replacement, exchange or extension is Incurred by a Person who is or would have been permitted to be the obligor or guarantor (or any successor thereto) on the Indebtedness being modified, refinanced, refunded, renewed, replaced or extended (it being understood that the roles of such obligors as a borrower or a guarantor with respect to such obligations may be interchanged).

"Permitted Reorganization" means reorganizations and other activities related to tax planning and reorganization, so long as, after giving effect thereto, the security interest of the Collateral Agent in the Collateral, taken as a whole, is not materially impaired (in each case as determined by the Borrower in good faith).

"Permitted Pari Passu Debt" means Indebtedness outstanding pursuant to the Pari Passu Loan Documents in an amount equal to the outstanding principal amount of the Initial Term Loans (as defined in the Pari Passu Credit Agreement as in effect on the Amendment No. 4 Effective Date) and Revolving Credit Commitments (as defined in the Pari Passu Credit Agreement on the Amendment No. 4 Effective Date) on the Amendment No. 4 Effective Date minus the aggregate amount of Indebtedness under the Pari Passu Loan Documents incurred pursuant to Section 7.01(b).

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority, unincorporated organization or other entity.

"Plan" means any "employee benefit plan" (other than a Multiemployer Plan) within the meaning of Section 3(3) of ERISA that is maintained or is contributed to by a Loan Party or any ERISA Affiliate and is subject to Title IV of ERISA or the minimum funding standards under Section 412 of the Code or Section 302 of ERISA.

"Platform" has the meaning specified in Section 6.02.

"Pledged Debt" means "Pledged Debt" as defined in the Security Agreement.

"Pledged Interests" means "Pledged Interests" as defined in the Security Agreement.

"Pounds Sterling" and "£" means freely transferable lawful money of the United Kingdom (expressed in Pounds Sterling).

"Preferred Stock" means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution or winding up.

"Prepayment Amount" has the meaning specified in Section 2.05(c).

"Prepayment-Based Incremental Facility" has the meaning specified in Section 2.14(a).

"Prepayment Date" has the meaning specified in Section 2.05(c).

"Primary Disqualified Institution" has the meaning specified in the definition of "Disqualified Institution."

"Prime Lending Rate" means the rate of interest per annum determined by Royal Bank of Canada from time to time as its prime commercial lending rate for United States Dollar loans in the United States for such day. The Prime Lending Rate is not necessarily the lowest rate that Royal Bank of Canada is charging any corporate customer.

"Pro Forma Basis", "Pro Forma Compliance" and "Pro Forma Effect" mean, without duplication of any amounts referenced in the definitions of "Pro Forma Cost Savings" and "Pro Forma Revenue Synergies", with respect to the calculation of any test, financial ratio, basket or covenant under this Agreement, including the calculation of Consolidated First Lien Net Leverage Ratio, Consolidated Secured Net Leverage Ratio, Consolidated Total Net Leverage Ratio, Consolidated Interest Coverage Ratio, Consolidated EBITDA, Consolidated Net Income and Consolidated Net Tangible Assets of any Person and its Restricted Subsidiaries, as of any date, that pro forma effect will be given to any Specified Transaction that has occurred during the Test Period being used to calculate such test, financial ratio, basket or covenant (the "Reference Period"), or, subject to Section 1.10, subsequent to the end of the Reference Period but prior to such date or prior to or substantially simultaneously with the event for which a determination under this definition is made (including any such event occurring at a Person who became a Restricted Subsidiary of the subject Person or was merged, amalgamated or consolidated with or into the subject Person or any other Restricted Subsidiary of the subject Person after the commencement of the Reference Period), (i) for purposes of determining Consolidated EBITDA and Consolidated Cash Interest Expense, as if each such event occurred on the first day of the Reference Period and (ii) for purposes of determining Consolidated Funded First Lien Indebtedness, Consolidated Funded Secured Indebtedness, Consolidated Funded Indebtedness and Consolidated Net Tangible Assets, as if each such event occurred on the last day of the Reference Period; provided that (x) pro forma effect will be given to reasonably identifiable pro forma cost savings, operating expense reductions, strategic initiatives, operating improvements or purchasing improvements (including, in each case, in connection with the entry into any material contract or arrangement), acquisition synergies and other cost savings, improvements or synergies, in each case, determined by the Borrower in good faith to result from actions which have been taken or with respect to which steps have been taken or are expected to be taken (in the good faith determination of the Borrower) within 24 months after the last day of the applicable Reference Period and (y) no amount shall be added back pursuant to this definition to the extent duplicative of amounts that are otherwise included in calculating Consolidated EBITDA, whether through a pro forma adjustment, add back, exclusion or otherwise, for the Reference Period; provided, further, that the amount of any increase in Consolidated EBITDA for any Test Period as a result of any "run-rate" cost savings, operating expense reductions and synergies added pursuant to clause (x) of this definition of "Pro Forma Basis" (excluding any such "run-rate" cost savings, operating expense reductions and synergies that either (A) are related to the Transactions or (B) result from, or are related to, mergers and

other business combinations, acquisitions, Investments, dispositions or other sales of assets, the discontinuance of activities or operations or other specified transactions, operating improvements or purchasing improvements and other initiatives, in each case under this sub-clause (B), occurring prior to the Closing Date), when aggregated with (X) the amount of any increase in Consolidated EBITDA for such Test Period as a result of Pro Forma Revenue Synergies (excluding any such Pro Forma Revenue Synergies that result from actions or initiatives undertaken prior to the Closing Date) added pursuant to clause (s) of the definition of Consolidated EBITDA and (Y) the amount of any increase in Consolidated EBITDA for such Test Period as a result of Pro Forma Cost Savings pursuant to clause (B) of the definition thereof (excluding any such Pro Forma Cost Savings that result from mergers and other business combinations, acquisitions, investments, dispositions or other sales of assets, the discontinuance of activities or operations or other specified transactions, restructurings, cost savings initiatives, operating initiatives or operating improvements, in each case, occurring prior to the Closing Date) added back under clause (k) of the definition of Consolidated EBITDA for such Test Period, shall not exceed an aggregate amount equal to 30.0% of Consolidated EBITDA of the Borrower (calculated after giving effect to all add-backs and adjustments (including all add-backs and adjustments subject to this cap)).

For purposes of making any computation referred to above:

(1) 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 for which a determination under this definition is made had been the applicable rate for the entire period (taking into account any Swap Contracts applicable to such Indebtedness);

(2) interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by the Borrower to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP;

(3) interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Borrower may designate;

(4) interest on any Indebtedness under a revolving credit facility or a Qualified Receivables Financing computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period; and

(5) to the extent not already covered above, any such calculation may include adjustments calculated in accordance with Regulation S-X under the Securities Act.

Any pro forma calculation may include, without limitation, (1) adjustments calculated in accordance with Regulation S-X under the Securities Act, (2) adjustments calculated to give effect to any Pro Forma Cost Savings or and Pro Forma Revenue Synergies and (3) all adjustments included on Schedule 1.01(a) attached hereto, to the extent such adjustments, without duplication, continue to be applicable to the Reference Period; provided that any such adjustments that consist of reductions in costs and other operating improvements or synergies shall be calculated in accordance with, and satisfy the requirements specified in, the definition of "Pro Forma Cost Savings" or "Pro Forma Revenue Synergies", as applicable.

"Pro Forma Cost Savings" means, for any period, without duplication of any amounts added in calculating Consolidated EBITDA pursuant to the definitions of "Pro Forma Basis" and "Pro Forma Revenue Synergies", an amount equal to the amount of "run rate" cost savings, operating expense

reductions, acquisition synergies and other cost savings, improvements or synergies that are related to (A) the Transactions or (B) any merger or other business combination, acquisition, Investment (including the commencement of activities constituting a business), disposition or other sale of assets (including the termination or discontinuance of activities or operations constituting a business) or other Specified Transaction, or related to any restructuring initiative, cost savings initiative, operational initiative or other initiative or improvement (including, for the avoidance of doubt, any such actions or transactions that have occurred prior to the Closing Date) and, in each case, projected in good faith to be realized (calculated on a pro forma basis as though such items had been realized on the first day of such period) as a result of actions taken or to be taken by the Borrower (or any successor thereto) or any Restricted Subsidiary, net of the amount of actual benefits realized during such period that are otherwise included in the calculation of Consolidated EBITDA from such actions; provided that (x) such cost savings, operating expense reductions and synergies are reasonably identifiable (as determined in good faith by a responsible financial or accounting officer, in his or her capacity as such and not in his or her personal capacity, of the Borrower (or any successor thereto) or any direct or indirect parent of the Borrower) and are reasonably anticipated to result from actions which have been taken or with respect to which steps have been taken or are expected to be taken (in the good faith determination of the Borrower) within 24 months after the last day of the applicable period (or, with respect to the Transactions, within 24 months after the Closing Date or which have been identified to the Lead Arrangers (including in any management presentation or confidential information memorandum) prior to the Closing Date (including in respect of any action taken on or prior to the Closing Date)) and (y) no cost savings, operating expense reductions and synergies shall be added pursuant to this definition to the extent duplicative of any expenses or charges otherwise added to Consolidated EBITDA, whether through a pro forma adjustment, add back, exclusion or otherwise, for such period.

"Pro Forma Revenue Synergies" means, for any period, without duplication of any amounts referenced in the definitions of "Pro Forma Basis" and "Pro Forma Cost Savings", an amount equal to "run rate" increase to Consolidated EBITDA of new contracts and projects, increased pricing in, or other modifications to, existing contracts and projects, increased volume in existing projects and customer contracts, reduced pricing in supplier arrangements, and other contract and project initiatives and, in each case, that are reasonably identifiable (as determined in good faith by a responsible financial or accounting officer, in his or her capacity as such and not in his or her personal capacity, of the Borrower (or any successor thereto) or any direct or indirect parent of the Borrower) and are reasonably anticipated to result from actions which have been taken or with respect to which steps have been taken or are expected to be taken (in the good faith determination of the Borrower) within 24 months after the last day of the applicable period, net of the amount of actual benefits realized during such period that are otherwise included in the calculation of Consolidated EBITDA from such actions (calculated on a pro forma basis as though such items had been realized on the first day of such period).

"Pro Rata Share" means, with respect to each Lender and any Facility or all the Facilities or any Tranche or all the Tranches (as the case may be) at any time, a fraction (expressed as a percentage, carried out to the ninth decimal place, and subject to adjustment as provided in Section 2.17), the numerator of which is the amount of the Commitments of such Lender under the applicable Facility or the Facilities or Tranche or Tranches (and, in the case of any Term Loan Tranche after the applicable borrowing date and without duplication, the outstanding principal amount of Term Loans under such Tranche, of such Lender, at such time) at such time and the denominator of which is the amount of the Aggregate Commitments under the applicable Facility or the Facilities or Tranche or Tranches at such time (and, in the case of any Term Loan Tranche and without duplication, the outstanding principal amount of Term Loans under such Tranche, at such time); provided that if the commitment of each Lender to make Loans has been terminated pursuant to Section 8.02, then the Pro Rata Share of each Lender shall be determined based on the Pro Rata Share of such Lender immediately prior to such termination and after giving effect to any subsequent assignments made pursuant to the terms hereof.

The initial Pro Rata Share of each Lender is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender became a party hereto, as applicable.

"PTE" means 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" means any Person with a class or series of Voting Stock that is traded on a stock exchange or in the over-the-counter market.

"Public Company Costs" means, as to any Person, costs associated with, or in anticipation of, preparation for, or compliance with, the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith, costs relating to compliance with the provisions of the Securities Act and the Exchange Act (or similar regulations applicable in other listing jurisdictions), as applicable to companies with equity securities held by the public, costs associated with, or in anticipation of, preparation for, or compliance with the rules of national securities exchange companies with listed equity, directors' compensation, fees and expense reimbursement, costs relating to investor relations, shareholder meetings and reports to shareholders, directors' and officers' insurance and other executive costs, legal and other professional fees, and listing fees.

"Public Lender" has the meaning specified in Section 6.02.

"Purchase" has the meaning specified in the definition of "Dutch Auction".

"Purchase Agreement" has the meaning specified in the Preliminary Statements of this Agreement.

"Purchase Agreement Representations" means the representations made by or with respect to the Target Business and its Subsidiaries in the Purchase Agreement as are material to the interests of the Lenders, but only to the extent that the Borrower or any of its Affiliates has the right (taking into account any cure provisions) to terminate the obligations of the Borrower or any of its Affiliates under the Purchase Agreement or to decline to consummate the Acquisition without liability under the Purchase Agreement as a result of a breach of such representations.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"QFC Credit Support" has the meaning specified in Section 10.24.

"Qualified Holding Company Indebtedness" means Indebtedness of Holdings (A) that is not subject to any Guarantee by any Subsidiary of Holdings (other than a Subsidiary that is not the Borrower or any of its Subsidiaries and that is formed solely for purposes of acting as a co-obligor with respect to such Qualified Holding Company Indebtedness), (B) that has no scheduled amortization or scheduled payments of principal and is not subject to mandatory redemption, repurchase, prepayment or sinking fund obligation (it being understood that such Indebtedness may have mandatory prepayment, repurchase or redemption provisions satisfying the requirements of clause (C) below), (C) that has mandatory prepayment, repurchase or redemption, covenant, default and remedy provisions customary for senior notes (or no more restrictive than is customary) of an issuer that is the parent of a borrower under senior secured credit facilities, and in any event, with respect to covenant, default and remedy provisions, no more restrictive (taken as a whole) than those set forth in this Agreement (other than provisions customary for senior notes of a holding company, including (x) customary assets sale, change of control

provisions and customary acceleration rights after an event of default and (y) customary "AHYDO" payments) and (D) if such Indebtedness is secured, it shall only be secured by assets of any Parent Holding Company (other than Holdings) and any Subsidiary of Holdings that is not prohibited from guaranteeing such Indebtedness as provided in clause (A) of this definition; provided that Holdings shall have reasonably determined in good faith that such terms and conditions satisfy the foregoing requirement.

"Qualified IPO" means any transaction or series of related transactions (including any merger with a special purpose acquisition company or a Subsidiary thereof) after which the common Capital Stock of Holdings or any Parent Holding Company constitutes publicly traded Capital Stock on any U.S. securities exchange or over-the-counter market or any analogous exchange in any jurisdiction.

"Qualified Receivables Financing" means any Receivables Financing of a Receivables Subsidiary that meets the following conditions:

(1) the Board of Directors of the Borrower, Holdings or any Parent Holding Company shall have determined in good faith that such Receivables Financing (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Borrower and its Restricted Subsidiaries,

(2) all sales/transfers of accounts receivable and related assets by the Borrower or any Restricted Subsidiary to the Receivables Subsidiary are made at Fair Market Value (as determined in good faith by the Borrower), and

(3) the financing terms, covenants, termination events and other provisions thereof shall be market terms at the time the receivables financing is first introduced (as determined in good faith by the Borrower) and may include Standard Securitization Undertakings.

The grant of a security interest in any accounts receivable of the Borrower or any of its Restricted Subsidiaries (other than a Receivables Subsidiary) to secure any Credit Agreement shall not be deemed a Qualified Receivables Financing.

"Qualified Reporting Subsidiary" has the meaning specified in Section 6.01.

"Qualifying Bids" has the meaning specified in the definition of "Dutch Auction."

"Ratio-Based Incremental Facility" has the meaning specified in the Section 2.14(a).

"RBC" has the meaning specified in the introductory paragraph to this Agreement.

"Receivables Fees" means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Receivables Financing.

"Receivables Financing" means any transaction or series of transactions that may be entered into by the Borrower or any of its Subsidiaries pursuant to which the Borrower or any of its Subsidiaries may sell, contribute, convey or otherwise transfer to (a) a Receivables Subsidiary (in the case of a transfer by the Borrower or any of its Subsidiaries), and (b) any other Person (in the case of a transfer by a Receivables Subsidiary), or may grant a security interest in, any accounts receivable (whether now existing or arising in the future) of the Borrower or any of its Subsidiaries, and any assets related thereto including, without limitation, all collateral securing such accounts receivable, all contracts and all

guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable and any Swap Contracts entered into by the Borrower or any such Subsidiary in connection with such accounts receivable.

"Receivables Repurchase Obligation" means any obligation of a seller of receivables in a Qualified Receivables Financing to repurchase receivables arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set 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.

"Receivables Subsidiary" means a Wholly Owned Restricted Subsidiary (or another Person formed for the purposes of engaging in a Qualified Receivables Financing with the Borrower in which the Borrower or any Subsidiary of the Borrower or a direct or indirect parent of the Borrower makes an Investment and to which the Borrower or any Restricted Subsidiary of the Borrower or a direct or indirect parent of the Borrower transfers accounts receivable and related assets) which engages in no activities other than in connection with the financing of accounts receivable of the Borrower and its Subsidiaries or a direct or indirect parent of the Borrower, all proceeds thereof and all rights (contractual or other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of the Borrower or any Parent Holding Company (as provided below) as a Receivables Subsidiary and:

(1) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by the Borrower or any Restricted Subsidiary of the Borrower (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates the Borrower or any other Restricted Subsidiary of the Borrower in any way other than pursuant to Standard Securitization Undertakings, or (iii) subjects any property or asset of the Borrower or any Restricted Subsidiary of the Borrower, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings,

(2) with which neither the Borrower nor any Restricted Subsidiary of the Borrower has any material contract, agreement, arrangement or understanding other than on terms which the Borrower reasonably believes to be no less favorable to the Borrower or such Restricted Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of Holdings, and

(3) to which neither the Borrower nor any Restricted Subsidiary of the Borrower has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results.

"Recipient" means the Administrative Agent, the Collateral Agent or any Lender, as applicable.

"Reference Period" has the meaning specified in the definition of "Pro Forma Basis."

"Refinanced First Lien Indebtedness" means any Specified Refinancing Debt or Refinancing Notes that refunds, refinances, replaces, redeems, repurchases, retires or defeases any 2024 Term B-2 Loans or New Term Loans or any other Refinanced First Lien Indebtedness.

"Refinancing" has the meaning specified in the definition of "Transactions".

"Refinancing Amendment" means an amendment to this Agreement, in form and substance reasonably satisfactory to the Administrative Agent, among the Borrower, the Administrative Agent and the Lenders providing Specified Refinancing Debt, effecting the Incurrence of such Specified Refinancing Debt in accordance with Section 2.18.

"Refinancing Indebtedness" has the meaning specified in Section 7.01(n).

"Refinancing Notes" means one or more series of senior unsecured notes, senior subordinated unsecured notes, subordinated unsecured notes or senior secured notes secured by the Collateral on a *pari passu* basis with the Liens securing the Obligations (without regard to the control of remedies) or senior secured notes secured by the Collateral on a "junior" basis to the Liens securing the Obligations, in each case issued in respect of a refinancing of outstanding Indebtedness of the Borrower under any one or more Term Loan Tranches; provided that (a) except with respect to Permitted Earlier Maturity Debt, such Refinancing Notes shall not mature prior to the Latest Maturity Date of the Term Loan Tranche being refinanced; (b) such Refinancing Notes shall not be Incurred or Guaranteed by any Subsidiary of the Borrower that is not a Loan Party; (c) if secured, such Refinancing Notes shall not be secured by assets of a Loan Party or its Subsidiaries that do not constitute Collateral; (d) the Net Cash Proceeds of such Refinancing Notes shall be applied, substantially concurrently with the Incurrence thereof, to the prepayment of outstanding Term Loans under the applicable Term Loan Tranche being so refinanced and the payment of fees, expenses and premiums, if any, payable in connection therewith and (e) except as otherwise provided herein or such amount is otherwise permitted under Section 7.01, such Refinancing Notes shall be in an original aggregate principal amount not greater than the aggregate principal amount or the committed amount of the Term Loan Tranche being refinanced (plus any Incremental Amounts Incurred in connection therewith).

"Refinancing Notes Indentures" means, collectively, the indentures or other similar agreements pursuant to which any Refinancing Notes are issued, together with all instruments and other agreements in connection therewith, as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, but only to the extent permitted under the terms of the Loan Documents.

"Refunding Capital Stock" has the meaning specified in Section 7.05.

"Register" has the meaning specified in Section 10.07(c).

"Regulated Bank" means an (x) Approved Commercial Bank that is (i) a U.S. depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation; (ii) a corporation organized under section 25A of the U.S. Federal Reserve Act of 1913; (iii) a branch, agency or commercial lending company of a foreign bank operating pursuant to approval by and under the supervision of the FRB under 12 CFR part 211; (iv) a non-U.S. branch of a foreign bank managed and controlled by a U.S. branch referred to in clause (iii); or (v) any other U.S. or non-U.S. depository institution or any branch, agency or similar office thereof supervised by a bank regulatory authority in any jurisdiction or (y) any Affiliate of a Person set forth in clause (x) above to the extent that (1) all of the Equity Interests of such Affiliate is directly or indirectly owned by either (I) such Person set forth in clause (x) above or (II) a parent entity that also owns, directly or indirectly, all of the Equity Interests of such Person set forth in clause (x) and (2) such Affiliate is a securities broker or dealer registered with the SEC under Section 15 of the Exchange Act.

"Regulation S-X" means Regulation S-X under the Securities Act.

"Reinvestment Period" has the meaning specified in Section 7.04(3).

"Related Business Assets" means assets (other than cash or Cash Equivalents) used or useful in a Similar Business; provided that any assets received by the Borrower or a Restricted Subsidiary in exchange for assets transferred by the Borrower or a Restricted Subsidiary will not be deemed to be Related Business Assets if they consist of securities of a Person, unless such Person is, or upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, members, directors, managers, officers, employees, agents, attorneys-in-fact, trustees and advisors of such Person and of such Person's Affiliates.

"Release" means 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.

"Relevant Governmental Body" shall mean the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"Relevant Transaction" has the meaning specified in Section 2.05(b)(ii).

"Replaceable Lender" has the meaning specified in Section 3.08(a).

"Replacement Assets" means (1) substantially all the assets of a Person primarily engaged in a Similar Business or (2) a majority of the Voting Stock of any Person primarily engaged in a Similar Business that will become, on the date of acquisition thereof, a Restricted Subsidiary.

"Reply Amount" has the meaning specified in the definition of "Dutch Auction."

"Reply Discount" has the meaning specified in the definition of "Dutch Auction."

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30-day notice period has been waived.

"Repricing Event" means (i) any prepayment of the 2024 Term B-2 Loans, in whole or in part, with the proceeds of, or conversion of any portion of the 2024 Term B-2 Loans into, any new or replacement tranche of broadly syndicated pari passu secured long-term term "B" loans denominated in Dollars with an All-in Yield less than the All-in Yield applicable to the 2024 Term B-2 Loans and (ii) any amendment to the 2024 Term B-2 Loan Facility which reduces the All-in Yield applicable to the 2024 Term B-2 Loans, as applicable; provided that a Repricing Event shall not include any event described above (i) that is not consummated for the primary purpose (as determined by the Borrower in good faith) of lowering the effective interest cost or weighted average yield applicable to the 2024 Term B-2 Loans, as applicable or (ii) in connection with a Qualified IPO, a dividend recapitalization, an increase in the 2024 Term B-2 Loan Facility, a Change of Control, a Material Acquisition, a Material Disposition or any other transaction not permitted by this Agreement or any other Loan Document.

"Required 2024 Term B-2 Lenders" means, as of any date of determination, Lenders having more than 50% of the sum of the Outstanding Amount of the 2024 Term B-2 Loans and; provided that the portion of the Outstanding Amount of the 2024 Term B-2 Loans held or deemed held by (x) any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders and (y)

any Affiliate Lenders (other than Debt Fund Affiliates) shall be deemed to have voted in the same proportion as Lenders that are not Affiliate Lenders vote on such matter.

"Required Lenders" means, as of any date of determination, Lenders having more than 50% of the sum of the (a) Total Outstandings and (b) aggregate unused Term Commitments; provided that the unused Term Commitments of, and the portion of the Total Outstandings held or deemed held by (x) any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders and (y) any Affiliate Lenders (other than Debt Fund Affiliates) shall be deemed to have voted in the same proportion as Lenders that are not Affiliate Lenders vote on such matter.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Responsible Officer" means the chief executive officer, representative, director, manager, president, vice president, executive vice president, chief financial officer, treasurer or assistant treasurer, secretary or assistant secretary, an authorized signatory, an attorney-in-fact (to the extent empowered by the board of directors/managers of any Loan Party), or other similar officer of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Payment" has the meaning specified in Section 7.05.

"Restricted Subsidiary" means any Subsidiary of the Borrower that is not an Unrestricted Subsidiary.

"Retired Capital Stock" has the meaning specified in Section 7.05.

"Return Bid" has the meaning specified in the definition of "Dutch Auction."

"Sale/Leaseback Transaction" means an arrangement relating to property now owned or hereafter acquired by the Borrower or a Restricted Subsidiary whereby the Borrower or a Restricted Subsidiary transfers such property to a Person and the Borrower or such Restricted Subsidiary leases it from such Person, other than leases between the Borrower and a Restricted Subsidiary or between Restricted Subsidiaries.

"Sanctioned Country" means any country or territory that is the subject of comprehensive sanctions administered by OFAC that broadly prohibit dealings or transactions in, with or involving such country or territory.

"S&P" means S&P Global Ratings and any successor thereto.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Second Amendment" means that certain Amendment No. 2 to First Lien Credit Agreement, dated as of May 31, 2023, by and among the Borrower, Holdings and the Administrative Agent.

"Secured Cash Management Agreement" means any Cash Management Agreement that is entered into by and between any Group Party and any Cash Management Bank, except for any such Cash Management Agreement designated by the Borrower in writing to the Administrative Agent and the relevant Cash Management Bank or Hedge Bank, as applicable, as an "unsecured cash management agreement" as of the Closing Date or, if later, on or about the time of entering into such Cash Management Agreement.

"Secured Hedge Agreement" means any Swap Contract permitted under Article VII that is entered into by and between any Group Party and any Hedge Bank, except for any such Swap Contract designated by the Borrower and the applicable Hedge Bank in writing to the Administrative Agent as an "unsecured hedge agreement" as of the Closing Date or, if later, as of the time of entering into such Swap Contract.

"Secured Obligations" has the meaning specified in the Security Agreement.

"Secured Parties" means, collectively, the Administrative Agent, the Collateral Agent, the Lenders, the Hedge Banks to the extent they are party to one or more Secured Hedge Agreements, the Cash Management Banks to the extent they are party to one or more Secured Cash Management Agreements and each co-agent or subagent appointed by the Administrative Agent or the Collateral Agent from time to time pursuant to Article IX.

"Securities Act" means the U.S. Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Security Agreement" means, the Security Agreement, dated as of the date hereof, executed by the Collateral Agent and the Loan Parties party thereto, substantially in the form of Exhibit F, together with each other security agreement and security agreement supplement executed and delivered pursuant to Section 6.12, 6.14 or 6.16.

"Security Agreement Supplement" has the meaning specified in the Security Agreement.

"Seller" has the meaning specified in the Preliminary Statements of this Agreement.

"Seller Notes" means any promissory note or notes issued by the Borrower or a Restricted Subsidiary of the Borrower in respect of any acquisition permitted hereunder as consideration in connection with such acquisition, but that is not in the nature of an earn-out obligation or similar deferred or contingent obligation.

"Significant Subsidiary" means any "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Closing Date.

"Similar Business" means any business engaged or proposed to be engaged in by Holdings and its Subsidiaries on the Closing Date and any business or other activities that are similar, ancillary, complementary, incidental or related thereto, or an extension, development or expansion of, the businesses in which Holdings and its Subsidiaries are engaged.

"SOFR" shall mean a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at

http://www.newyorkfed.org (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured overnight financing rate from time to time).

"SOFR-Based Rate" means SOFR or Term SOFR.

"SOFR Floor" means 0.75% per annum.

"SOFR Interpolated Rate" means, for any SOFR Non-Standard Interest Period, the rate per annum determined by the Administrative Agent (which determination shall be presumed correct absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the sum of Term SOFR for the longest term for which the Term SOFR is available that is shorter than such SOFR Non-Standard Interest Period plus 0.10% (10 basis points) and (b) the Term SOFR for the shortest term for which the Term SOFR is available that exceeds such SOFR Non-Standard Interest Period plus 0.10% (10 basis points), in each case, at such time; provided that when determining the SOFR Interpolated Rate for a SOFR Non-Standard Interest Period which is less than one (1) month, the SOFR Interpolated Rate shall be the Term SOFR for SOFR Loans with an Interest Period of one (1) month.

"SOFR Loan" refers to a Loan (or Borrowing) bearing interest at a rate determined by reference to Term SOFR, other than pursuant to clause (c) of the definition of "Base Rate".

"SOFR Non-Standard Interest Period" means, with respect to a SOFR Loan, an Interest Period which is for a term other than 1, 3 or 6 months.

"Solvent" means, with respect to any Person on any date of determination, that on such date, such Person and its Subsidiaries, when taken as a whole on a consolidated basis, (a) have property with a fair value greater than the total amount of their debts and liabilities, contingent, subordinated or otherwise, (b) have assets with present fair salable value not less than the amount that will be required to pay their liability on their debts as they become absolute and matured, (c) will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as they become absolute and matured and (d) are not engaged in business or a transaction, and are not about to engage in business or a transaction, for which they have unreasonably small capital. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability or, if a different methodology is prescribed by applicable Laws, as prescribed by such Laws.

"SPC" has the meaning specified in Section 10.07(g).

"Specified Event of Default" means an Event of Default under Section 8.01(a), (f) (with respect to the Borrower) or (g) (with respect to the Borrower).

"Specified Indebtedness" has the meaning specified in Section 10.01.

"Specified Refinancing Agent" has the meaning specified in Section 2.18(a).

"Specified Refinancing Debt" has the meaning specified in Section 2.18(a).

"Specified Refinancing Term Commitment" has the meaning specified in Section 2.18(a).

"Specified Refinancing Term Loans" means Specified Refinancing Debt constituting term loans.

"Specified Refinancing Term Loan Facility" means a facility in respect of Specified Refinancing Term Loans.

"Specified Representations" means the representations and warranties made solely by Holdings, the Borrower and the Subsidiary Guarantors in Sections 5.01(a) and (b)(ii), 5.02(a), 5.04, 5.13, 5.17, 5.18 (subject to the last paragraph of Section 4.01), 5.19 and 5.20 (in each case, after giving effect to the Transactions, and in the case of the representations and warranties made pursuant to Sections 5.19 and 5.20, to be limited to the use of proceeds not violating the Laws referenced therein).

"Specified Transaction" means any Incurrence or repayment of Indebtedness (excluding Indebtedness Incurred under any revolving credit facility or line of credit) or Investment that results in a Person becoming a Subsidiary, any designation of a Subsidiary as a Restricted Subsidiary or as an Unrestricted Subsidiary, any acquisition or any Disposition that results in a Restricted Subsidiary ceasing to be a Subsidiary of the Borrower, any Investment constituting an acquisition of assets constituting a business unit, line of business, division or substantially all of the assets of another Person or any Disposition of a business unit, line of business or division of the Borrower or any of the Restricted Subsidiaries, in each case whether by merger, consolidation, amalgamation or otherwise or any material restructuring of the Borrower or implementation of any initiative not in the ordinary course of business or any other transaction or event that by the terms of this Agreement requires Pro Forma Compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a Pro Forma Basis or giving Pro Forma Effect to any such transaction or event.

"Sponsor" means American Industrial Partners Capital Fund VI, L.P., and any of its Affiliates and funds, partnerships or co-investment vehicles managed, advised or controlled by any of them or any of their respective Affiliates (but excluding any operating portfolio companies of the foregoing).

"Spot Rate" for a currency means the rate determined by the Administrative Agent to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date one Business Day prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent may obtain such spot rate from another financial institution designated by the Administrative Agent if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency.

"Standard Securitization Undertakings" means representations, warranties, covenants, indemnities and guarantees of performance 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 Financing including, without limitation, those relating to the servicing of the assets of a Receivables Subsidiary, it being understood that any Receivables Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

"Stock Certificates" has the meaning specified in Section 4.01.

"Subject Lien" has the meaning specified in Section 7.02.

"Subordinated Indebtedness" means (a) with respect to the Borrower, any third-party Indebtedness of the Borrower which is by its terms contractually subordinated in right of payment to the Obligations, and (b) with respect to any Guarantor, any third-party Indebtedness of such Guarantor which is by its terms contractually subordinated in right of payment to its Guarantee of the Obligations.

"Subsidiary" means, with respect to any Person other than those covered by clause (y) below, (1) any corporation, association or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of the Voting Stock is at the time of determination owned or controlled, directly or indirectly, by such Person or one or

more of the other Subsidiaries of that Person or a combination thereof, and (2) any partnership, joint venture, limited liability company or similar entity of which (x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (y) such Person or any Restricted Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"Subsidiary Guarantor" means, collectively, all Guarantors other than Holdings.

"Subsidiary Guaranty" means, collectively, each Subsidiary Guaranty made by the Subsidiary Guarantors in favor of the Administrative Agent on behalf of the Secured Parties, substantially in the form of Exhibit E-2, together with each other guaranty and guaranty supplement delivered pursuant to Sections 6.12 or 6.16.

"Subsidiary Redesignation" has the meaning specified in the definition of "Unrestricted Subsidiary."

"Supplemental Agent" has the meaning specified in Section 9.14(a).

"Supported QFC" has the meaning specified in Section 10.24.

"Swap Contract" means (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, including any obligations or liabilities under any such master agreement.

"Swap Obligation" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts 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 Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"Target Business" has the meaning specified in the Preliminary Statements of this Agreement.

"Target Business Material Adverse Effect" has the meaning assigned to the term "Business Material Adverse Effect" in the Purchase Agreement.

"Target Historical Financial Statements" means (x) the audited balance sheet and the corresponding audited statement of income of the Target Business for the period ended December 31, 2020 and (y) the unaudited balance sheet and statement of income for the period ended June 30, 2021.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Borrowing" means a borrowing of the same Type of Term Loan of a single Tranche from all the Lenders having Term Commitments or Term Loans of the respective Tranche on a given date (or resulting from a conversion or conversions on such date) having in the case of SOFR Loans, the same Interest Period.

"Term Commitment" means, as to each Term Lender, (i) its Initial Term Commitment, (ii) its 2022 Incremental Term Loan Commitment, (iii) its Term Commitment Increase, (iv) its New Term Commitment or (v) its Specified Refinancing Term Commitment. The amount of each Lender's Initial Term Commitment is as set forth on Schedule 2.01 and the amount of each Lender's other Term Commitments shall be as set forth in the Assignment and Assumption, or in the amendment or agreement relating to the respective Term Commitment Increase, New Term Commitment or Specified Refinancing Term Commitment pursuant to which such Lender shall have assumed its Term Commitment, as the case may be, as such amounts may be adjusted from time to time in accordance with this Agreement.

"Term Commitment Increase" has the meaning specified in Section 2.14(a).

"Term Facility" means a facility in respect of any Term Loan Tranche, as the context may require.

"Term Lender" means (a) at any time on or prior to the Closing Date, any Lender that has an Initial Term Commitment at such time and (b) at any time after the Closing Date, any Lender that holds Term Loans and/or Term Commitments at such time.

"Term Loan" means an advance made by any Term Lender under any Term Facility.

"Term Loan Intercreditor Agreement" means the First Lien/Second Lien Intercreditor Agreement substantially in the form of Exhibit L, with such modifications thereto as the Administrative Agent may reasonably agree.

"Term Loan Priority Collateral" has the meaning assigned to the term "Fixed Asset Collateral" in the ABL Intercreditor Agreement.

"Term Loan Tranche" means the respective facility and commitments utilized in making Term Loans hereunder, with there being one Tranche on the Amendment No. 45 Effective Date, i.e. 2024 Term B-2 Loans. Additional Term Loan Tranches may be added after the Amendment No. 45 Effective Date, i.e., New Term Loans, Specified Refinancing Term Loans, New Term Commitments and Specified Refinancing Term Commitments.

"Term SOFR" means

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Periodic Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to an Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "Base Rate Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate Term SOFR Determination Day.

Notwithstanding the foregoing, (i) in no event shall Term SOFR be deemed to be less than the SOFR Floor and (ii) if the Interest Period with respect to the applicable SOFR Loan is a SOFR Non-Standard Interest Period, then the Term SOFR shall be the SOFR Interpolated Rate. SOFR Loans shall be deemed to be subject to such reserve, liquid asset or similar requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D or any other applicable law, rule or regulation.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Termination Conditions" means the satisfaction in full of all the Obligations (other than contingent indemnification obligations as to which no claim has been asserted and obligations and liabilities under Secured Cash Management Agreements and Secured Hedge Agreements) and the termination of the Aggregate Commitments.

"Test Period" means, on any date of determination, with respect to the Group Parties on a consolidated basis, (x) for purposes of determining the applicable percentage of Excess Cash Flow for purposes of Section 2.05(b) and the Applicable Rate, the four (4) consecutive fiscal quarters of the Group Parties most recently then ended and for which financial statements have been delivered pursuant to Section 6.01(a) or (b) and (y) for all other purposes in this Agreement, the four (4) consecutive fiscal quarters of the Group Parties most recently then ended in respect of which financial statements are

internally available (as determined in good faith by the Borrower) and delivered to the Administrative Agent for further distribution to each Lender.

"Third Amendment" means that certain Amendment No. 3 to First Lien Credit Agreement, dated as of the Amendment No. 3 Effective Date, by and among the Borrower, Holdings, the other Loan Parties party thereto, the Additional 2023 Term Lender (as defined therein) and the Administrative Agent.

"Threshold Amount" means the greater of (i) $42,000,000 and (ii) 20.0% of Consolidated EBITDA of the Group Parties.

"Total Outstandings" means the aggregate Outstanding Amount of all Loans.

"Tranche" means any Term Loan Tranche.

"Transactions" means the transactions contemplated pursuant to the Purchase Agreement (including the Acquisition), together with each of the following transactions consummated or to be consummated in connection therewith:

(a) the Borrower obtaining the Initial Term Loan Facility and the Second Lien Term Facility (as defined in this Agreement as in effect on the Closing Date);

(b) the Borrower, the ABL Representative and the requisite lenders under the ABL Facility entering into an amendment to the ABL Credit Agreement;

(c) (i) the direct or indirect cash equity investment in the Borrower (or a parent company thereof) made by the Sponsor, certain limited partners thereof or other investors (the "Investors") along with any additional co-investors arranged by or designated by the Investors, in an amount not less than $60.0 million (the "Investor Equity Contribution") and (ii) the issuance by the direct or indirect parent of the Borrower of additional equity which may include any perpetual preferred equity investment (clauses (i) and (ii), collectively, the "Equity Contribution");

(d) the repayment in full and of outstanding principal, accrued and unpaid interest, fees, and other amounts (other than contingent indemnification obligations for which no claim has been asserted and that by their terms survive the termination of the Existing Term Loan Credit Agreement) under the Existing Term Loan Credit Agreement (and, in connection therewith, any security interests and guarantees in connection therewith shall be terminated and/or released) (the "Refinancing"); and

(e) the payment of all fees, premiums, costs and expenses (including original issue discount and upfront fees) incurred in connection with the transactions described in the foregoing provisions of this definition (the "Transaction Costs").

"Transaction Costs" has the meaning specified in the definition of "Transactions."

"Transition Arrangements" means, collectively, any Transition Services Agreement, the IP Assignment Agreement (as defined in the Purchase Agreement), the IP Cross-License Agreement (as defined in the Purchase Agreement), each Sublease Agreement (as defined in the Purchase Agreement), the TDP License Agreement (as defined in the Purchase Agreement), in each case, to be entered into on or prior to (or in connection with) the Closing Date, as amended, restated, amended and restated, modified, supplemented or replaced from time to time in a manner not materially adverse to the interest of the Borrower and its Restricted Subsidiaries from time to time.

"Transition Services Agreement" means any Transition Services Agreement (as defined in the Purchase Agreement), as amended, restated, amended and restated, modified, supplemented or replaced from time to time in a manner not materially adverse to the interest of the Borrower and its Restricted Subsidiaries from time to time.

"Type" means, with respect to a Loan, its character as a Base Rate Loan or a SOFR Loan.

"UCC Filing Collateral" has the meaning specified in Section 4.01.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Undisclosed Administration" means in relation to a Lender or its direct or indirect parent company the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official by a supervisory authority or regulator under or based on the law in the country where such Person is subject to home jurisdiction supervision if applicable law requires that such appointment is not to be publicly disclosed.

"Unfunded Advances" means, with respect to the Administrative Agent, the aggregate amount, if any (a) made available to the Borrower on the assumption that each Lender has made available to the Administrative Agent such Lender's share of the applicable Borrowing available to the Administrative Agent as contemplated by Section 2.02(c) and (b) with respect to which a corresponding amount shall not in fact have been returned to the Administrative Agent by the Borrower or made available to the Administrative Agent by any such Lender.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unfunded Pension Liability" means the excess of a Plan's benefit liabilities under Section 4001(a) of ERISA over the current value of such Plan's assets, determined in accordance with assumptions used for funding the Plan pursuant to Section 412 of the Code for the applicable plan year.

"Uniform Commercial Code" or "UCC" means the Uniform Commercial Code as the same may from time to time be in effect in the State of New York or the Uniform Commercial Code (or similar code or statute) of another jurisdiction, to the extent it may be required to apply to any item or items of Collateral.

"United Kingdom" means the United Kingdom of Great Britain and Northern Ireland.

"United States" and "U.S." mean the United States of America.

"Unpaid Amount" has the meaning specified in Section 7.05.

"Unrestricted Cash Amount" means, as of any date of determination, the amount of (a) cash and Cash Equivalents of Holdings and its Restricted Subsidiaries (whether or not held in an account pledged to the Administrative Agent) to the extent not required to be designated as restricted on the consolidated balance sheet of Holdings and its Restricted Subsidiaries in accordance with GAAP and (b) cash and Cash Equivalents restricted in favor of the Facilities (which may also include cash and Cash Equivalents securing other Indebtedness secured by a Lien on the Collateral), Permitted Pari Passu Debt or the ABL Facility.

"Unrestricted Subsidiary" means:

(1) any Subsidiary of the Borrower that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors of the Borrower, Holdings or any Parent Holding Company in the manner provided below; and

(2) any Subsidiary of an Unrestricted Subsidiary.

The Borrower may designate (or subsequently re-designate) any Subsidiary of the Borrower (including any existing Subsidiary and any newly acquired or newly formed Subsidiary of the Borrower) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or owns or holds any Lien on any property of, the Borrower or any other Subsidiary of the Borrower that is not a Subsidiary of the Subsidiary to be so designated; provided, however, that the Subsidiary to be so designated and its Subsidiaries do not at the time of designation have any Indebtedness pursuant to which the lender has recourse to any of the assets of Holdings or any of its Restricted Subsidiaries; provided, further, however, that either:

(a) the Subsidiary to be so designated has total consolidated assets of $1,000 or less; or

(b) if such Subsidiary has consolidated assets greater than $1,000, then the Investment arising from such designation would be permitted under Section 7.05.

The Borrower may designate any Unrestricted Subsidiary to be a Restricted Subsidiary (a "Subsidiary Redesignation"). Any Indebtedness of such Subsidiary and any Liens encumbering its assets at the time of such designation shall be deemed newly Incurred or established, as applicable, at such time.

Any such designation by the Borrower shall be evidenced to the Administrative Agent by promptly delivering to the Administrative Agent an officer's certificate certifying that such designation complied with the foregoing provisions.

For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Borrower and its Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Investments in such Unrestricted Subsidiary in an amount determined as set forth in the last sentence of the definition of "Investments".

Notwithstanding the foregoing, the Borrower shall not be permitted to designate any subsidiary that holds Material Intellectual Property or Contracts as an Unrestricted Subsidiary and neither the Borrower nor any Restricted Subsidiary shall be permitted to contribute, sell, transfer or otherwise dispose of any Material Intellectual Property or Contracts to an Unrestricted Subsidiary.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that

the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"U.S. Obligor" means Holdings, the Borrower and any Guarantor which is a Domestic Subsidiary.

"U.S. Special Resolution Regimes" has the meaning specified in Section 10.24.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(g)(ii)(B)(c).

"Vectrus Merger" has the meaning assigned to the term "Merger" in the First Amendment.

"Vectrus Merger Agreement" has the meaning assigned to the term "Merger Agreement" in the First Amendment.

"Vectrus Refinancing" means the repayment in full of outstanding principal, accrued and unpaid interest, fees, and other amounts (other than contingent obligations for which no claim has been asserted and that by their terms survive) under that certain Credit Agreement, dated September 17, 2014, by and among Vectrus, Inc., an Indiana corporation, Vectrus Systems Corporation, a Delaware corporation, as the borrower, the lenders and issuing banks from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, as amended by that certain Amendment No. 1, dated as of April 19, 2016, as further amended and restated by that certain Amendment and Restatement Agreement, dated as of November 15, 2017, as further amended by that certain Amendment No. 1, dated as of December 24, 2020, as further amended by that certain Amendment No. 2, dated as of January 24, 2022, and as further amended, restated, replaced or otherwise modified from time to time (and, in connection therewith, any security interests and guarantees in connection therewith shall be terminated and/or released) and the other payments contemplated under the Vectrus Merger Agreement.

"Vertex Holdings" has the meaning specified in the Preliminary Statements of this Agreement.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote (without regard to the occurrence of any contingency) in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or Disqualified Stock or Preferred Stock, as the case may be, at any date, the number of years (and/or portion thereof) obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of such Indebtedness or redemption or similar payment, in respect of such Disqualified Stock or Preferred Stock, 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; provided that for purposes of determining the Weighted Average Life to Maturity of any Indebtedness (the "Applicable Indebtedness"), the effects of any amortization or prepayments made on such Applicable Indebtedness prior to the date of such determination will be disregarded.

"Wholly Owned Restricted Subsidiary" means any Wholly Owned Subsidiary that is a Restricted Subsidiary.

"Wholly Owned Subsidiary" of any Person means a direct or indirect Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares or shares or interests required to be held by foreign nationals or other third parties to the extent required by applicable law) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person.

"Withholding Agent" means any Loan Party, the Administrative Agent and any other applicable withholding agent.

"Working Capital" means, with respect to the Borrower and the Restricted Subsidiaries on a consolidated basis, Consolidated Current Assets minus Consolidated Current Liabilities.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan 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 Loan Document shall refer to such Loan Document as a whole and not to any particular provision thereof.

(c) References in this Agreement to an Exhibit, Schedule, Article, Section, clause or subclause refer (A) to the appropriate Exhibit or Schedule to, or Article, Section, clause or subclause in this Agreement or (B) to the extent such references are not present in this Agreement, to the Loan Document in which such reference appears.

(d) The term "including" is by way of example and not limitation.

(e) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(f) Any reference herein to any Person shall be construed to include such Person's successors and permitted assigns.

(g) 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."

(h) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(i) In measuring compliance with this Agreement with respect to any (x) Investment or acquisition (whether by merger, consolidation or other business combination or acquisition of Capital Stock or otherwise) and (y) Restricted Payment, repayment, repurchase or refinancing of Indebtedness with respect to which an irrevocable notice of Restricted Payment or repayment (or similar irrevocable notice), which may be conditional, has been delivered, in each case for purposes of determining:

(1) whether any Indebtedness (including Acquired Indebtedness) that is being Incurred in connection with such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness is permitted to be Incurred in compliance with Section 2.14, Section 2.15 or Section 7.01;

(2) whether any Lien being Incurred in connection with such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness or to secure any such Indebtedness is permitted to be Incurred in accordance with Section 7.02 or the definition of "Permitted Liens";

(3) whether any other transaction undertaken or proposed to be undertaken in connection with such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness complies with the covenants or agreements contained in this Agreement;

(4) whether any representation or warranty set forth herein is true or correct;

(5) whether a Default or Event of Default (or any type of Default or Event of Default) shall have occurred and be continuing; and

(6) any calculation of the ratios or baskets, including Consolidated First Lien Net Leverage Ratio, Consolidated Secured Net Leverage Ratio, Consolidated Total Net Leverage Ratio, Consolidated Interest Coverage Ratio, Consolidated EBITDA, Consolidated Net Income, Consolidated Net Tangible Assets, Pro Forma Cost Savings and Pro Forma Revenue Synergies, and whether a Default or Event of Default exists in connection with the foregoing,

at the option of the Borrower, the date that the letter of intent or definitive agreement for such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness is entered into or notice, which may be conditional, of such Restricted Payment or repayment, repurchase or refinancing of Indebtedness is given to the holders of such Indebtedness (the "Transaction Agreement Date") may be used as the applicable date of determination, as the case may be, in each case with such pro forma adjustments as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of "Pro Forma Basis" or "Consolidated EBITDA" (provided that, notwithstanding the Borrower's election to use the Transaction Agreement Date under this Section 1.02(i), the Borrower may elect (in its discretion) to re-determine one or more of clauses (1) through (6) above at (x) the time of any delivery of financial statements prior to the consummation of such transaction or (y) the time of the consummation of such transaction). For the avoidance of doubt, if the Borrower elects to use the Transaction Agreement Date as the applicable date of determination in accordance with the foregoing, (a) any fluctuation or change in the Consolidated First Lien Net Leverage Ratio, Consolidated Secured Net Leverage Ratio, Consolidated Total Net Leverage Ratio, Consolidated Interest Coverage Ratio, Consolidated EBITDA, Consolidated Net Income, Consolidated Net Tangible Assets, Pro Forma Cost Savings and/or Pro Forma Revenue Synergies of the Borrower from the Transaction Agreement Date to the consummation of such Investment, acquisition, Restricted Payment or repayment, repurchase or refinancing of Indebtedness, will not be taken into account for purposes of determining whether any

Indebtedness or Lien that is being Incurred in connection with such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness, or in connection with compliance by the Borrower or any of the Restricted Subsidiaries with any other provision of the Loan Documents or any other transaction undertaken in connection with such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness, is permitted to be Incurred, (b) until such Investment, acquisition, Restricted Payment or repayment, repurchase or refinancing of Indebtedness is consummated or such definitive agreements are terminated (or conditions in any conditional notice can no longer be met), such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness and all transactions proposed to be undertaken in connection therewith (including the Incurrence of Indebtedness and Liens and the intended use of proceeds thereof) and at the election of the Borrower, other acquisitions or similar investments for which a letter of intent or definitive agreements have been executed will be given pro forma effect when determining compliance of other transactions (including the Incurrence of Indebtedness and Liens unrelated to such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness) that are consummated after the Transaction Agreement Date and on or prior to the consummation of such Investment, acquisition, Restricted Payment or repayment, repurchase or refinancing of Indebtedness and any such transactions (including any Incurrence of Indebtedness and the use of proceeds thereof) will be deemed to have occurred on the date the definitive agreements are entered and outstanding thereafter for purposes of calculating any baskets or ratios under the Loan Documents after the date of such agreement and before the consummation of such Investment, acquisition or repayment, repurchase or refinancing of Indebtedness and (c) no Default or Event of Default shall occur solely based on any fluctuation or change in the Consolidated First Lien Net Leverage Ratio, Consolidated Secured Net Leverage Ratio, Consolidated Total Net Leverage Ratio, Consolidated Interest Coverage Ratio, Consolidated EBITDA, Consolidated Net Income, Consolidated Net Tangible Assets, Pro Forma Cost Savings and/or Pro Forma Revenue Synergies of the Borrower from the Transaction Agreement Date to the consummation of such Investment, acquisition, Restricted Payment or repayment, repurchase or refinancing of Indebtedness.

(j) As used herein, the term "Consolidated EBITDA" is deemed to refer to Consolidated EBITDA of the Group Parties for the Test Period most recently then ended.

Section 1.03 Accounting Term.

(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, as in effect from time to time.

(b) If at any time any change in GAAP or the application thereof would affect the computation or interpretation of any financial ratio, basket, requirement or other provision set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent and the Borrower shall negotiate in good faith to amend such ratio, basket, requirement or other provision to preserve the original intent thereof in light of such change in GAAP or the application thereof (subject to the approval of the Required Lenders not to be unreasonably withheld, conditioned or delayed); provided that, until so amended, such ratio, basket, requirement or other provision shall continue to be computed or interpreted in accordance with GAAP or the application thereof prior to such change therein.

(c) Notwithstanding anything to the contrary contained herein, all such financial statements shall be prepared, and all financial covenants contained herein or in any other Loan Document shall be calculated, in each case, without giving effect to any election under FASB ASC 825 (or any similar accounting principle) permitting a Person to value its financial liabilities at the fair value thereof.

(d) Notwithstanding anything to the contrary contained herein, unless the Borrower has irrevocably elected pursuant to a certificate executed by an Responsible Officer of the Borrower and delivered to the Administrative Agent that this clause (d) shall no longer apply with respect to an applicable Test Period and each Test Period thereafter on or prior to the delivery of financial statements for such Test Period pursuant to Section 6.01, the determination of whether a lease is a Capital Lease or a Non-Finance Lease, shall, in each case, be determined without giving effect to ASC 842 (Leases), except that financial statements delivered pursuant to Section 6.01 may be prepared in accordance with GAAP (including giving effect to ASC 842 (Leases)) as in effect at the time of such delivery).

Section 1.04 Rounding. Any financial ratios required to be maintained by the Borrower, or 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).

Section 1.05 References to Agreements and Laws. Unless otherwise expressly provided herein, (a) references to Organization Documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are permitted by any Loan Document and (b) references to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law.

Section 1.06 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight savings or standard, as applicable).

Section 1.07 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as specifically provided in Section 2.12 or as described in the definition of "Interest Period") or performance shall extend to the immediately succeeding Business Day.

Section 1.08 Currency Equivalents Generally.

(a) Any amount specified in this Agreement (other than in Articles II, IX and X or as set forth in clause (b) of this Section 1.08) or any of the other Loan Documents to be in Dollars shall also include Dollar Equivalent of such amount in any currency other than Dollars. The Administrative Agent shall determine the Spot Rate as of relevant date of determination to be used for calculating Dollar Equivalent amounts. Such Spot Rate shall become effective as of such relevant date of determination and shall be the Spot Rate employed in converting any amounts between the Dollars any currency other than Dollars until the next relevant date of determination occurs. Except for purposes of financial statements delivered by Loan Parties hereunder or calculating financial ratios hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as determined by the Administrative Agent in accordance with this Agreement; provided that if any basket is exceeded solely as a result of fluctuations in applicable currency exchange rates after the last time such basket was utilized, such basket will not be deemed to have been exceeded solely as a result of such fluctuations in currency exchange rates.

(b) For purposes of determining the Consolidated First Lien Net Leverage Ratio, Consolidated Secured Net Leverage Ratio, Consolidated Total Net Leverage Ratio and the Consolidated Interest Coverage Ratio, amounts denominated in a currency other than Dollars will be converted to

Dollars for the purposes of calculating the Consolidated First Lien Net Leverage Ratio, Consolidated Secured Net Leverage Ratio, Consolidated Total Net Leverage Ratio and the Consolidated Interest Coverage Ratio, at the Exchange Rate as of the date of calculation, and will, in the case of Indebtedness, Consolidated Funded First Lien Indebtedness, Consolidated Funded Indebtedness and Consolidated Funded Secured Indebtedness, be the weighted average exchange rates used for determining Consolidated EBITDA for the relevant period; provided that if any Group Party has entered into any currency Swap Contracts in respect of any borrowings, the currency and amount of such borrowings shall be determined by first taking into account the effects of that currency Swap Contract.

(c) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "Daily Simple SOFR", "SOFR", "Term SOFR" or with respect to any comparable or successor rate thereto.

Section 1.09 Benchmark Replacement.

(a) Upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, the Administrative Agent and the Borrower may amend this Agreement to replace the then-current Benchmark for all purposes hereunder and under any Loan Document with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all Lenders and the Borrower, unless, prior to such time, the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment on the basis that such Benchmark Replacement is not a prevailing reference rate for similar dollar denominated syndicated credit facilities; provided that (i) such Required Lenders shall not be entitled to object under this clause (a) to any Benchmark Replacement based on SOFR and (ii) such Required Lenders shall not be entitled to object under this clause (a) to any Benchmark Replacement that has become effective, or will substantially simultaneously become effective, with respect to any other Term Loan Tranche under this Agreement (but not the 2024 Term B-2 Loans).

(b) At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for a borrowing of, conversion to or continuation of applicable 2024 Term B-2 Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans. During the period referenced in the foregoing sentence, with respect to the 2024 Term B-2 Loans, the component of the Alternate Base Rate based upon the Benchmark will not be used in any determination of the Base Rate.

(c) In connection with the implementation and administration of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time (in consultation with the Borrower) with respect to the 2024 Term B-2 Loans and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes with respect to the 2024 Term B-2 Loans will become effective without any further action or consent of any other party to this Agreement.

(d) The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement or Early Opt-in Election, as applicable, with respect to the Term Loans and (ii) the effectiveness of any Benchmark Replacement Conforming Changes with respect to the Term Loans. Any determination, decision or election that may be made by the Administrative Agent, the Required Lenders or the Borrower as expressly set forth in this Section 1.09 and the defined terms used herein, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 1.09.

(e) At any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR), and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may remove any tenor of such Benchmark that is unavailable or non-representative for such Benchmark (including Benchmark Replacement) settings and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

Section 1.10 Pro Forma Calculations. Notwithstanding anything to the contrary herein (subject to Section 1.02(i)), the Consolidated First Lien Net Leverage Ratio, the Consolidated Secured Net Leverage Ratio, the Consolidated Total Net Leverage Ratio the Consolidated Interest Coverage Ratio, Consolidated EBITDA, Consolidated Net Income and Consolidated Net Tangible Assets shall be calculated (including for purposes of Sections 2.14 and 2.15) on a Pro Forma Basis with respect to each Specified Transaction occurring during the applicable Test Period to which such calculation relates, and/or subsequent to the end of the applicable Test Period but not later than the date of such calculation; provided that notwithstanding the foregoing, when calculating the Consolidated First Lien Net Leverage Ratio for purposes of determining the Applicable Rate or the applicable percentage of Excess Cash Flow for purposes of Section 2.05(b), any Specified Transaction and any related adjustment contemplated in the definition of Pro Forma Basis (and corresponding provisions of the definition of "Consolidated EBITDA") that occurred subsequent to the end of the applicable Test Period shall not be given Pro Forma Effect. With respect to any pro forma calculations to be made in connection with any acquisition or investment in respect of which financial statements for the relevant target are not available for the same Test Period for which internal financial statements of the Borrower are available, the Borrower shall determine such pro forma calculations on the basis of the available financial statements (even if for differing periods) or such other basis as determined on a commercially reasonable basis by the Borrower.

Section 1.11 Calculation of Baskets.

(a) If any of the baskets set forth in this Agreement are exceeded solely as a result of fluctuations to Consolidated EBITDA or Consolidated Net Tangible Assets for the most recently completed fiscal quarter after the last time such baskets were calculated for any purpose under this Agreement, such baskets will not be deemed to have been exceeded solely as a result of such fluctuations.

(b) Notwithstanding anything to the contrary in this Agreement, with respect to any amounts incurred or transactions entered into (or consummated) in reliance on a Basket or other provision of this Agreement (any such Basket or other provision, a "Fixed Basket") that does not require compliance with a financial ratio or test (including, without limitation, Pro Forma Compliance with any Consolidated First Lien Net Leverage Ratio test, Consolidated Secured Net Leverage Ratio test, Consolidated Total Net Leverage Ratio test or any Consolidated Interest Coverage Ratio test) (any such ratio or test, a "Financial Incurrence Test") (any such amounts, including, for the avoidance of doubt, (i) Designated Funding Commitments and amounts drawn under the ABL Facility, (ii) any grower component based on Consolidated EBITDA or Consolidated Net Tangible Assets and (iii) New Loan Commitments, New Incremental Notes and Incremental Equivalent Debt incurred pursuant to the Cash-Capped Incremental Facility or the Prepayment-Based Incremental Facility, the "Fixed Amounts"), in each case substantially concurrently with (or as part of a single transaction or a series of related transactions with) any amounts incurred or transactions entered into (or consummated) in reliance on a provision of this Agreement that requires compliance with any Financial Incurrence Test (any such amounts, the "Incurrence-Based Amounts"), it is understood and agreed that such Fixed Amounts (or any other amounts incurred under a Fixed Basket) (but giving full Pro Forma Effect to the use of proceeds of all such amounts and concurrent related transactions) shall be disregarded in the calculation of any Financial Incurrence Test applicable to Incurrence-Based Amounts that is substantially concurrent (or part of a single transaction or a series of related transactions); provided that, notwithstanding anything to the contrary in this Agreement, any amounts incurred or transactions entered into (or consummated) in reliance on a provision of this Agreement that is expressly limited by a fixed-dollar limitation (including any grower component based on a percentage of Consolidated EBITDA or Consolidated Net Tangible Assets) and that includes, as a condition to incurring amounts or entering into or consummating transactions, in reliance on such provision limited by a fixed-dollar limitation, a requirement of compliance with a Financial Incurrence Test (including, without limitation, incurring amounts or entering into or consummating transactions under clause (4) of the first paragraph of Section 7.05) shall constitute a "Fixed Amount" hereunder. If any Lien, Investment, Indebtedness, Restricted Payment or Affiliate Transaction or other transaction, action, judgment or amount incurred under any provision in this Agreement or any other Loan Document (or any portion of the foregoing) previously divided and classified (or re-divided and re-classified) as set forth below under any Fixed Amount, could subsequently be re-divided and re-classified as an Incurrence-Based Amount, such re-division and re-classification shall be deemed to occur automatically, in each case, unless otherwise elected by the Borrower.

(c) For purposes of determining compliance with any Section 2.14, Section 2.15 or any of the covenants set forth in Article VI or Article VII at any time (whether at the time of incurrence or thereafter), if any Lien, Investment, Indebtedness, Disqualified Stock, Preferred Stock, Asset Sale (or other disposition, sale or transfer of assets), Restricted Payment or Affiliate Transaction (or any portion of the foregoing) meets the criteria of one, or more than one, of the clauses of the provision permitting (including by way of exemption) such Lien, Investment, Indebtedness, Disqualified Stock, Preferred Stock, Asset Sale (or other disposition, sale or transfer of assets), Restricted Payment or Affiliate Transaction, as the case may be or any portion thereof, the Borrower (i) shall in its sole discretion determine under which clause (or sub-clause) or clauses (or sub-clauses) such Lien, Investment, Indebtedness, Asset Sale (or other disposition, sale or transfer of assets), Restricted Payment or Affiliate transaction (or, in each case, any portion thereof), as the case may be, is classified and (ii) shall be permitted, in its sole discretion, to make any subsequent redetermination and/or to divide, classify or reclassify under which clause or clauses such Lien, Investment, Indebtedness, Disqualified Stock, Preferred Stock, Asset Sale (or other disposition, sale or transfer of assets), Restricted Payment or Affiliate Transaction, as the case may be, is permitted from time to time as it may determine and without notice to the Administrative Agent or any Lender (including to re-classify utilization of any Fixed Amounts as being incurred under any Incurrence-Based Amounts or other Fixed Amounts or utilization of any Incurrence-Based Amounts as being incurred under any Fixed Amount or other Incurrence-Based

Amounts); provided that (i) any amount incurred under a Fixed Amount which may later be reclassified as incurred under an Incurrence-Based Amount shall automatically be reclassified as incurred under the applicable Incurrence-Based Amount, unless otherwise elected by the Borrower, (ii) all Indebtedness under this Agreement Incurred on the Closing Date shall be deemed to have been Incurred pursuant to Section 7.01(a) and the Borrower shall not be permitted to reclassify all or any portion of Indebtedness Incurred on the Closing Date pursuant to Section 7.01(a), and (iii) all Indebtedness under the ABL Credit Agreement will be deemed to have been Incurred pursuant to Section 7.01(b) and the Borrower shall not be permitted to reclassify all or any portion of such Indebtedness.

(d) If any Lien, Investment, Indebtedness, Disqualified Stock or Preferred Stock, Asset Sale (or other disposition or other sale or transfer of assets), Restricted Payment, Affiliate Transaction, or other transaction or action is incurred, issued or consummated in reliance on a Basket measured by reference to a percentage of Consolidated EBITDA or Consolidated Net Tangible Assets, and any such Lien, Investment, Indebtedness, Disqualified Stock or preferred Capital Stock, disposition or other sale or transfer of assets, Restricted Payment, Affiliate transaction, Contractual Requirement, prepayment or redemption of Indebtedness or other transaction or action would subsequently exceed the applicable percentage of Consolidated EBITDA or Consolidated Net Tangible Assets, as applicable, under such Basket if calculated based on the Consolidated EBITDA or Consolidated Net Tangible Assets, as applicable, on a later date (including the date of any refinancing), such percentage of Consolidated EBITDA or Consolidated Net Tangible Assets, as applicable, will be deemed not to be exceeded; provided that, in the case of refinancing any Indebtedness, Disqualified Stock or Preferred Stock (and any related Lien) in reliance on this clause (c), the principal amount of such refinancing Indebtedness, Disqualified Stock or Preferred Stock does not exceed the aggregate outstanding principal amount, accreted value or liquidation preference of the refinanced Indebtedness, Disqualified Stock or Preferred Stock, plus any Incremental Amounts Incurred in connection with the refinancing of such Indebtedness, Disqualified Stock or Preferred Stock and the incurrence or issuance of such refinancing Indebtedness, Disqualified Stock or Preferred Stock.

(e) With respect to any Designated Funding Commitment (to the extent loans funded under such Designated Funding Commitment would constitute Indebtedness, or Capital Stock issued pursuant to such Designated Funding Commitment would constitute Disqualified Stock or Preferred Stock, in each case, that is subject to Section 7.01), except for purposes of (x) determining the "Applicable Rate", and (y) the Consolidated First Lien Net Leverage Ratio under Section 2.05(b), in each case, the incurrence or issuance of such Indebtedness (and any Lien in connection therewith), Disqualified Stock or Preferred Stock, as applicable, by Borrower or any Restricted Subsidiary provided for under such Designated Funding Commitment shall be deemed to occur (on a Pro Forma Basis after giving effect to the incurrence or issuance of the entire committed amount thereof (but without netting any cash proceeds thereof)) on the date of designation of such commitment as a Designated Funding Commitment (and any such unfunded commitment constituting a Designated Funding Commitment under this Agreement shall be deemed outstanding for purposes of incurring or issuing any other Indebtedness, Disqualified Stock or Preferred Stock or Lien under this Agreement, in each case, at all times such designated commitments remain outstanding) and, from and after such designation, so long as such incurrence or issuance is permitted under this Agreement on the date of such designation, Borrower and/or its applicable Restricted Subsidiaries may incur or issue such Indebtedness (including any borrowing, re-borrowing and issuance of letters of credit thereunder)) (and any Lien in connection therewith), Disqualified Stock or Preferred Stock up to the committed amount thereof so designated under such Designated Funding Commitment without further compliance with, or determination of availability under, any Financial Incurrence Test, Incurrence-Based Amount, Fixed Amount, Fixed Basket or other Basket under this Agreement; *provided* that, for the avoidance of doubt, (i) the Borrower may revoke any such designation as a Designated Funding Commitment in accordance with the definition thereof at any time and from

time to time and (ii) if any such Designated Funding Commitment is drawn, such Indebtedness shall be deemed to be outstanding for purposes of testing each applicable Financial Incurrence Test.

(f) Notwithstanding anything to the contrary set forth herein, for the avoidance of doubt and without duplication of any applicable Basket set forth herein, the Loan Documents shall be deemed to permit (x) the Transactions and (y) any Transition Arrangements (or any other transition or shared services agreements and arrangements in connection with the Acquisition or otherwise contemplated under the Purchase Agreement that, in each case, are not materially more adverse to the interest of the Borrower and its Restricted Subsidiaries than the Transition Arrangements entered into on or prior to the Closing Date).

Section 1.12 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II.
The Commitments and Borrowings

Section 2.01 The Loans.

(a) The 2024 Term B-2 Borrowing. Subject to the terms and conditions set forth herein and in the ~~Fourth~~Fifth Amendment, (i) each Additional 2024 Term B-2 Lender with an Additional 2024 Term B-2 Loan ~~Commitment~~ Term Commitment severally agrees to make 2024 Term B-2 Loans to the Borrower on the Amendment No. 45 Effective Date in an amount equal to such Additional 2024 Term B-2 Lender's Additional 2024 Term B-2 Loan Commitment and (ii) each Converted ~~2023~~2024 Term Loan held by each Consenting Lender shall be converted, on a cashless basis, into a 2024 Term B-2 Loan (together with the Term Loans made under clause (i) above, each, a "2024 Term B-2 Loan" and collectively, the "2024 Term B-2 Loans") effective as of the Amendment No. 45 Effective Date in a principal amount equal to the principal amount of such Converted ~~2023~~2024 Term Loans. Amounts borrowed under this Section 2.01(a) and subsequently repaid or prepaid may not be reborrowed (it being understood, however, that prepayments will be taken into account for purposes of any Prepayment-Based Incremental Facility to the extent provided by Section 2.14). 2024 Term B-2 Loans may be Base Rate Loans or SOFR Loans as further provided herein.

(b) [Reserved].

(c) After the Closing Date, subject to and upon the terms and conditions set forth herein, each Lender with a Term Commitment (other than an Initial Term Commitment, a 2022 Incremental Term Loan Commitment, an Additional 2023 Term Loan Commitment ~~or~~, an Additional 2024 Term Loan Commitment or an Additional 2024 Term B-2 Loan Commitment) with respect to any Tranche of Term Loans (other than Initial Term Loans, 2022 Incremental Term Loans, 2023 Term Loans ~~or~~, 2024 Term Loans or 2024 Term B-2 Loans) severally agrees to make a Term Loan denominated in Dollars under such Tranche to the Borrower in an amount not to exceed such Term Lender's Term Commitment under such Tranche on the date of Incurrence thereof, which Term Loans under such Tranche shall be Incurred pursuant to a single drawing on the date set forth for such Incurrence. Such Term Loans may be Base Rate Loans or SOFR Loans as further provided herein. Once repaid, Term Loans Incurred hereunder may not be reborrowed (it being understood, however, that prepayments will be taken into

account for purposes of any Prepayment-Based Incremental Facility to the extent provided by Section 2.14).

Section 2.02 Borrowings, Conversions and Continuations of Loans.

(a) Each Term Borrowing, each conversion of a Tranche of Term Loans from one Type to the other, and each continuation of SOFR Loans, shall be made upon irrevocable notice by the Borrower to the Administrative Agent. Each such notice must be in writing and must be received by the Administrative Agent not later than (i) 2:00 p.m. (New York City time) three (3) Business Days prior to the requested date of any Borrowing of, conversion of Base Rate Loans to, or continuation of, SOFR Loans (or in the case of any such Borrowing to be made on the Closing Date or any Borrowing pursuant to Section 2.14 or Section 2.18, one Business Day prior to the date of such Borrowing), and (ii) 1:00 p.m. (New York City time) one (1) Business Day prior to the requested date of any Term Borrowing of Base Rate Loans or of any conversion of SOFR Loans to Base Rate Loans. Each notice pursuant to this Section 2.02(a) shall be delivered to the Administrative Agent in the form of a written Committed Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower.

Each Borrowing of, conversion to or continuation of SOFR Loans shall be (i) in a principal amount of $1,000,000, or (ii) a whole multiple of $500,000 in excess thereof. Each Borrowing of, or conversion to, Base Rate Loans shall be (i) in a principal amount of $500,000, or (ii) a whole multiple of $250,000 in excess thereof.

(b) Each Committed Loan Notice shall specify (i) whether the Borrower is requesting a Term Borrowing, a conversion of a Tranche of Term Loans from one Type to the other, or a continuation of SOFR Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Tranche of Term Loans are to be converted and (v) if applicable, the duration of the Interest Period with respect thereto. If, with respect to any SOFR Loans, the Borrower fails to specify a Type of Loan in a Committed Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Tranche of Term Loans shall be made as, or converted to, SOFR Loans with an Interest Period of 1 month. Any such automatic conversion or continuation pursuant to the immediately preceding sentence shall be effective as of the last day of the Interest Period then in effect with respect to the applicable SOFR Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of SOFR Loans in any such Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(c) Following receipt of a Committed Loan Notice, the Administrative Agent shall promptly notify each applicable Lender of the amount of its ratable share of the applicable Tranche of Term Loans, and if no timely notice of a conversion or continuation of SOFR Loans is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to SOFR Loans with an Interest Period of one month as described in Section 2.02(a). In the case of a Term Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 3:00 p.m. (New York City time), on the Business Day specified in the applicable Committed Loan Notice. Each Lender may, at its option, make any Loan available to the Borrower by causing any foreign or domestic branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement. Upon satisfaction of the applicable conditions set forth in Article IV, the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of the Administrative Agent with the amount of

such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower.

(d) Except as otherwise provided herein, a SOFR Loan may be continued or converted only on the last day of an Interest Period for such SOFR Loan unless the Borrower pays the amount due under Section 3.06 in connection therewith. During the existence of an Event of Default, at the election of the Administrative Agent or the Required Lenders, no Loans may be requested as, converted to or continued as SOFR Loans.

(e) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for SOFR Loans upon determination of such interest rate. The determination of Term SOFR by the Administrative Agent shall be conclusive in the absence of manifest error.

(f) After giving effect to all Term Borrowings, all conversions of Term Loans from one Type to the other, and all continuations of Term Loans of the same Type, there shall not be more than ten (10) Interest Periods in effect; provided that after the establishment of any new Tranche of Loans, the number of Interest Periods otherwise permitted by this Section 2.02(f) shall increase by three (3) Interest Periods for each applicable Tranche so established.

(g) The failure of any Lender to make the Loan to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Loan on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Loan to be made by such other Lender on the date of any Borrowing, which for the avoidance of doubt does not limit such Lender's obligations under Section 2.17.

Section 2.03 [Reserved].

Section 2.04 [Reserved].

Section 2.05 Prepayments.

(a) Optional. (i) The Borrower may, upon notice by the Borrower to the Administrative Agent substantially in the form of Exhibit J, at any time or from time to time voluntarily prepay Loans in whole or in part without premium or penalty except as set forth in Section 2.05(a)(iii) below; provided that (1) such notice must be received by the Administrative Agent not later than 12:00 noon (New York City time) (A) three (3) Business Days prior to any date of prepayment of SOFR Loan and (B) on the date of prepayment of Base Rate Loans (or, in each case, such shorter period as the Administrative Agent shall agree); (2) any prepayment of SOFR Loans shall be (x) in a principal amount of $1,000,000, or (y) a whole multiple of $500,000 in excess thereof; and (3) any prepayment of Base Rate Loans shall be (x) in a principal amount of $500,000, or (y) a whole multiple of $250,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment, the Tranche of Loans to be prepaid, the Type(s) of Loans to be prepaid and, if SOFR Loans are to be prepaid, the Interest Period(s) of such Loans (except that if the class of Loans to be prepaid includes both Base Rate Loans and SOFR Loans, absent direction by the Borrower, the applicable prepayment shall be applied first to Base Rate Loans to the full extent thereof before application to SOFR Loans, in each case in a manner that minimizes the amount payable by the Borrower in respect of such prepayment pursuant to Section 3.06). The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's ratable portion of such prepayment (based on such Lender's ratable share of the relevant Facility). If such notice is given by the Borrower, subject to clause (ii) below, the Borrower shall make such prepayment and the payment

amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a SOFR Loan shall be accompanied by all accrued interest thereon, together with any additional amounts required pursuant to Section 2.05(a)(iii) and Section 3.06. Subject to Section 2.17, each prepayment of outstanding Term Loan Tranches pursuant to this Section 2.05(a) shall be applied to the Term Loan Tranche or Term Loan Tranches designated on such notice on a pro rata basis within such Term Loan Tranche. Subject to Section 2.17, each prepayment of an outstanding Term Loan Tranche pursuant to this Section 2.05(a) shall be applied to the remaining amortization payments of such Term Loan Tranche as directed by the Borrower (or, if the Borrower has not made such designation, in direct order of maturity), but in any event on a pro rata basis to the Lenders within such Term Loan Tranche.

(ii) Notwithstanding anything to the contrary contained in this Agreement, any notice of prepayment under Section 2.05(a)(i) may state that it is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked or delayed by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied or delayed.

(iii) If the Borrower, in connection with, or resulting in, any Repricing Event (A) makes a voluntary prepayment of any 2024 Term B-2 Loans pursuant to Section 2.05(a), (B) makes a repayment of any 2024 Term B-2 Loans pursuant to Section 2.05(b)(iii) or (C) effects any amendment with respect to the 2024 Term B-2 Loans, in each case, prior to the date that is six (6) months after the Amendment No. 45 Effective Date, the Borrower shall pay to the Administrative Agent, for the ratable account of the applicable Term Lenders (x) with respect to clauses (A) and (B), a prepayment premium in an amount equal to 1.00% of the principal amount of the 2024 Term B-2 Loans prepaid or repaid and (y) with respect to clause (C), a prepayment premium in an amount equal to 1.00% of the principal amount of the affected 2024 Term B-2 Loans held by the Term Lenders not consenting to such amendment.

(b) Mandatory. (i) For any Excess Cash Flow Period, within ten (10) Business Days after financial statements have been delivered pursuant to Section 6.01(a) and the related Compliance Certificate has been delivered pursuant to Section 6.02(b) (or, if later, the date on which such financial statements and such Compliance Certificate are required to be delivered), the Borrower shall prepay an aggregate principal amount of Term Loans in an amount equal to (A) 50% (as may be adjusted pursuant to the proviso below) of Excess Cash Flow for such Excess Cash Flow Period, minus (B) at the option of the Borrower, the aggregate amount (other than any amount applied to reduce the prepayment required under this clause (b) in respect of any prior year) and except to the extent such prepayment, repurchase, prepayment, expenditure or Restricted Payment is funded with the proceeds of long-term Indebtedness (other than revolving loans) of the sum of (1) the aggregate amount of all voluntary prepayments and repurchases (including prepayments at a discount to par and open market purchases, with credit given for the actual amount of the cash payment) made by the Borrower or any of its Restricted Subsidiaries (or committed to be made) of (u) Initial Term Loans, 2022 Incremental Term Loans, 2023 Term Loans ~~or~~, 2024 Term Loans or 2024 Term B-2 Loans, (v) New Term Loans, (w) Refinanced First Lien Indebtedness, (x) the "Loans" as defined in the ABL Credit Agreement as in effect on the Closing Date, (y) other Indebtedness that is secured by the Collateral on a first lien *pari passu* basis with Liens securing the Obligations and (z) any refinancing, replacement or extension of any of the foregoing (in each case of prepayments of a revolving facility or "Loans" as defined in the ABL Credit Agreement as in effect on the Closing Date, to the extent accompanied by a corresponding permanent commitment reduction), (2) [reserved], (3) the aggregate amount of all capital expenditures and Investments made (or committed to be made subject to reversal of such deduction if any such committed amount is not actually expended within a twelve-month period after commitment thereof) in cash, and (4) Restricted Payments (other than non-cash Restricted Payments and Restricted Payments made pursuant to clause (3) of the second paragraph under Section 7.05), in each case, made (or committed to be made) during the period

commencing on the first day of the relevant Excess Cash Flow Period and ending on the last day of the relevant Excess Cash Flow Period, or, at the option of the Borrower, on the date on which the relevant Excess Cash Flow prepayment is required to be made (such amounts in clauses (1) through (4), "ECF Deductions") and such ECF Deductions may be applied to reduce payments under this Section 2.05(b)(i) in respect of subsequent Excess Cash Flow Periods to the extent the amount of such ECF Deductions exceeds the amount of payments required under this Section 2.05(b)(i) in respect of the current Excess Cash Flow Period; provided that such percentage in respect of any Excess Cash Flow Period shall be reduced to 25% or 0% if the Consolidated First Lien Net Leverage Ratio as of the last day of the fiscal year to which such Excess Cash Flow Period relates (but giving Pro Forma Effect to any payment under this Section 2.05 made after the last day of the year to which such Excess Cash Flow Period relates but prior to the date on which the relevant Excess Cash Flow prepayment is or would be required to be made) was equal to or less than 4.00 to 1.00 or 3.50 to 1.00, respectively; provided further that no prepayment shall be required with respect to any Excess Cash Flow Period to the extent Excess Cash Flow for such period is equal to or less than (the "ECF Threshold") the greater of $21,000,000 and 10.0% of Consolidated EBITDA of the Group Parties (and only amounts in excess of the ECF Threshold shall be applied to the payment thereof). Notwithstanding anything to the contrary in the foregoing, the Borrower may elect to use a portion of such amount of payments otherwise required under this Section 2.05(b)(i) in respect of any such Excess Cash Flow Period to prepay or repurchase any other Indebtedness that is secured by the Collateral, in each case in an amount not to exceed the product of (1) the amount of payments otherwise required under this Section 2.05(b)(i) in respect of such Excess Cash Flow Period and (2) a fraction, the numerator of which is the outstanding principal amount of such other Indebtedness (or to the extent such amount is not in Dollars, such equivalent amount of such Indebtedness converted into Dollars as determined in accordance with Section 1.08) and the denominator of which is the aggregate outstanding principal amount of Term Loans and such other Indebtedness (or to the extent such amount is not in Dollars, such equivalent amount of such Indebtedness converted into Dollars as determined in accordance with Article I).

(ii) If any Asset Sale of Collateral pursuant to the General Asset Sale Basket or Casualty Event (or series of such related Asset Sales or Casualty Events) (other than with respect to ABL Priority Collateral) results in the receipt by the Loan Parties of aggregate Net Cash Proceeds in excess of the greater of (x) $25,000,000 and (y) 12.0% of Consolidated EBITDA of the Group Parties (whether in a single transaction or a series of related transactions) (the "Per Transaction Prepayment Trigger") and in excess of the greater of (x) $52,000,000 and (y) 25.0% of Consolidated EBITDA of the Group Parties in any fiscal year (the "Per Fiscal Year Prepayment Trigger" and, together with the Per Transaction Prepayment Trigger, collectively, the "Asset Sale and Casualty Event Prepayment Trigger") (a "Relevant Transaction") then, except to the extent the Borrower reinvests all or a portion of such Net Cash Proceeds in accordance with Section 7.04, the Borrower shall prepay, subject to Section 2.05(b)(viii), an aggregate principal amount of Term Loans in an amount equal to 100% (such percentage, as it may be reduced as described below, the "Net Cash Proceeds Percentage") of the Net Cash Proceeds received from such Relevant Transaction in excess of the Prepayment Trigger within 15 Business Days of receipt thereof (or within 15 Business Days after the later of the date the Prepayment Trigger referred to above is first exceeded, the date the relevant Net Cash Proceeds are received or the last day of the applicable reinvestment period in accordance with Section 7.04) by the relevant Loan Party (provided that only the amount of Net Cash Proceeds in excess of the Prepayment Trigger, after giving effect to any reinvestment of such Net Cash Proceeds pursuant to the reinvestment right set forth in Section 7.04, shall be subject to prepayment pursuant to this Section 2.05(b)(ii)); provided that

(X) the Borrower may elect to use a portion of the Net Cash Proceeds received from such Relevant Transaction to prepay or repurchase any other Indebtedness that is secured by the Collateral, to the extent not deducted in the calculation of Net Cash Proceeds, in each case in an amount not to exceed the product of (1) the amount of such Net Cash Proceeds and (2) a fraction,

the numerator of which is the outstanding principal amount of such other Indebtedness (or to the extent such amount is not in Dollars, such equivalent amount of such Indebtedness converted into Dollars as determined in accordance with Section 1.08) and the denominator of which is the aggregate outstanding principal amount of Term Loans and such other Indebtedness (or to the extent such amount is not in Dollars, such equivalent amount of such Indebtedness converted into Dollars as determined in accordance with Article I);

(Y) the Net Cash Proceeds Percentage (A) shall be reduced to 50.0% if the Consolidated First Lien Net Leverage Ratio (on a Pro Forma Basis after giving effect to such Asset Sale or Casualty Event, as applicable, and the use of proceeds thereof (including the repayment of any Indebtedness)) is equal to or less than 4.00 to 1.00 but greater than 3.50 to 1.00 as of the most recently ended Test Period and (B) shall be reduced to 0.00% if the Consolidated First Lien Net Leverage Ratio (on a Pro Forma Basis after giving effect to such Asset Sale or Casualty Event, as applicable, and the use of proceeds thereof) is equal to or less than 3.50 to 1.00 as of the most recently ended Test Period) (provided that (x) in each case, such Consolidated First Lien Net Leverage Ratio shall be determined, at the Borrower's option, at the time of such Asset Sale or Casualty Event, at the time of entry into a definitive agreement with respect thereto or at the time of application of the Net Cash Proceeds therefrom and (y) any prospective prepayment may, at the Borrower's option, be tested at any time during the Reinvestment Period, and shall apply to amounts subject to the reinvestment rights set forth Section 7.04);

(iii) Upon the Incurrence or issuance by the Borrower or any Restricted Subsidiary of any Refinancing Notes, any Specified Refinancing Term Loans (other than Refinancing Notes or any Specified Refinancing Term Loans which refinance all of the 2024 Term B-2 Loans then outstanding under this Agreement) or any Indebtedness not expressly permitted to be Incurred or issued pursuant to Section 7.01, the Borrower shall prepay an aggregate principal amount of Term Loan Tranches in an amount equal to 100% of all Net Cash Proceeds received therefrom immediately upon receipt thereof by the Borrower or such Restricted Subsidiary.

(iv) [Reserved].

(v) [Reserved].

(vi) Subject to Section 2.17, each prepayment of Term Loans pursuant to this Section 2.05(b) shall be applied to each Term Loan Tranche on a pro rata basis (or, if agreed to in writing by the Majority Lenders of a Term Loan Tranche, in a manner that provides for more favorable prepayment treatment of other Term Loan Tranches, so long as each other such Term Loan Tranche receives its Pro Rata Share of any amount to be applied more favorably, except to the extent otherwise agreed by the Majority Lenders of each Term Loan Tranche receiving less than such Pro Rata Share) (other than a prepayment of (x) Term Loans with the proceeds of Indebtedness Incurred pursuant to Section 2.18, which shall be applied to the Term Loan Tranche being refinanced pursuant thereto or (y) Term Loans with the proceeds of any Refinancing Notes issued to the extent permitted under Section 7.01(a), which shall be applied to the Term Loan Tranche being refinanced pursuant thereto). Amounts to be applied to a Term Loan Tranche in connection with prepayments made pursuant to this Section 2.05(b) shall be applied as directed by the Borrower and, in the absence of any direction, to the remaining scheduled installments with respect to such Term Loan Tranche in direct order of maturity. Each prepayment of Term Loans under a Facility pursuant to this Section 2.05(b) shall be applied on a pro rata basis to the then outstanding Base Rate Loans and SOFR Loans under such Facility; provided that the amount thereof shall be applied first to Base Rate Loans under such Facility to the full extent thereof before application to SOFR Loans, in each

case in a manner that minimizes the amount payable by the Borrower in respect of such prepayment pursuant to Section 3.06.

(vii) All prepayments under this Section 2.05 shall be made together with, in the case of any such prepayment of a SOFR Loan on a date other than the last day of an Interest Period therefor, any amounts owing in respect of such SOFR Loan pursuant to Section 3.06 and, to the extent applicable, any additional amounts required pursuant to Section 2.05(a)(iii). Notwithstanding any of the other provisions of this Section 2.05(b), so long as no Event of Default shall have occurred and be continuing, if any prepayment of SOFR Loans is required to be made under this Section 2.05(b), prior to the last day of the Interest Period therefor, the Borrower may, in its sole discretion, deposit the amount of any such prepayment otherwise required to be made thereunder into a Cash Collateral account until the last day of such Interest Period, at which time the Administrative Agent shall be authorized (without any further action by or notice to or from the Borrower or any other Loan Party) to apply such amount to the prepayment of such Loans in accordance with this Section 2.05(b) (it being agreed, for clarity, that interest shall continue to accrue on the Loans so prepaid until the amount so deposited is actually applied to prepay such Loans). Upon the occurrence and during the continuance of any Event of Default, the Administrative Agent shall also be authorized (without any further action by or notice to or from the Borrower or any other Loan Party) to apply such amount to the prepayment of the outstanding Loans in accordance with this Section 2.05(b).

(viii) Notwithstanding any other provisions of this Section 2.05, to the extent that any or all of the Net Cash Proceeds of any Asset Sale by a Foreign Subsidiary (a "Foreign Disposition") or the Net Cash Proceeds of any Casualty Event with respect to a Foreign Subsidiary (a "Foreign Casualty Event"), in each case giving rise to a prepayment event pursuant to Section 2.05(b)(ii), or Excess Cash Flow of a Foreign Subsidiary giving rise to a prepayment event pursuant to Section 2.05(b)(i) are or is prohibited or restricted by applicable local law, rule or regulation (including, without limitation, financial assistance and corporate benefit restrictions, thin capitalization, capital maintenance, liquidity maintenance or similar legal principles and fiduciary and statutory duties of any direct or officers of such Subsidiaries) from being repatriated to the Borrower or Holdings or so prepaid or such repatriation or prepayment would present a material risk of liability for the applicable Subsidiary or its directors or officers (or gives rise to a material risk of breach of fiduciary or statutory duties by any director or officer), an amount equal to 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 2.05. To the extent any such amounts are required to be applied to repay Term Loans, such applications shall be net of an amount equal to the additional taxes of Holdings, the Borrower or any Subsidiary or any direct or indirect parent of Holdings, or any Affiliate thereof and any additional costs and expenses that would be incurred by such Persons as a result of repatriating such amounts (in each case, without duplication of deductions from the amount being required to repay Term Loans through the taking of such costs and expenses into account in determining Net Cash Proceeds or Excess Cash Flow, as applicable).

(ix) Notwithstanding any other provisions of this Section 2.05, to the extent that the Borrower has determined in good faith that repatriation of any or all of the Net Cash Proceeds of any Foreign Disposition or any Foreign Casualty Event, in each case giving rise to a prepayment event pursuant to Section 2.05(b)(ii), or Excess Cash Flow of a Foreign Subsidiary giving rise to a prepayment event pursuant to Section 2.05(b)(i), would have a material adverse tax cost consequence on Holdings, the Borrower or any Subsidiary or Parent Holding Company (taking into account any foreign tax credit or benefit actually realized in connection with such repatriation), would violate or conflict with the Organization Documents or Contractual Obligations of any Restricted Subsidiary or would be prohibited or restricted by Law (each, a "Payment Block") with respect to such Net Cash Proceeds or Excess Cash Flow, the 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 2.05 and the Borrower shall not be required to monitor

any such Payment Block and/or reserve cash for future prepayment after it has notified the Administrative Agent of the existence of such Payment Block. To the extent any such amounts are required to be applied to repay Term Loans, such applications shall be net of an amount equal to the additional taxes of Holdings, the Borrower or any Subsidiary or any direct or indirect parent of Holdings, or any Affiliate thereof and any additional costs and expenses that would be incurred by such Persons as a result of repatriating such amounts (in each case, without duplication of deductions from the amount being required to repay Term Loans through the taking of such costs and expenses into account in determining Net Cash Proceeds or Excess Cash Flow, as applicable).

(c) Term Lender Opt-Out. With respect to any prepayment of 2024 Term B-2 Loans and, unless otherwise specified in the documents therefor, other Term Loan Tranches pursuant to Section 2.05(b)(i) or (ii), any Appropriate Lender, at its option (but solely to the extent the Borrower elects for this clause (c) to be applicable to a given prepayment), may elect not to accept such prepayment as provided below. The Borrower may notify the Administrative Agent of any event giving rise to a prepayment under Section 2.05(b)(i) or (ii) at least five (5) Business Days (or such shorter period as the Administrative Agent may agree) prior to the date of such prepayment. Each such notice shall specify the date of such prepayment and provide a reasonably detailed calculation of the amount of such prepayment that is required to be made under Section 2.05(b)(i) or (ii) (the "Prepayment Amount"). The Administrative Agent will promptly notify each Appropriate Lender of the contents of any such prepayment notice so received from the Borrower, including the date on which such prepayment is to be made (the "Prepayment Date"). Any Appropriate Lender may decline to accept all (but not less than all) of its share of any such prepayment (any such Lender, a "Declining Lender") by providing written notice to the Administrative Agent no later than three (3) Business Days after the date of such Appropriate Lender's receipt of notice from the Administrative Agent regarding such prepayment. If any Appropriate Lender does not give a notice to the Administrative Agent on or prior to such three Business Day informing the Administrative Agent that it declines to accept the applicable prepayment, then such Lender will be deemed to have accepted such prepayment. On any Prepayment Date, an amount equal to the Prepayment Amount minus the portion thereof allocable to Declining Lenders, in each case for such Prepayment Date, shall be paid to the Administrative Agent by the Borrower and applied by the Administrative Agent ratably to prepay Term Loans under the Term Loan Tranches owing to Appropriate Lenders (other than Declining Lenders) in the manner described in Section 2.05(b)(i) and (ii), as applicable, for such prepayment. Any amounts that would otherwise have been applied to prepay Term Loans under the Term Loan Tranches owing to Declining Lenders shall be retained by the Borrower and may be utilized pursuant to clause (c)(viii) of the first paragraph of Section 7.05 (such amounts, "Declined Amounts").

Section 2.06 Termination or Reduction of Commitments.

(a) Optional. The Borrower may, upon written notice by the Borrower to the Administrative Agent, terminate the unused portions of the Commitments under any Term Loan Tranche, or from time to time permanently reduce the unused portions of the Commitments under any Term Loan Tranche; provided that (i) any such notice shall be received by the Administrative Agent three (3) Business Days (or such shorter period as the Administrative Agent shall agree) prior to the date of termination or reduction and (ii) any such partial reduction shall be in an aggregate amount of $500,000 or any whole multiple of $100,000 in excess thereof. Any such notice of termination or reduction of commitments pursuant to this Section 2.06(a) may state that it is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked or delayed by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied or delayed.

(b) Mandatory. The Aggregate Commitments under a Term Loan Tranche shall be automatically and permanently reduced by the amount of Term Loans of such Term Loan Tranche funded on the date of the initial Incurrence of Term Loans under such Term Loan Tranche, which in the case of the Additional 2024 Term B-2 Loan Commitment shall be the Amendment No. 45 Effective Date.

(c) Application of Commitment Reductions; Payment of Fees. The Administrative Agent will promptly notify the applicable Lenders of the applicable Facility of any termination or reduction of the Commitments under any Term Loan Tranche under this Section 2.06. Upon any reduction of Commitments under a Facility or a Tranche thereof, the Commitment of each Lender under such Facility or Tranche thereof shall be reduced by such Lender's ratable share of the amount by which such Facility or Tranche thereof is reduced (other than the termination of the Commitment of any Lender as provided in Section 3.08).

Section 2.07 Repayment of Loans. The Borrower shall repay to the Administrative Agent for the ratable account of the applicable Term Lenders (i) on the last day of each March, June, September and December of each year (commencing on ~~June 30,~~December 31, 2024), an aggregate principal amount equal to 0.25% of the aggregate principal amount of all 2024 Term B-2 Loans outstanding on the Amendment No. 45 Effective Date (which installments shall, to the extent applicable, be reduced as a result of the application of prepayments in accordance with the order of priority set forth in Sections 2.05 and 2.06, or be increased as a result of any increase in the amount of 2024 Term B-2 Loans pursuant to Section 2.14 (such increased amortization payments to be calculated in accordance with Section 2.14(c))) and (ii) on the Maturity Date for the 2024 Term B-2 Loans, the aggregate principal amount of all 2024 Term B-2 Loans outstanding on such date; provided, however, that (i) if the date scheduled for any principal repayment installment is not a Business Day, such principal repayment installment shall be repaid on the immediately preceding Business Day, and (ii) the final principal repayment installment of the 2024 Term B-2 Loans shall be repaid on the Maturity Date for the 2024 Term B-2 Loans and in any event shall be in an amount equal to the aggregate principal amount of all 2024 Term B-2 Loans outstanding on such date.

Section 2.08 Interest.

(a) Subject to the provisions of the following sentence, (i) each SOFR Loan under a Facility shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of (A) Term SOFR for such Interest Period plus (B) the Applicable Rate for SOFR Loans under such Facility; and (ii) each Base Rate Loan under a Facility shall bear interest on the outstanding principal amount thereof from the applicable borrowing date or conversion date, as the case may be, at a rate per annum equal to the sum of (A) the Base Rate plus (B) the Applicable Rate for Base Rate Loans under such Facility. During the continuance of an Event of Default under Section 8.01(a), the Borrower shall pay interest on all overdue Obligations hereunder, which shall include all Obligations following an acceleration pursuant to Section 8.02 (including an automatic acceleration) at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws. Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(b) Accrued interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein; provided that in the event of any repayment or prepayment of any Loan, accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

(c) Interest on each Loan shall be payable in the currency in which each Loan was made.

(d) All computations of interest hereunder shall be made in accordance with Section 2.10 of this Agreement.

Section 2.09 Fees.

(a) [Reserved].

(b) Other Fees. The Borrower shall pay to the Lenders, the Arrangers and the Administrative Agent such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified.

Section 2.10 Computation of Interest and Fees. All computations of interest for Base Rate Loans shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid; provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

Section 2.11 Evidence of Indebtedness.

(a) The Borrowings made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and evidenced by one or more entries in the Register maintained by the Administrative Agent, acting solely for purposes of Section 5f.103-1(c) of the United States Treasury Regulations and Section 1.163-5(b)(1) of the proposed United States Treasury Regulations, as a non-fiduciary agent for the Borrower, in each case in the ordinary course of business and in accordance with Section 10.07(c) hereof. Subject to Section 10.07(c) the entries in the Register shall be conclusive absent manifest error and the accounts or records maintained by each Lender shall be prima facie evidence absent manifest error of the amount of the Borrowings made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the written request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note payable to such Lender or its registered assigns, which shall evidence such Lender's Loans in addition to such accounts or records and which Note shall only be transferrable through recordation in the Register in accordance with Section 10.07(c). Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) Entries made in good faith by the Administrative Agent in the Register pursuant to Sections 2.11(a) and 10.07(c) shall be conclusive absent manifest error, and entries made in good faith by each Lender in its accounts or records pursuant to Sections 2.11(a), shall be prima facie evidence absent manifest error of the amount of principal and interest due and payable or to become due and payable from the Borrower to, in the case of the Register, each Lender and, in the case of such accounts or records, such Lender, under this Agreement and the other Loan Documents; provided that the failure of

the Administrative Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such accounts or records shall not limit the obligations of the Borrower under this Agreement and the other Loan Documents.

Section 2.12 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 3:00 p.m. (New York City time) (or such later time as the Administrative Agent may agree) on the date specified herein. The Administrative Agent will promptly distribute to each Lender its ratable share in respect of the relevant Facility or Tranche thereof (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 3:00 p.m. (New York City time) (or such later time as the Administrative Agent may agree) shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in calculating interest or fees, as the case may be; provided, however, that, if such extension would cause payment of interest on or principal of SOFR Loans to be made in the next succeeding calendar month, such payment shall be made on the immediately preceding Business Day.

(b) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of SOFR Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 3:00 p.m. (New York City time) on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with and at the time required by Section 2.02(c) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if any Lender does not in fact make its share of the applicable Borrowing available to the Administrative Agent, then such Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand an amount equal to such applicable share in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrower by the Administrative Agent to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate reasonably determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any reasonable administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans under the applicable Facility. If both the Borrower and such Lender 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 (less interest and fees) shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make its share of any Borrowing available to the Administrative Agent.

(i) Payments by the Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower

will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Appropriate Lenders the amount due. In such event, if the Borrower does not in fact make such payment, then each of the Appropriate Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed by the Administrative Agent to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate reasonably determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any reasonable administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this Section 2.12 shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Borrowing set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender on demand, without interest.

(d) Obligations of the Lenders Several. The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 9.07 are several and not joint. The failure of any Lender to make any Loan or to fund any such participation or to make any payment under Section 9.07 on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan or, to fund its participation or to make its payment under Section 9.07.

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(f) Insufficient Funds. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, toward payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, toward payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(g) Unallocated Funds. If the Administrative Agent receives funds for application to the Obligations of the Loan Parties under or in respect of the Loan Documents under circumstances for which the Loan Documents do not specify the manner in which such funds are to be applied, the Administrative Agent may, but shall not be obligated to, elect to distribute such funds to each of the Lenders in accordance with such Lender's ratable share of the sum of the Outstanding Amount of all Loans outstanding at such time.

Section 2.13 Sharing of Payments. If, other than as expressly provided elsewhere herein (including the application of funds arising from the existence of a Defaulting Lender), any Lender shall obtain on account of the Loans made by it any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) in excess of its ratable share (or other share contemplated hereunder) thereof, such Lender shall immediately (a) notify the Administrative Agent of such fact and

(b) purchase from the other Lenders such participations in the Loans made by them as shall be necessary to cause such purchasing Lender to share the excess payment in respect of such Loans or such participations, as the case may be, pro rata with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from the purchasing Lender under any of the circumstances described in Section 10.06 (including pursuant to any settlement entered into by the purchasing Lender in its discretion), such purchase shall to that extent be rescinded and each other Lender shall repay to the purchasing Lender the purchase price paid therefor, together with an amount equal to such paying Lender's ratable share (according to the proportion of (i) the amount of such paying Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered, without further interest thereon. The Borrower agrees that any Lender so purchasing a participation from another Lender may, to the fullest extent permitted by Law, exercise all its rights of payment (including the right of setoff, but subject to Section 10.09) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation. The Administrative Agent will keep records (which shall be conclusive and binding in the absence of manifest error) of participations purchased under this Section 2.13 and will in each case notify the Lenders following any such purchases or repayments. Each Lender that purchases a participation pursuant to this Section 2.13 shall from and after such purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Obligations purchased. For the avoidance of doubt, the provisions of this Section shall not be construed to apply to (A) the application of Cash Collateral provided for in Section 2.16, (B) the assignments and participations (including by means of a Dutch Auction and open market debt repurchases) described in Section 10.07, (C) (i) the Incurrence of any New Term Loans in accordance with Section 2.14 or (ii) any Specified Refinancing Debt in accordance with Section 2.18, (D) any loan modification offer described in Section 10.01, or (E) any applicable circumstances contemplated by Sections 2.05(b), 2.14, 2.17 or 3.08.

Section 2.14 Incremental Facilities.

(a) The Borrower or any Guarantor may, from time to time after the Closing Date, upon notice by the Borrower to the Person appointed by the Borrower to arrange an incremental Facility (such Person, the "Incremental Arranger") specifying the proposed amount thereof and the proposed currency denomination thereof, request (i) an increase in any Term Loan Tranche then outstanding (each, a "Term Commitment Increase"), (ii) the addition of one or more new term loan facilities, in each case, in such currency or currencies as the Borrower identifies in such notice (each, a "New Term Facility"; and any advance made by a Lender thereunder, a "New Term Loan"; and the commitments thereof, the "New Term Commitment") and/or (iii) the establishment of one or more new revolving credit commitments (each a "New Revolving Facility"; and any advance made by a Lender thereunder, a "New Revolving Loan"; and the commitments thereof, the "New Revolving Commitment" and, together with the Term Commitment Increase and the New Term Commitments the "New Loan Commitments") by (or in) a principal amount not to exceed the sum of (such sum, at any such time, the "Available Incremental Amount"):

(x) the sum of (the amount available under this clause (x), the "Cash-Capped Incremental Facility") (I) the greater of (A) $206,000,000 and (B) 100% of Consolidated EBITDA of the Group Parties (and after giving effect to any acquisition consummated concurrently therewith on a Pro Forma Basis and all other appropriate pro forma adjustment events consistent with the definition of "Consolidated EBITDA" and Section 1.10), *plus* (II) the General Debt Basket Reallocated Amount, *minus* (III) Incremental Equivalent Cash Component Debt, plus

(y) an unlimited amount (the "Ratio-Based Incremental Facility") so long as the Maximum Leverage Requirement is satisfied and

(z) an amount equal to all voluntary prepayments, redemptions and repurchases and payments (including prepayments at a discount to par and open market purchases, with credit given for the actual amount of the cash payment, giving credit to the principal amount of the Indebtedness repurchased and all prepayments and permanent commitment reductions (including pursuant to Section 3.08 or any substantially similar provisions in the documentation governing any applicable Indebtedness)) made by the Borrower or any of its Restricted Subsidiaries in respect of (I) Initial Term Loans, (II) 2022 Incremental Term Loans, (III) 2023 Term Loans, (IV) 2024 Term Loans, (V) 2024 Term B-2 Loans, (VI) New Term Loans, (~~VI~~VII) New Revolving Loans, (~~VII~~VIII) Refinanced First Lien Indebtedness (to the extent previously applied for the prepayment, redemption, repurchase, buyback or permanent commitment reduction, as applicable, of any Indebtedness specified in clauses (I), (II), (III), (IV), (V) ~~and~~, (VI) and (VII) above and clause (~~IX~~X) below), (~~VIII~~IX) the "Loans" as defined in the ABL Credit Agreement as in effect on the Closing Date, (~~IX~~X) other Indebtedness that is secured by the Collateral on a first lien *pari passu* or senior basis with Liens securing the Obligations and (~~X~~XI) any refinancing, replacement or extension of any of the foregoing (in each case of prepayments of a revolving facility or "Loans" as defined in the ABL Credit Agreement as in effect on the Closing Date, to the extent accompanied by a corresponding permanent commitment reduction), to the extent, in each case, not funded with the proceeds of long term Indebtedness (other than any (I) revolving indebtedness and intercompany loans or (II) without duplication, any New Term Loans, New Incremental Notes or Incremental Equivalent Debt incurred in reliance on the Prepayment-Based Incremental Facility) (the "Prepayment-Based Incremental Facility");

provided that any such request for a New Loan Commitment shall be in a minimum amount of the lesser of (x) $5,000,000 and (y) the entire amount of any New Loan Commitment that may be requested under this Section 2.14; provided further that for purposes of any New Loan Commitments established pursuant to this Section 2.14 and New Incremental Notes issued pursuant to Section 2.15 or for determining the amount of Incremental Equivalent Debt permitted to be Incurred under the first paragraph of Section 7.01, (A) unless otherwise elected by the Borrower, the Borrower shall be deemed to have used amounts under the Ratio-Based Incremental Facility (to the extent permitted thereby) prior to utilization of the Cash-Capped Incremental Facility and the Prepayment-Based Incremental Facility, and the Borrower shall be deemed to have used the Prepayment-Based Incremental Facility, if any, prior to utilization of the Cash-Capped Incremental Facility and (B) for the avoidance of doubt, New Loan Commitments pursuant to this Section 2.14 and New Incremental Notes pursuant to Section 2.15 and Incremental Equivalent Debt pursuant to the first paragraph of Section 7.01 may be Incurred under the Cash-Capped Incremental Facility, the Ratio-Based Incremental Facility and the Prepayment-Based Incremental Facility, and proceeds from any such Incurrence under the Cash-Capped Incremental Facility, the Ratio-Based Incremental Facility and the Prepayment-Based Incremental Facility may be utilized in a single transaction by first calculating the Incurrence under the Ratio-Based Incremental Facility (without inclusion of any amounts utilized pursuant to the Cash-Capped Incremental Facility or the Prepayment-Based Incremental Facility) and then calculating the Incurrence under the Prepayment-Based Incremental Facility (without inclusion of any amounts utilized pursuant to the Cash-Capped Incremental Facility) and then calculating the Incurrence under the Cash-Capped Incremental Facility. The Borrower may designate any Incremental Arranger of any New Loan Commitments with such titles under the New Loan Commitments as the Borrower may deem appropriate. In the case of any New Loan Commitment or Incremental Equivalent Debt established in the form of a delayed draw term loan commitment (each, an "Incremental Delayed Draw Term Loan Commitment"), at the

election of the Borrower in its sole discretion, for purposes of determining capacity under, and compliance with the Available Incremental Amount (including for purposes of incurring or establishing such Incremental Delayed Draw Term Loan Commitment (and any associated loan when such Incremental Delayed Draw Term Loan Commitment is funded)), either (A) the applicable New Loan Commitment or Incremental Equivalent Debt shall be deemed to be fully drawn at the time such Incremental Delayed Draw Term Loan Commitment becomes effective (for the avoidance of doubt, in the case of this clause (A), the actual drawing of such Incremental Delayed Draw Term Loan Commitment shall not be deemed to be an additional incurrence of Indebtedness for purposes of determining the Available Incremental Amount) or (B) such New Loan Commitment or Incremental Equivalent Debt (and any associated loan when such Incremental Delayed Draw Term Loan Commitment is funded) shall be incurred as and when the applicable Indebtedness under such Incremental Delayed Draw Term Loan Commitment is funded in accordance with the terms of such Incremental Delayed Draw Term Loan Commitment (for the avoidance of doubt, in the case of this clause (B), such New Loan Commitment or Incremental Equivalent Debt in the form of an Incremental Delayed Draw Term Loan Commitment shall be deemed not to be drawn for all purposes under the Loan Documents until such Incremental Delayed Draw Term Loan Commitment is funded) (this sentence, the "Incremental Delayed Draw Term Loan Commitment Incurrence Election Provision").

(b) The Borrower may elect whether to approach any existing Lenders to provide New Loan Commitments; provided that any Lender approached to participate in any New Loan Commitments may elect or decline, in its sole discretion, to participate in such increase or new facility. The Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement to this Agreement. Neither the Administrative Agent nor the Collateral Agent (in their respective capacities as such) shall be required to execute, accept or acknowledge any joinder agreement pursuant to this Section 2.14 and such execution shall not be required for any such joinder agreement to be effective; provided that, with respect to any New Loan Commitments, the Borrower must provide to the Administrative Agent the documentation providing for such New Loan Commitments.

(c) If (i) a Term Loan Tranche is increased in accordance with this Section 2.14, (ii) a New Term Facility is added in accordance with this Section 2.14 or (iii) a New Revolving Facility is added in accordance with this Section 2.14, the Incremental Arranger and the Borrower shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase, New Term Facility or New Revolving Facility among the applicable Lenders. The Incremental Arranger shall promptly notify the applicable Lenders of the final allocation of such increase, New Term Facility or New Revolving Facility on the Increase Effective Date. In connection with (i) any increase in a Term Loan Tranche, (ii) any addition of a New Term Facility or (iii) any addition of a New Revolving Facility, in each case, pursuant to this Section 2.14, this Agreement and the other Loan Documents may be amended in a writing (which may be executed and delivered by the Borrower and the Incremental Arranger (and the Lenders hereby authorize any such Incremental Arranger to execute and deliver any such documentation)) in order to establish the New Term Facility or the New Revolving Facility or to effectuate the increases to the Term Loan Tranche and to reflect any technical changes necessary or appropriate to give effect to such increase or new facility in accordance with its terms as set forth herein (including, in the case of any New Revolving Facility, the addition of customary borrowing and repayment mechanics, swingline and letter of credit facilities and any financial maintenance covenant, in each case as may be agreed between the Borrower, the Administrative Agent and the lenders of such New Revolving Facility). As of the Increase Effective Date, in the case of an increase to an existing Term Loan Tranche, the amortization schedule for the Term Loan Tranche then increased set forth in Section 2.07 (or any other applicable amortization schedule for New Term Loans or Specified Refinancing Term Loans) shall be amended in a writing (which may be executed and delivered by the Borrower and the Incremental Arranger (and the Lenders hereby authorize any such Incremental

Arranger to execute and deliver any such documentation)) to increase the then-remaining unpaid installments of principal by an aggregate amount equal to the additional Loans under such Term Loan Tranche being made on such date, such aggregate amount to be applied to increase such installments ratably in accordance with the amounts in effect immediately prior to the Increase Effective Date. In connection with any Term Commitment Increase, the Borrower and the lenders providing such New Term Commitments may extend or renew the call protection applicable to such existing Term Loan Tranche without the consent of any existing Lenders under such existing Term Loan Tranche.

(d) With respect to any New Loan Commitments pursuant to this Section 2.14, (i) subject to Section 1.02(i), if so required by the Incremental Arranger, no Specified Event of Default shall have occurred and be continuing; (ii) except in the case of Extendable Bridge Loans or Permitted Earlier Maturity Debt, the applicable New Term Facility, or the Term Loans, New Term Loans or Specified Refinancing Term Loans that are the subject of a Term Commitment Increase shall have a final maturity no earlier than the Latest Maturity Date of the 2024 Term B-2 Loan Facility and shall have Weighted Average Life to Maturity no shorter than that of the 2024 Term B-2 Loan Facility; (iii) except as set forth in clause (ii) above with respect to final maturity and Weighted Average Life to Maturity, and in clause (f)(ii) below regarding the sharing of payments, the currency, pricing, interest rate margins, discounts, premiums, rate floors, fees and the maturity and prepayment terms applicable to any New Term Facility shall be determined by the Borrower and the Lenders providing the New Term Facility; and (iv) to the extent reasonably requested by the Incremental Arranger, the Incremental Arranger shall have received legal opinions, resolutions, officer's certificates and/or reaffirmation agreements in connection with such New Loan Commitments. Subject to the foregoing, the conditions precedent to each such increase or New Loan Commitment shall be agreed to by the Lenders providing such increase or New Loan Commitment, as applicable, and the Borrower.

(e) The additional Term Loans made under the Term Loan Tranche subject to the increases shall be made by the applicable Lenders participating therein pursuant to the procedures set forth in Sections 2.01 and 2.02 and on the date of the making of such new Term Loans, and notwithstanding anything to the contrary set forth in Sections 2.01 and 2.02, such new Loans shall be added to (and form part of) each Borrowing of outstanding Term Loans under such Term Loan Tranche on a pro rata basis (based on the relative sizes of the various outstanding Borrowings), so that each Lender under such Term Loan Tranche will participate proportionately in each then outstanding Borrowing of Term Loans under the Term Loan Tranche. The Administrative Agent shall, at the request of the Borrower, and is hereby authorized to, make such arrangements as necessary to include any Term Loans within any existing Interest Periods applicable to Term Loans of such Term Loan Tranche.

(f) (i) Any New Term Facility shall not be Guaranteed by any Subsidiary of the Borrower that is not a Guarantor under the 2024 Term B-2 Loan Facility, shall be unsecured, secured either on a first lien *pari passu* basis with the 2024 Term B-2 Loan Facility or on a "junior" basis with the 2024 Term B-2 Loan Facility, and, to the extent secured, shall not be secured by assets of Loan Parties and their Subsidiaries that does not constitute Collateral (and in each case, to the extent secured, or subordinated in right of payment or security, such New Term Facility shall be subject to a Market Intercreditor Agreement), (ii) any New Term Facility may share (x) on a greater than pro rata basis, pro rata basis or less than pro rata basis with voluntary prepayments or repayments in respect of the existing Term Loans and (y) on a pro rata basis or less than pro rata basis (but not greater than pro rata basis (other than in the case of prepayment with Refinancing Indebtedness)) with mandatory prepayments or repayments in respect of the existing Term Loans and (iii) the All-in Yield payable by the Borrower applicable to such New Term Facility shall be determined by the Borrower and the Lenders providing such New Term Facility.

(g) Any New Revolving Facility shall (i) not be Guaranteed by any Subsidiary of the Borrower that is not a Guarantor under the 2024 Term B-2 Loan Facility, shall be unsecured, secured either on a first lien *pari passu* or senior basis with the 2024 Term B-2 Loan Facility or on a "junior" basis with the 2024 Term B-2 Loan Facility, and, to the extent secured, shall not be secured by assets of Loan Parties and their Subsidiaries that does not constitute Collateral (and in each case, to the extent secured, or subordinated in right of payment or security, such New Term Facility shall be subject to a Market Intercreditor Agreement), (ii) have an Applicable Rate determined by the Borrower and the applicable lenders providing such New Revolving Facility and (iii) not have a maturity earlier than the later of (x) one year prior to the maturity of the 2024 Term B-2 Loans and (y) the maturity of any prior New Revolving Facility.

(h) If the Incremental Arranger is not the Administrative Agent, the actions authorized to be taken by the Incremental Arranger herein shall be done in consultation with the Administrative Agent.

(i) To the extent any New Term Facility or New Revolving Facility shall be denominated in a currency other than Dollars, this Agreement and the other Loan Documents shall be amended to the extent necessary or appropriate to provide for the administrative and operational provisions applicable to such currency, in each case as are reasonably satisfactory to the Administrative Agent.

(j) This Section 2.14 shall supersede any provisions in Section 2.12, 2.13 or 10.01 to the contrary. For the avoidance of doubt, any of the provisions of this Section 2.14 may be amended with the consent of the Required Lenders.

Section 2.15 New Incremental Notes.

(a) The Borrower or any Guarantor may from time to time after the Closing Date, upon notice by the Borrower to the Administrative Agent, specifying in reasonable detail the proposed terms thereof, request to issue one or more series of senior secured, senior unsecured, senior subordinated or subordinated notes or, in each case, bridge loans in lieu thereof (such notes and/or bridge loans, collectively, "New Incremental Notes") in an amount not to exceed the Available Incremental Amount (at the time of issuance).

(b) As a condition precedent to the issuance of any New Incremental Notes pursuant to this Section 2.15, (i) such New Incremental Notes shall not be Guaranteed by any Subsidiary of the Borrower that is not a Loan Party or that does not become a Loan Party and shall not be secured by a lien on any assets of a Loan Party that is not part of the Collateral, (ii) to the extent secured by the Collateral, such New Incremental Notes shall be subject to a Market Intercreditor Agreement, (iii) except with respect to Permitted Earlier Maturity Debt and Extendable Bridge Loans, such New Incremental Notes shall have a final maturity no earlier than the Latest Maturity Date of the 2024 Term B-2 Loan Facility, (iv) except with respect to Permitted Earlier Maturity Debt and Extendable Bridge Loans, the Weighted Average Life to Maturity of such New Incremental Notes shall not be shorter than that of the 2024 Term B-2 Loan Facility.

(c) The Lenders hereby authorize the Administrative Agent (and the Lenders hereby authorize the Administrative Agent to execute and deliver such amendments) to enter into amendments to this Agreement and the other Loan Documents with the Borrower as may be necessary in order to secure any New Incremental Notes with the Collateral and/or to make such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower in connection with the issuance of such New Incremental Notes, in each case on terms consistent with this Section 2.15.

Section 2.16 Cash Collateral.

(a) All Cash Collateral (other than credit support not constituting funds subject to deposit) shall, unless otherwise agreed by the Administrative Agent, be maintained in blocked, interest bearing deposit accounts at the Administrative Agent or the Collateral Agent (or other financial institution selected by any of them). The Borrower and to the extent provided by any Lender, such Lender, hereby grant to (and subjects to the control of) the Administrative Agent and the Collateral Agent, for the benefit of the Administrative Agent and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.16(b). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent as herein provided, the Borrower and the relevant Defaulting Lender shall, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency.

(b) Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.16 or Sections 2.06 or 2.17 shall be held and applied to the satisfaction of obligations for which the Cash Collateral was so provided prior to any other application of such property as may be provided for herein.

Section 2.17 Defaulting Lenders.

(a) Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) That Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 10.01.

(ii) 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 Article VIII or otherwise, and including any amounts made available to the Administrative Agent by that Defaulting Lender pursuant to Section 10.09), 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, 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; third, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; fourth, so long as no Default or Event of Default pursuant to Sections 8.01(a), (f) or (g) exists, to the payment of any amounts owing to the Borrower as a result of any non-appealable 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 fifth, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Loans were made at a time when the applicable conditions set forth in Article IV were satisfied or waived, such payment shall be applied solely to pay the Loans of all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of that Defaulting Lender. 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 pursuant to this

Section 2.17(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) That Defaulting Lender shall not be entitled to receive any commitment fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(b) If the Borrower and the Administrative Agent agree in writing in their sole discretion that 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 (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may reasonably determine to be necessary to cause the Loans to be held on a pro rata basis by the Lenders in accordance with their ratable shares in respect of that Lender, whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; provided further, that except to the extent otherwise expressly agreed in writing by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

Section 2.18 Specified Refinancing Debt.

(a) The Borrower may, from time to time after the Closing Date, add one or more new term loan facilities to the Facilities ("Specified Refinancing Debt"; and the commitments in respect of such new term facilities, the "Specified Refinancing Term Commitment") pursuant to procedures agreed between the Borrower and the agent under such Specified Refinancing Debt (such Person, the "Specified Refinancing Agent") refinance all or any portion of any Term Loan Tranches then outstanding under this Agreement pursuant to a Refinancing Amendment; provided that such Specified Refinancing Debt: (i) will rank *pari passu* in right of payment with the other Loans and Commitments hereunder; (ii) will not be Incurred or Guaranteed by any Subsidiary of the Borrower that is not the Borrower or a Guarantor under the 2024 Term B-2 Loan Facility; (iii) if secured, shall not be secured by assets of Loan Parties and their Restricted Subsidiaries that does not constitute Collateral and shall be subject to a Market Intercreditor Agreement; (iv) will have such pricing and optional prepayment terms as may be agreed by the Borrower and the applicable Lenders thereof; (v) except with respect to Permitted Earlier Maturity Debt and Extendable Bridge Loans, will have a maturity date that is not prior to the date that is the scheduled Maturity Date of, and will have a Weighted Average Life to Maturity that is not shorter than the Weighted Average Life to Maturity of, the Term Loans being refinanced; (vi) any Specified Refinancing Term Loans may share (x) on a greater than pro rata basis, pro rata basis or less than pro rata basis with voluntary prepayments or repayments in respect of the then outstanding Term Loan Tranches and (y) on a pro rata basis or less than pro rata basis (but not greater than pro rata basis (except with respect to any prepayments made with Refinancing Indebtedness) with mandatory prepayments or repayments in respect of the then outstanding Term Loan Tranches; (vii) shall not have a principal or commitment amount greater than the Loans being refinanced (plus any Incremental Amounts Incurred in connection therewith); and (viii) the Net Cash Proceeds of such Specified Refinancing Debt shall be applied, substantially concurrently with the Incurrence thereof, to the prepayment of outstanding Loans being so refinanced, in each case pursuant to Sections 2.05 and 2.06, as applicable, and the payment of fees, expenses and premiums, if any, payable in connection therewith. The Borrower may elect whether to approach any existing Lenders to provide such Specified Refinancing Debt; provided that any Lender approached to provide all or a portion of any Specified Refinancing Debt may elect or decline, in its sole discretion, to provide such Specified Refinancing Debt. The Borrower may also invite additional

Eligible Assignees to become Lenders in respect of such Specified Refinancing Debt pursuant to a joinder agreement to this Agreement in form and substance reasonably satisfactory to the Specified Refinancing Agent.

(b) The effectiveness of any Refinancing Amendment shall be subject to conditions as are mutually agreed with the participating Lenders providing such Specified Refinancing Debt and to the extent reasonably requested by the Specified Refinancing Agent, receipt by the Specified Refinancing Agent of legal opinions, board resolutions, officer's certificates and/or reaffirmation agreements with respect to the Borrower and the Guarantors. The Lenders hereby authorize the Specified Refinancing Agent to enter into amendments to this Agreement and the other Loan Documents with the Borrower as may be necessary in order to establish new Tranches of Specified Refinancing Debt and to make such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower in connection with the establishment of such new Tranches, in each case on terms consistent with and/or to effect the provisions of this Section 2.18.

(c) Each class of Specified Refinancing Debt Incurred under this Section 2.18 shall be in an aggregate principal amount that is not less than the lesser of (I) $5,000,000 and (II) the entire amount that may be requested under this Section 2.18.

(d) The Specified Refinancing Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment. Each of the parties hereto hereby agrees that, upon the effectiveness of any Refinancing Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Specified Refinancing Debt Incurred pursuant thereto (including the addition of such Specified Refinancing Debt as separate "Facilities" hereunder and treated in a manner consistent with the Facilities being refinanced, including for purposes of prepayments and voting). Any Refinancing Amendment may, without the consent of any Person other than the Borrower, the Specified Refinancing Agent and the Lenders providing such Specified Refinancing Debt, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Specified Refinancing Agent and the Borrower, to effect the provisions of or consistent with this Section 2.18. If the Specified Refinancing Agent is not the Administrative Agent, the actions authorized to be taken by the Specified Refinancing Agent herein shall be done in consultation with the Administrative Agent.

Section 2.19 Permitted Debt Exchanges.

(a) Notwithstanding anything to the contrary contained in this Agreement, pursuant to one or more offers (each, a "Permitted Debt Exchange Offer") made from time to time by the Borrower, the Borrower may from time to time following the Closing Date consummate one or more exchanges of Term Loans for Permitted Debt Exchange Notes (each such exchange a "Permitted Debt Exchange"), so long as the following conditions are satisfied: (i) the aggregate principal amount of Permitted Debt Exchange Notes issued in exchange for such Term Loans pursuant to a Permitted Debt Exchange shall not exceed the aggregate principal amount (calculated on the face amount thereof) of Term Loans exchanged for such Permitted Debt Exchange Notes; provided that the aggregate principal amount of the Permitted Debt Exchange Notes may include Incremental Amounts Incurred in connection with the exchange of such Term Loans and the issuance of such Permitted Debt Exchange Notes, (ii) the aggregate principal amount of all Term Loans exchanged by the Borrower pursuant to any Permitted Debt Exchange shall automatically be cancelled and retired by the Borrower on the date of the settlement thereof (and, if requested by the Administrative Agent, any applicable exchanging Lender shall execute and deliver to the Administrative Agent an Assignment and Assumption, 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), (iii) if the aggregate principal amount of all Term Loans tendered by Lenders in respect of the relevant Permitted Debt Exchange Offer shall exceed the maximum aggregate principal amount of such Term Loans offered to be exchanged by the Borrower pursuant to such Permitted Debt Exchange Offer, then the Borrower shall exchange Term Loans 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 and (iv) any applicable Minimum Tender Condition (as defined below) shall be satisfied.

(b) With respect to all Permitted Debt Exchanges effected by the Borrower pursuant to this Section 2.19, (i) such Permitted Debt Exchanges (and the cancellation of the exchanged Term Loans in connection therewith) shall not constitute voluntary or mandatory payments or prepayments for purposes of Section 2.05(a) or (b), and (ii) such Permitted Debt Exchange Offer shall be made for not less than $5,000,000 in aggregate principal amount of Term Loans; provided that subject to the foregoing clause (ii) the Borrower may at its election specify 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.

(c) In connection with each Permitted Debt Exchange, the Borrower and the Exchange Agent shall mutually agree to such procedures as may be necessary or advisable to accomplish the purposes of this Section 2.19 and without conflict with Section 2.19(d); 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.

(d) The Borrower shall be responsible for compliance with all applicable securities and other laws and regulations in connection with each Permitted Debt Exchange, it being understood and agreed that (x) none of the Exchange Agent, the Administrative Agent nor any Lender assumes any responsibility in connection with the Borrower's compliance with such laws and regulations 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 Securities Exchange Act of 1934, as amended, and/or other applicable securities laws and regulations.

(e) If the Exchange Agent is not the Administrative Agent, the actions authorized to be taken by the Exchange Agent herein shall be done in consultation with the Administrative Agent.

ARTICLE III.
Taxes, Increased Costs Protection and Illegality

Section 3.01 Taxes.

(a) All payments by or on account of any obligation of the Borrower or any other Loan Party hereunder or under any other Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from or in respect of any such payment, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, the sum payable by the Borrower or other applicable Loan Party shall be increased as necessary so that after all such deductions or withholdings for Indemnified Taxes have been made (including any deductions and withholdings for Indemnified Taxes applicable to additional sums payable under this Section 3.01)

the applicable Lender (or, in the case of payments made to the Administrative Agent for its own account, the Administrative Agent) receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Without duplication of any other amounts payable by the Loan Parties under this Section 3.01, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) The Loan Parties shall jointly and severally indemnify each Recipient, within 30 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted in respect of a payment to such Recipient (without duplication of any sums already paid under Section 3.01(a)) and any reasonable out-of-pocket expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability (together with a reasonable explanation thereof) delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Within 30 days after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 3.01, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Indemnified Taxes (whether received in cash or applied as a payment against any cash taxes otherwise due) as to which it has been indemnified pursuant to this Section 3.01 (including by the payment of additional amounts pursuant to this Section 3.01), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 3.01 with respect to the Indemnified Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall promptly repay to such indemnified party the amount paid over pursuant to this clause (e) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this clause (e), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this clause (e) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This clause (e) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(f) [Reserved].

(g) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to any payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative

Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent 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.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent) two executed original copies of IRS Form W-9 (or any successor form) certifying that such Lender is exempt from U.S. federal backup withholding;

(B) any Foreign Lender shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), two of whichever of the following is applicable:

(a) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party, executed original copies of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or any successor form) establishing an exemption from, or reduction of, U.S. federal withholding Tax;

(b) executed original copies of IRS Form W-8ECI (or any successor form);

(c) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 871(h) or Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code or a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code and that no payments under with any Loan Document are effectively connected with such Lender's conduct of a U.S. trade or business (a "U.S. Tax Compliance Certificate") and (y) executed original copies of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or any successor form); or

(d) to the extent a Foreign Lender is not the beneficial owner (*e.g.*, where the Foreign Lender is a partnership or a participating Lender), executed original copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership (and not a participating Lender) and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender shall provide a certificate substantially in the form of Exhibit I-4 on behalf of such direct and indirect partner(s);

(C) any Foreign Lender shall deliver to the Borrower or the Administrative Agent, two executed copies of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with

such supplementary documentation as may be prescribed by applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) each Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA to determine whether such Lender has complied with such Lender's obligations under FATCA and, if necessary, to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement;

(iii) The Administrative Agent, and any successor or supplemental Administrative Agent, shall deliver to the Borrower (in such number of copies as shall be requested by the recipient) on or prior to the date on which the Administrative Agent becomes the administrative agent hereunder or under any other Loan Document (and from time to time thereafter upon the reasonable request of the Borrower) executed copies of either (i) IRS Form W-9 (or any successor form) or (ii) a U.S. branch withholding certificate on IRS Form W-8IMY (or any successor form) evidencing its agreement with the Borrower to be treated as a U.S. person for purposes of withholding under Chapter 3 of the Code (with respect to amounts received on account of any Lender) and IRS Form W-8ECI (with respect to amounts received on its own account).

(iv) Each Recipient agrees that if any documentation it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall promptly update and deliver such documentation to the Borrower and the Administrative Agent or promptly notify the Borrower and the Administrative Agent in writing of its legal ineligibility to do so.

(v) Notwithstanding any other provision of this Section 3.01(g), a Recipient shall not be required to deliver any documentation that such Recipient is not legally eligible to deliver.

(vi) Each Lender hereby authorizes the Administrative Agent to deliver to the Loan Parties and to any successor Administrative Agent any documentation provided by such Lender to the Administrative Agent pursuant to Section 3.01(g).

(h) The agreements in this Section 3.01 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

(i) For the avoidance of doubt, the term "applicable law" includes FATCA.

Section 3.02 [Reserved].

Section 3.03 Illegality. If any Lender reasonably determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to SOFR, or to determine or charge interest rates based upon SOFR, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the applicable interbank market, then, on notice thereof by such Lender to the Borrower

through the Administrative Agent, (i) any obligation of such Lender to make or continue SOFR Loans or to convert Base Rate Loans to SOFR Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans, the interest rate on which is determined by reference to SOFR component of the Base Rate, the interest rate on which Base Rate Loans of such Lender, shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to SOFR component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all of such Lender's SOFR Loans to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to SOFR component of the Base Rate), in each case, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such SOFR Loans to such day, or promptly after such demand, if such Lender may not lawfully continue to maintain such SOFR Loans. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted and all amounts due, if any, in connection with such prepayment or conversion under Section 3.06. Each Lender agrees to designate a different Lending Office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

Section 3.04 Inability to Determine Rates. Other than with respect to a Benchmark Transition Event or an Early Opt-in Election, if the Administrative Agent reasonably determines that for any reason, adequate and reasonable means do not exist for determining SOFR for any requested Interest Period with respect to a proposed SOFR Loan, or is informed by the Required Lenders that SOFR for any requested Interest Period with respect to a proposed SOFR Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, or that deposits are not being offered to banks in the relevant interbank market for the applicable amount and the Interest Period of such SOFR Loan, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain SOFR Loans shall be suspended and (y) in the event of a determination described in the preceding sentence with respect to SOFR component of the Base Rate, the utilization of SOFR component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of SOFR Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

Section 3.05 Increased Cost and Reduced Return; Capital Adequacy and Liquidity Requirements.

(a) If any Lender reasonably determines that as a result of the introduction of or any change in or in the interpretation of any Law, in each case after the date hereof, or such Lender's compliance therewith, there shall be any increase in the cost to such Lender of agreeing to make or making, funding or maintaining any Loan the interest on which is determined by reference to SOFR or a reduction in the amount received or receivable by such Lender in connection with any of the foregoing (including Taxes on or in respect of its loans, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, but excluding for purposes of this Section 3.05(a) any such increased costs or reduction in amount resulting from (i) Indemnified Taxes indemnifiable under Section 3.01 and (ii) Excluded Taxes), then within 15 days after demand of such Lender setting forth in reasonable detail such increased costs (with a copy of such demand to the Administrative Agent given in accordance with Section 3.06), the Borrower shall pay to such Lender such additional amounts as will compensate such Lender for such increased cost or reduction.

(b) If any Lender reasonably determines that the introduction of any Law regarding capital adequacy and liquidity requirements or any change therein or in the interpretation thereof, in each case after the date hereof, or compliance by such Lender (or its Lending Office) therewith, has the effect of materially reducing the rate of return on the capital of such Lender or any corporation controlling such Lender as a consequence of such Lender's obligations hereunder (taking into consideration its policies with respect to capital adequacy and liquidity and such Lender's desired return on capital), then within 15 days after demand of such Lender setting forth in reasonable detail the charge and the calculation of such reduced rate of return (with a copy of such demand to the Administrative Agent given in accordance with Section 3.06), the Borrower shall pay to such Lender such additional amounts as will compensate such Lender for such reduction.

(c) The Borrower shall pay to each Lender, (i) as long as such Lender shall be required to maintain reserves or liquidity with respect to liabilities or assets consisting of or including SOFR funds or deposits, additional interest on the unpaid principal amount of each SOFR Loan equal to the actual costs of such reserves or liquidity allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive in the absence of manifest error), and (ii) as long as such Lender shall be required to comply with any liquidity requirement, reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of SOFR Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five (5) decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error) which in each case shall be due and payable on each date on which interest is payable on such Loan; provided the Borrower shall have received at least 15 days' prior written notice (with a copy to the Administrative Agent) of such additional interest or cost from such Lender. If a Lender fails to give written notice 15 days prior to the relevant Interest Payment Date, such additional interest or cost shall be due and payable 15 days from receipt of such written notice.

(d) For purposes of this Section 3.05, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities (other than foreign regulatory authorities in Switzerland), in each case pursuant to Basel III, shall, in each case, be deemed to have gone into effect after the date hereof, regardless of the date enacted, adopted or issued.

(e) Notwithstanding the foregoing, the Borrower shall not be liable for such compensation or payment for additional costs as a result of circumstances referred to in clauses (a) and (b) above resulting from a market disruption if (1) such circumstances affect a Lender or group of Lenders individually but are not generally affecting the banking market and (2) such request is not made by the Required Lenders.

Section 3.06 Funding Losses. Upon written demand of any Lender (with a copy to the Administrative Agent) from time to time, setting forth in reasonable detail the basis for calculating such compensation, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any SOFR Loan on a day prior to the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan or pursuant to a conditional notice) to prepay, borrow, continue or convert any SOFR Loan on the date or in the amount notified by the Borrower; or

(c) any mandatory assignment of such Lender's SOFR Loans pursuant to Section 3.08 on a day prior to the last day of the Interest Period for such Loans,

including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained (but excluding anticipated profits).

Section 3.07 Matters Applicable to All Requests for Compensation.

(a) A certificate of any Agent or any Lender claiming compensation under this Article III and setting forth in reasonable detail a calculation of the additional amount or amounts to be paid to it hereunder shall be conclusive in the absence of manifest error. In determining such amount, such Agent or such Lender may use any reasonable averaging and attribution methods. With respect to any Lender's claim for compensation under Sections 3.03, 3.04 or 3.05, the Loan Parties shall not be required to compensate such Lender for any amount incurred more than 180 days prior to the date that such Lender notifies the Borrower of the event that gives rise to such claim; 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.

(b) If any Lender requests compensation under Section 3.05, or the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.03, then such Lender will, if requested by the Borrower and at the Borrower's expense, use commercially reasonable efforts to designate another Lending Office for any Loan affected by such event; provided that such efforts (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.05, as applicable, in the future and (ii) would not, in the judgment of such Lender be inconsistent with the internal policies of, or otherwise be disadvantageous in any material legal, economic or regulatory respect to such Lender or its Lending Office. The provisions of this clause (b) shall not affect or postpone any Obligations of the Borrower or rights of such Lender pursuant to Section 3.05.

(c) If any Lender requests compensation by the Borrower under Section 3.05, the Borrower may, by notice to such Lender (with a copy to the Administrative Agent), suspend the obligation of such Lender to make or continue from one Interest Period to another SOFR Loans, or to convert Base Rate Loans into SOFR Loans, until the event or condition giving rise to such request ceases to be in effect (in which case the provisions of Section 3.07(e) shall be applicable); provided that such suspension shall not affect the right of such Lender to receive the compensation so requested.

(d) If the obligation of any Lender to make or continue from one Interest Period to another any SOFR Loan, or to convert Base Rate Loans into SOFR Loans shall be suspended pursuant to Section 3.07(c) hereof, such Lender's SOFR Loans shall be automatically converted into Base Rate Loans on the last day(s) of the then current Interest Period(s) for such SOFR Loans (or, in the case of an immediate conversion required by Section 3.03, on such earlier date as required by Law) and, unless and until such Lender gives notice as provided below that the

circumstances specified in Sections 3.03, 3.04 or 3.05 hereof that gave rise to such conversion no longer exist:

(i) to the extent that such Lender's SOFR Loans have been so converted, all payments and prepayments of principal that would otherwise be applied to such Lender's SOFR Loans shall be applied instead to its Base Rate Loans; and

(ii) all Loans that would otherwise be made or continued from one Interest Period to another by such Lender as SOFR Loans shall be made or continued instead as Base Rate Loans, and all Base Rate Loans of such Lender that would otherwise be converted into SOFR Loans shall remain as Base Rate Loans.

(e) If any Lender gives notice to the Borrower (with a copy to the Administrative Agent) that the circumstances specified in Sections 3.03, 3.04 or 3.05 hereof that gave rise to the conversion of such Lender's SOFR Loans pursuant to this Section 3.07 no longer exist (which such Lender agrees to do promptly upon such circumstances ceasing to exist) at a time when SOFR Loans made by other Lenders are outstanding, such Lender's Base Rate Loans shall be automatically converted, on the first day(s) of the next succeeding Interest Period(s) for such outstanding SOFR Loans, to the extent necessary so that, after giving effect thereto, all Loans held by the Lenders holding SOFR Loans and by such Lender are held pro rata (as to principal amounts, interest rate basis, and Interest Periods) in accordance with their respective Commitments.

(f) A Lender shall not be entitled to any compensation pursuant to Section 3.03, 3.05 or 3.06 unless such Lender certifies that it is imposing such charges or requesting such compensation from borrowers (similarly situated to the Borrower hereunder) under comparable syndicated credit facilities.

Section 3.08 Replacement of Lenders under Certain Circumstances.

(a) If at any time (i) the Borrower becomes obligated to pay additional amounts or indemnity payments described in Sections 3.01 or 3.05 (other than with respect to Other Taxes) as a result of any condition described in such Sections or any Lender ceases to make SOFR Loans as a result of any condition described in Sections 3.03 or 3.04, (ii) any Lender becomes a Defaulting Lender or (iii) any Lender becomes a Non-Consenting Lender (as defined below in this Section 3.08) (collectively, a "Replaceable Lender"), then the Borrower may, on prior written notice from the Borrower to the Administrative Agent and such Lender (for the avoidance of doubt, such notice shall be deemed provided on the same day that an amendment or waiver is posted to Lenders for consent), either (i) replace such Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 10.07(b) (with the assignment fee to be paid by the Borrower in such instance unless waived by the Administrative Agent) all of its rights and obligations under this Agreement (or, in the case of a Non-Consenting Lender, all of its rights and obligations under this Agreement with respect to the Facility or Facilities for which its consent is required) to one or more Eligible Assignees; provided that neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to find a replacement Lender or other such Person or (ii) so long as no Event of Default shall have occurred and be continuing, terminate the Commitment of such Lender or prepay the Loans, as the case may be, and repay all Obligations of the Borrower owing (and the amount of all accrued interest and fees in respect thereof) to such Lender relating to the Loans and participations held by such Lender as of such termination date; provided that (i) in the case of any such replacement of, or termination of Commitments with respect to a Non-Consenting Lender such replacement or termination shall be sufficient (together with all other consenting Lenders including any other Replaceable Lender) to cause the adoption of the applicable

modification, waiver or amendment of the Loan Documents and (ii) in the case of any such replacement as a result of the Borrower having become obligated to pay amounts described in Sections 3.01 or 3.05, such replacement would eliminate or reduce payments pursuant to Sections 3.01 or 3.05, as applicable, in the future. Any Lender being replaced pursuant to this Section 3.08(a) shall (i) execute and deliver an Assignment and Assumption with respect to such Lender's Commitment and outstanding Loans and (ii) deliver any Notes evidencing such Loans to the Borrower (for return to the Borrower) or the Administrative Agent. Pursuant to such Assignment and Assumption, (A) the assignee Lender shall acquire all or a portion, as the case may be, of the assigning Lender's Commitment and outstanding Loans, (B) all Obligations relating to the Loans and participations (and the amount of all accrued interest, fees and premiums in respect thereof) so assigned shall be paid in full by the assignee Lender to such assigning Lender concurrently with such assignment and assumption and (C) upon such payment and, if so requested by the assignee Lender, the assigning Lender shall deliver to the assignee Lender the applicable Note or Notes executed by the Borrower, the assignee Lender shall become a Lender hereunder and the assigning Lender shall cease to constitute a Lender hereunder with respect to such assigned Loans, Commitments and participations, except with respect to indemnification provisions under this Agreement, which shall survive as to such assigning Lender. In connection with any such replacement, if any such Replaceable Lender does not execute and deliver to the Administrative Agent a duly executed Assignment and Assumption reflecting such replacement within two Business Days of the date on which the assignee Lender executes and delivers such Assignment and Assumption to such Replaceable Lender, then such Replaceable Lender shall be deemed to have executed and delivered such Assignment and Assumption without any action on the part of the Replaceable Lender. In connection with the replacement of any Lender pursuant to this Section 3.08(a), the Borrower shall pay to such Lender such amounts as may be required pursuant to Section 3.06.

(b) Notwithstanding anything to the contrary contained above, the Lender that acts as the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 9.09.

(c) In the event that (i) the Borrower or the Administrative Agent has requested the Lenders to consent to a waiver of any provisions of the Loan Documents or to agree to any amendment or other modification thereto, (ii) the waiver, amendment or modification in question requires the agreement of all affected Lenders in accordance with the terms of Section 10.01 or all the Lenders with respect to a certain class of the Loans and (iii) the Required Lenders (or Majority Lenders, as applicable) have agreed to such waiver, amendment or modification, then any Lender who does not agree to such waiver, amendment or modification, in each case, shall be deemed a "Non-Consenting Lender"; provided, that the term "Non-Consenting Lender" shall also include any Lender that rejects (or is deemed to reject) (x) a loan modification offer under Section 10.01, which loan modification has been accepted by at least the Majority Lenders of the respective Tranche of Loans whose Loans and/or Commitments are to be extended pursuant to such loan modification and (y) any Lender that does not elect to become a lender in respect of any Specified Refinancing Debt pursuant to Section 2.18. For the avoidance of doubt, if any applicable Lender shall be deemed a Non-Consenting Lender and is required to assign all or any portion of its 2024 Term B-2 Loans or its 2024 Term B-2 Loans are prepaid by the Borrower, pursuant to Section 3.08(a) on or prior to the date that is six (6) months after the Amendment No. 45 Effective Date in connection with any such waiver, amendment or modification constituting a Repricing Event, the Borrower shall pay such Non-Consenting Lender a fee equal to 1.00% of the principal amount of the 2024 Term B-2 Loans so assigned or prepaid.

(d) Survival. All of the Loan Parties' obligations under this Article III shall survive termination of the Aggregate Commitments and repayment of all other Obligations hereunder, any assignment by or replacement of a Lender and any resignation or removal of the Administrative Agent.

ARTICLE IV.
Conditions Precedent to Borrowings

Section 4.01 Conditions to the Initial Borrowing on the Closing Date. The obligation of each Lender to make its initial Borrowing hereunder on the Closing Date is subject to satisfaction or waiver in accordance with Section 10.01 of each of the following conditions precedent, except as otherwise agreed between the Borrower and the Administrative Agent:

(a) The Administrative Agent shall have received all of the following, each of which shall be originals or facsimiles or "pdf" files unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party (if applicable), each dated as of the Closing Date (or, in the case of certificates of governmental officials, as of a recent date before the Closing Date), each in form and substance reasonably satisfactory to the Administrative Agent, and each accompanied by their respective required schedules and other attachments (and set forth thereon shall be all required information with respect to Holdings and its Subsidiaries, giving effect to the Transactions):

(i) executed counterparts of (A) this Agreement from Holdings and the Borrower, (B) the Holdings Guaranty from Holdings, (C) the Subsidiary Guaranty from each Subsidiary Guarantor, (D) the ABL Intercreditor Agreement from Holdings, the Borrower, the ABL Representative, the Administrative Agent and the Second Lien Administrative Agent (as defined in this Agreement as in effect on the Closing Date) and (E) the Term Loan Intercreditor Agreement from Holdings, the Borrower, the Administrative Agent and the Second Lien Administrative Agent (as defined in this Agreement as in effect on the Closing Date);

(ii) the Security Agreement, duly executed by Holdings, the Borrower and each Subsidiary Guarantor, together with (subject to the last paragraph of this Section 4.01):

(1) certificates, if any, representing the Pledged Interests accompanied by undated stock powers executed in blank (or stock transfer forms, as applicable) and instruments evidencing the Pledged Debt indorsed in blank (or instrument of transfer, as applicable) shall have been delivered to the Collateral Agent, and

(2) copies of proper financing statements, filed or duly prepared for filing under the Uniform Commercial Code in all United States jurisdictions that the Administrative Agent may deem reasonably necessary in order to perfect the Liens on assets of Holdings, the Borrower and each Subsidiary Guarantor created under the Security Agreement, covering the Collateral described in the Security Agreement, and

(3) evidence that all other actions, recordings and filings of or with respect to the Security Agreement that the Administrative Agent may deem reasonably necessary or desirable in order to perfect the Liens created thereby (subject to the Perfection Exceptions) shall have been taken, completed or otherwise provided for in a manner reasonably satisfactory to the Administrative Agent, and

(4) an Intellectual Property Security Agreement, duly executed by each Loan Party that owns intellectual property that is required to be pledged in accordance with the Collateral Documents;

(iii) [reserved];

(iv) a Note executed by the Borrower in favor of each Lender requesting a Note at least three (3) Business Days in advance of the Closing Date;

(v) a Committed Loan Notice relating to the initial Borrowing;

(vi) a solvency certificate executed by the chief financial officer or similar officer, director or authorized signatory of the Borrower (after giving effect to the Transactions) substantially in the form attached hereto as Exhibit G;

(vii) such documents and certifications (including (x) Organization Documents and (y) good standing certificates) as the Administrative Agent may reasonably require to evidence (A) the identity, authority and capacity of each Responsible Officer of the Loan Parties acting as such in connection with this Agreement and the other Loan Documents and (B) that Holdings, the Borrower and each Subsidiary Guarantor is duly incorporated, organized or formed, and that each of them is validly existing and, to the extent applicable, in good standing, except to the extent that failure to be so qualified would not reasonably be expected to have a Material Adverse Effect;

(viii) a customary opinion of Ropes & Gray LLP, New York and Delaware counsel to Holdings, the Borrower and the Subsidiary Guarantors, addressed to each Secured Party, in form and substance reasonably satisfactory to the Administrative Agent; and

(ix) a certificate of a Responsible Officer of the Borrower certifying that the conditions set forth in Sections 4.01(f)(ii) and (g) have been satisfied.

(b) Since the date of the Purchase Agreement, no Material Adverse Effect shall have occurred.

(c) The Lead Arrangers shall have received (a) with respect to the Borrower, (i) audited consolidated or combined balance sheet of Vertex Holdings as of December 31, 2020 and as of the end of any fiscal year ended at least 120 days prior to the Closing Date, and, in each case, the consolidated or combined statements of operations or (loss) income, changes in net parent company investment and cash flows of Vertex Holdings for such fiscal year and (ii) unaudited consolidated or combined balance sheets of Vertex Holdings as of the last day of each fiscal quarter ending after December 31, 2020 (excluding the fourth fiscal quarter of any fiscal year) and at least 60 days prior to the Closing Date and the related unaudited consolidated or combined statements of operations or (loss) income and cash flows of Vertex Holdings for each such fiscal quarter (subject to the absence of notes and normal year-end adjustments) and (b) with respect to the Target Business, (i) an audited "carve-out" balance sheet of the Target Business as of December 31, 2020 and as of the end of any subsequent fiscal year ended at least 120 days prior to the Closing Date, and the related audited "carve-out" statements of operations or (loss) and income and cash flows of the Business for such fiscal year and (ii) unaudited "carve-out" balance sheets of the Business as of the last day of each fiscal quarter ending after December 31, 2020 (excluding the fourth fiscal quarter of any fiscal year) and at least 60 days prior to the Closing Date and the related unaudited "carve-out" statements of operations or (loss) income and cash flows of the Business for each such fiscal quarter (subject to the absence of notes and normal year-end adjustments) (collectively, the "Historical Financial Statements").

(d) The Lead Arrangers shall have received a pro forma consolidated balance sheet of Vertex Holdings as of the last day of the then-most recent fiscal quarter ending prior to the Closing Date as to which financial statements of Vertex Holdings have been delivered pursuant to the Historical

Financial Statements, prepared after giving effect to the Transactions as if the Transactions had occurred as of such date, which need not be prepared in compliance with Regulation S-X of the Securities Act of 1933, as amended, or include adjustments for purchase accounting (or include adjustments of the type contemplated by ASC 805, tax adjustments, deferred taxes or similar pro forma adjustments) (the "Pro Forma Balance Sheet").

(e) The Administrative Agent shall have received all documentation and other information about any Loan Party required by U.S. regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act at least three (3) Business Days prior to the Closing Date (or such shorter period as the Administrative Agent shall otherwise agree), and if the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to the Borrower, in each case, as is reasonably requested in writing by the Administrative Agent at least ten (10) business days prior to the Closing Date.

(f)

(i) The Purchase Agreement Representations shall be true and correct in all material respects as of the Closing Date (except in the case of any Purchase Agreement Representation which expressly relates to a given date or period, such representation and warranty shall be true and correct in all material respects as of the respective date or for the respective period, as the case may be) but only to the extent that the Borrower or any of its Affiliates has the right (taking into account any cure provisions) to terminate the obligations of the Borrower or any of its Affiliates under the Purchase Agreement or to decline to consummate the Acquisition without liability under the Purchase Agreement as a result of a breach of such representations, and

(ii) the Specified Representations shall be true and correct in all material respects as of the Closing Date (except in the case of any Specified Representation which expressly relates to a given date or period, such representation and warranty shall be true and correct in all material respects as of the respective date or for the respective period, as the case may be).

(g) The Acquisition shall have been, or substantially concurrently with the initial borrowing of the Initial Term Loans shall be, consummated in all material respects in accordance with the terms of the Purchase Agreement, after giving effect to any modifications, amendments, consents or waivers thereto, other than those modifications, amendments, consents or waivers by the Buyer (as defined in the Purchase Agreement) that are materially adverse to the interests of the Lenders providing the Initial Term Loan Facility in their capacities as such, unless consented to in writing by the Lenders.

(h) Prior to, or substantially concurrently with, the initial Borrowing, the Investor Equity Contribution shall have been made and the Refinancing shall have occurred.

(i) All fees required to be paid on the Closing Date pursuant to this Agreement and any other arrangements with the Administrative Agent or any Arranger and out-of-pocket expenses required to be paid on the Closing Date pursuant to any other written agreement with the Arrangers, to the extent, in the case of expenses, a reasonably detailed invoice has been delivered to the Borrower at least three (3) Business Days prior to the Closing Date (or such later date as the Borrower may reasonably agree) shall have been paid (which amounts may be offset against the proceeds of the Initial Term Loans).

Without limiting the generality of the provisions of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender as of the Closing Date shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter

required hereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the Closing Date specifying its objection thereto.

Notwithstanding anything herein to the contrary, it is understood that, (a) other than with respect to (x) the execution and delivery by Holdings, the Borrower and the other applicable Loan Parties of the Security Agreement and (y) UCC Filing Collateral and Stock Certificates (each as defined below), to the extent any Lien on any Collateral is not or cannot be provided and/or perfected on the Closing Date after Holdings' and the Borrower's use of commercially reasonable efforts to do so or without undue burden or expense, the provision and/or perfection of a Lien on such Collateral shall not constitute a condition precedent for purposes of this Section 4.01, but instead shall be required to be perfected after the Closing Date in accordance with Section 6.16; provided that Holdings and the Borrower shall have delivered all Stock Certificates (to the extent received by Holdings after Holdings' and the Borrower's use of commercially reasonable efforts to receive such certificates or otherwise without undue burden or expense). For purposes of this paragraph, "UCC Filing Collateral" means Collateral, including Collateral constituting investment property, for which a security interest can be perfected by filing a UCC-1 financing statement. "Stock Certificates" means Collateral consisting of certificates representing Equity Interests of the Borrower or the wholly owned Domestic Subsidiaries of the Loan Parties (in each case, other than Immaterial Subsidiaries) for which a security interest can be perfected by delivering such certificates, together with undated stock powers or other appropriate instruments of transfer executed in blank for each such certificate.

ARTICLE V.
Representations and Warranties

Each of Holdings and the Borrower represents and warrants to the Administrative Agent, Collateral Agent and the Lenders on the Closing Date and on each date that the representations and warranties in this Article V are required to be made that (provided that, on the Closing Date, only the Specified Representations are made):

Section 5.01 Existence, Qualification and Power; Compliance with Laws. Each Loan Party and each of the Restricted Subsidiaries (subject, in the case of clause (c) of this Section 5.01, to the Legal Reservations and Section 5.03) (a) is a Person duly organized, formed or incorporated, validly existing and in good standing (to the extent such concept is applicable in the relevant jurisdiction) under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, (c) is duly qualified and is authorized to do business and in good standing (to the extent such concept is applicable in the relevant jurisdiction) under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification and (d) has all requisite governmental licenses, authorizations, consents and approvals to operate its business as currently conducted; except in each case referred to in clause (a) (other than with respect to the Borrower), (b)(i), (b)(ii) (other than with respect to the Borrower), (c) and (d), to the extent that any failure to be so or to have such would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 5.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is or is to be a party, are within such Loan Party's corporate or other powers, have been duly authorized by all necessary corporate or other organizational action and do not (a) contravene the terms of any of such Person's Organization Documents, (b) violate any Law, (c) will not violate or result in a default under any indenture or other agreement or instrument in respect of Indebtedness with an aggregate principal amount in excess of the

Threshold Amount which is binding upon Holdings, the Borrower or any other Loan Party, except to the extent that such contravention or violation would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 5.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (a) the execution, delivery or performance by any Loan Party of this Agreement or any other Loan Document, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents or (c) the perfection or maintenance of the Liens created under the Collateral Documents, except for (w) filings and registrations necessary to perfect the Liens on the Collateral granted by the Loan Parties, (x) the approvals, consents, exemptions, authorizations, actions, notices and filings which have been duly obtained, taken, given or made and are in full force and effect, (y) those approvals, consents, exemptions, authorizations or other actions, notices or filings set out in the Collateral Documents and (z) those approvals, consents, exemptions, authorizations or other actions, notices or filings, the failure of which to obtain or make would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 5.04 Binding Effect. This Agreement and each other Loan Document has been duly executed and delivered by each Loan Party (subject, in each case, to the Legal Reservations and Section 5.03) that is party thereto. Subject to the Legal Reservations, this Agreement and each other Loan Document constitutes, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms.

Section 5.05 Financial Statements; No Material Adverse Effect.

(a) To the knowledge of the Borrower, the Target Historical Financial Statements present fairly, in all material respects, the consolidated "carve-out" financial position of the Target Business, in each case, at the respective dates thereof and their consolidated results of operations or income (loss) and cash flows of the Target Business for the respective periods covered thereby in accordance with GAAP in all material respects, except as otherwise expressly noted therein or in the notes thereto (subject, in the case of any unaudited Target Historical Financial Statements, to changes resulting from normal year-end adjustments and the absence of footnotes).

(b) The Historical Financial Statements present fairly, in all material respects, the consolidated financial position of the Borrower and its Subsidiaries (other than the Target Business), in each case, at the respective dates thereof and their consolidated results of operations or income (loss) and cash flows for the respective periods covered thereby in accordance with GAAP in all material respects, except as otherwise expressly noted therein or in the notes thereto (subject, in the case of any unaudited Historical Financial Statements, to changes resulting from normal year-end adjustments and the absence of footnotes).

(c) Since the Closing Date, there has been no Material Adverse Effect.

Section 5.06 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower, threatened in writing, at law, in equity, in arbitration or before any Governmental Authority, against the Borrower or any Restricted Subsidiary, or against any of their properties or revenues that would reasonably be expected to have a Material Adverse Effect.

Section 5.07 [Reserved].

Section 5.08 Ownership of Property; Liens. Each Loan Party and each of the Restricted Subsidiaries has fee simple or other comparable valid title to, or leasehold or subleasehold, as applicable, interests in, all real property necessary in the ordinary conduct of its business, free and clear of all Liens except for minor defects in title that do not materially interfere with its ability to conduct its business or to utilize such assets for their intended purposes and Liens permitted by Section 7.02, except where the failure to have such title or interests would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the use or operation of any Material Real Property or any real property necessary for the ordinary conduct of the business of the Group Parties, taken as a whole.

Section 5.09 [Reserved].

Section 5.10 Taxes. The Borrower and each of the Restricted Subsidiaries have filed or have caused to be filed all Tax returns and reports required to be filed, and have paid all Taxes (including in its capacity as a withholding agent) levied or imposed upon them or their properties, income or assets otherwise due and payable, except those (a) which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP or (b) with respect to which the failure to make such filing or payment would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

Section 5.11 ERISA.

(a) Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, (i) each Plan is in compliance with the applicable provisions of ERISA, the Code and other applicable federal and state laws and (ii) each Plan that is intended to be a qualified plan under Section 401(a) of the Code may rely upon an opinion letter for a prototype plan or has received a favorable determination letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the IRS to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter will be submitted to the IRS within the applicable required time period with respect thereto or is currently being processed by the IRS, and to the knowledge of any Loan Party, nothing has occurred that would prevent, or cause the loss of, such tax-qualified status.

(b) There are no pending or, to the knowledge of any Loan Party, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that would reasonably be expected to have a Material Adverse Effect. There has been no "prohibited transaction" within the meaning of Section 4975 of the Code or Section 406 or 407 of ERISA (and not otherwise exempt under Section 408 of ERISA) with respect to any Plan that would reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred and neither any Loan Party nor, to the knowledge of any Loan Party, any ERISA Affiliate is aware of any fact, event or circumstance that would reasonably be expected to constitute or result in an ERISA Event with respect to any Plan or Multiemployer Plan, (ii) each Loan Party and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Plan, and no waiver of the minimum funding standards under such Pension Funding Rules has been applied for or obtained, (iii) there exists no Unfunded Pension Liability, (iv) as of the most recent valuation date for any Plan, the present value of all accrued benefits under such Plan (based on the actuarial assumptions used to fund such Plan) did not exceed the value of the assets of such Plan allocable to such accrued benefits, (v) neither any Loan Party nor, to the knowledge of any Loan Party, any ERISA Affiliate knows of any facts or circumstances that would reasonably be expected to cause the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) for any Plan, if applicable, to drop below 80% as of the most recent valuation date, (vi) neither any Loan Party

nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid, (vii) neither any Loan Party nor any ERISA Affiliate has engaged in a transaction that would be subject to Sections 4069 or 4212(c) of ERISA and (viii) no Plan has been terminated by the plan administrator thereof or by the PBGC and no event or circumstance has occurred or exists that would reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Plan or Multiemployer Plan, except with respect to each of the foregoing clauses (i) through (viii) of this Section 5.11(c), as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

Section 5.12 [Reserved].

Section 5.13 Margin Regulations; Investment Company Act.

(a) No Loan Party is engaged, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock and no proceeds of any Borrowings will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock. Neither the making of any Borrowing hereunder nor the use of proceeds thereof will violate any regulations of the FRB, including the provisions of Regulations T, U or X of the FRB.

(b) None of the Loan Parties is or is required to be registered as an "investment company" under the Investment Company Act of 1940, as amended.

Section 5.14 Disclosure. As of the Closing Date, no written factual information furnished by or on behalf of any Loan Party (other than projected financial information, the Financial Model, other forward-looking information, information of a general economic or industry nature and all third-party memos or reports) to any Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or any other Loan Document (as modified or supplemented by other information so furnished), when taken as a whole and together with any public filings by the Sellers relating to the Target Business, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein (when taken as a whole), in the light of the circumstances under which they were made, not materially misleading; provided that, with respect to projected and pro forma financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time of preparation and delivery; it being understood that (i) such information relates to future events and is not to be viewed as fact, (ii) such information is subject to significant uncertainties and contingencies, many of which are beyond the control of the Borrower, (iii) no assurance is given by the Borrower that any such information will be realized and (iv) actual results during the period or periods covered thereby may differ significantly from the projected results and such differences may be material.

Section 5.15 Compliance with Laws. Each of Holdings, the Borrower and each Restricted Subsidiary is in compliance in all material respects with the requirements of all Laws (including Environmental Laws and Environmental Permits) and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 5.16 [Reserved].

Section 5.17 Solvency. On the Closing Date, after giving effect to the Transactions, the Borrower and its Subsidiaries, on a consolidated basis, are Solvent.

Section 5.18 Perfection, Etc. Subject to the Legal Reservations and the last paragraph of Section 4.01, each Collateral Document delivered pursuant to this Agreement will, upon execution and delivery thereof, be effective to create in favor of the Collateral Agent for the benefit of the Secured Parties, legal, valid and enforceable Liens on, and security interests in, the Collateral described therein to the extent intended to be created thereby, except as to enforcement, as may be limited by applicable domestic bankruptcy, insolvency, fraudulent conveyance, reorganization (by way of voluntary arrangement, schemes of arrangements or otherwise), moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and (a) when financing statements are filed in the offices of the Secretary of State of each Loan Party's jurisdiction of organization or formation and applicable documents are filed and recorded as applicable in the United States Copyright Office or the United States Patent and Trademark Office and (b) upon the taking of possession or control by the Collateral Agent of such Collateral with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to the Collateral Agent to the extent possession or control by the Collateral Agent is required by the applicable Collateral Document), the Liens in favor of the Collateral Agent for the benefit of the Secured Parties created by the Collateral Documents shall constitute fully perfected Liens so far as possible under relevant law on, and security interests in (to the extent intended to be created thereby and required to be perfected under the Loan Documents), all right, title and interest of the grantors in such Collateral in each case free and clear of any Liens other than Liens permitted hereunder.

Section 5.19 PATRIOT Act; OFAC.

(a) PATRIOT Act. Each of Holdings, the Borrower and each of their respective Restricted Subsidiaries is in compliance, in all material respects, with the PATRIOT Act.

(b) OFAC. None of Holdings, the Borrower or any other Restricted Subsidiary is a person on the list of "Specially Designated Nationals and Blocked Persons", is domiciled, organized or resident in a Sanctioned Country or is subject to the limitations or prohibitions under any other U.S. Department of Treasury's Office of Foreign Assets Control regulation. The Borrower will not directly or knowingly indirectly use the proceeds of the Loans or otherwise make available such proceeds to any Person, for the purpose of financing the activities of any Person subject to any U.S. sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC").

Section 5.20 FCPA. The Borrower will not directly or, to the knowledge of the Borrower, indirectly use any part of the proceeds of any Loan for any improper 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, or any other party (if applicable) in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977. Holdings, the Borrower and the Restricted Subsidiaries are in compliance, in all material respects, with the United States Foreign Corrupt Practices Act of 1977.

ARTICLE VI.
Affirmative Covenants

So long as the Termination Conditions have not been satisfied, (A) with respect to the covenants set forth in Sections 6.05 and 6.14, Holdings shall, (B) the Borrower shall, and (C) except in the case of the covenants set forth in Sections 6.01, 6.02 and 6.03, the Borrower shall cause each Restricted Subsidiary to:

Section 6.01 Financial Statements. Deliver to the Administrative Agent for further distribution to each Lender:

(a) within 120 days (or 150 days with respect to the fiscal year ending December 31, 2021) after the end of each fiscal year of the Borrower (or of any Parent Holding Company or Subsidiary of a Parent Holding Company allowed to be delivered pursuant to the terms hereof) (commencing with the fiscal year ending December 31, 2021), a consolidated balance sheet of the Borrower (or of any Parent Holding Company or Subsidiary of a Parent Holding Company allowed to be delivered pursuant to the terms hereof) and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income (loss) or operations, and cash flows for such fiscal year (in the case of such financial statements for the fiscal year ending December 31, 2021, such annual financial statements may be separated into separate predecessor and successor periods), setting forth in each case in comparative form (commencing with the fiscal year ending December 31, 2023) the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of any independent certified public accountant of nationally recognized standing, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any qualification as to "going concern" (other than a "going concern" or "emphasis of matter" explanatory paragraph or like statement) or the scope of such audit (other than any such exception, qualification or explanatory paragraph that is with respect to, or from, (i) an upcoming maturity date under the Term Facility, Permitted Pari Passu Secured Debt, the ABL Facility or any other Indebtedness that is scheduled to occur within one year from the time such report and opinion are delivered, (ii) any potential inability to satisfy a financial maintenance covenant on a future date or in a future period, (iii) any actual breach of any financial maintenance covenant or (iv) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiary);

(b) within 60 days (or 75 days with respect to the fiscal quarters ending March 31, 2022, June 30, 2022 and September 30, 2022) after the end of each of the first three (3) fiscal quarters of each fiscal year of Holdings (or of any Parent Holding Company or Subsidiary of a Parent Holding Company allowed to be delivered pursuant to the terms hereof) (commencing with the fiscal quarter ending March 31, 2022), a consolidated balance sheet of the Borrower (or of any Parent Holding Company or Subsidiary of a Parent Holding Company allowed to be delivered pursuant to the terms hereof) and its Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of income or operations and cash flows for such fiscal quarter and for the portion of the fiscal year then ended, setting forth in each case in comparative form (commencing with the fiscal quarter ending March 31, 2023) the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail;

(c) within 120 days after the end of each fiscal year, to be distributed only to each Lender that has selected the "Private Side Information" or similar designation, a consolidated budget of the Borrower and its Subsidiaries for the upcoming fiscal year (in the form customarily prepared by the Borrower); provided that delivery of such budget pursuant to this Section 6.01(c) shall only be required hereunder prior to a Qualified IPO;

(d) concurrently with the delivery of any financial statements pursuant to Sections 6.01(a) and (b) above, the related consolidating financial statements reflecting the adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such consolidated financial statements; and

(e) quarterly, at a time selected by the Borrower and reasonably acceptable to the Administrative Agent that is promptly after the delivery of the information required pursuant to Section 6.01(a) or 6.01(b), as applicable, commencing with the delivery of information with respect to the fiscal period ending December 31, 2021, to participate in a conference call for Lenders to discuss the financial position and results of operations of the Borrower and its Restricted Subsidiaries for the most recently ended period for which financial statements have been delivered.

Notwithstanding the foregoing, (A) the obligations in clauses (a), (b) and (c) of this Section 6.01 may be satisfied by furnishing, at the option of the Borrower, the applicable financial statements or, as applicable, budgets of (I) any successor of the Borrower, (II) any Wholly Owned Restricted Subsidiary of the Borrower that, together with its consolidated Restricted Subsidiaries, constitutes substantially all of the assets of the Borrower and its consolidated Subsidiaries (a "Qualified Reporting Subsidiary") or (III) any Parent Holding Company; provided that to the extent such information relates to a Qualified Reporting Subsidiary or a Parent Holding Company, such information is accompanied by consolidating information that explains in reasonable detail the differences between the information relating to such Qualified Reporting Subsidiary or any Parent Holding Company, on the one hand, and the information relating to the Borrower and the Restricted Subsidiaries on a standalone basis, on the other hand, and (B) (i) in the event that the Borrower (or any Parent Holding Company or Subsidiary of a Parent Holding Company allowed to deliver financial statements pursuant to the terms hereof) delivers to the Administrative Agent an Annual Report on Form 10-K for any fiscal year (or similar filing in the applicable jurisdiction), as filed with the SEC or in such form as would have been suitable for filing with the SEC, within the time frames set forth in clause (a) above, such Form 10-K shall satisfy all requirements of clause (a) of this Section 6.01 with respect to such fiscal year to the extent that it contains the information and report and opinion required by such clause (a) and such report and opinion does not contain any "going concern" qualification or qualification as to the scope of audit (other than any such qualification, exception or explanatory paragraph expressly permitted to be contained therein under clause (a) of this Section 6.01) and (ii) in the event that the Borrower (or any Parent Holding Company or Subsidiary of a Parent Holding Company allowed to deliver financial statements pursuant to the terms hereof) delivers to the Administrative Agent a Quarterly Report on Form 10-Q for any fiscal quarter (or similar filing in the applicable jurisdiction), as filed with the SEC or in such form as would have been suitable for filing with the SEC, within the time frames set forth in clause (b) above, such Form 10-Q shall satisfy all requirements of clause (b) of this Section with respect to such fiscal quarter to the extent that it contains the information required by such clause (b); in each case to the extent that information contained in such Form 10-K or Form 10-Q (or similar filings in the applicable jurisdiction) satisfies the requirements of clauses (a) or (b) of this Section 6.01, as the case may be.

Section 6.02 Certificates; Other Information. Deliver to the Administrative Agent:

(a) [reserved];

(b) no later than five (5) days after the delivery of (i) the financial statements referred to in Sections 6.01(a) and (b) or (ii) an Annual Report on Form 10-K or a Quarterly Report on Form 10-Q (in either case, delivered pursuant to the last paragraph of Section 6.01), a duly completed Compliance Certificate signed by a Responsible Officer of Holdings or the Borrower (which delivery may, unless the Administrative Agent or a Lender requests executed originals, be by electronic communication including fax or email and shall be deemed to be an original authentic counterpart thereof for all purposes);

(c) promptly after the same are available, copies of all annual, regular, periodic and special reports and registration statements which Holdings or the Borrower may file or be

required to file, copies of any report, filing or communication with the SEC under Section 13 or 15(d) of the Exchange Act, or with any Governmental Authority that may be substituted therefor, or with any national securities exchange, and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(d) promptly after the furnishing thereof, copies of any notices of default delivered by or received by any Loan Party pursuant to the terms of the ABL Credit Agreement, Permitted Pari Passu Secured Debt or any Junior Financing in a principal amount greater than the Threshold Amount and not otherwise required to be furnished to the Lenders pursuant to any other clause of this Section 6.02; and

(e) promptly, such additional information regarding the business, legal, financial or corporate affairs of any Loan Party or any Restricted Subsidiary thereof as the Administrative Agent or any Lender through the Administrative Agent may from time to time reasonably request; provided that, notwithstanding anything to the contrary herein, neither Holdings nor any Subsidiary shall be required to provide any information (i) that constitutes trade secrets or proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender is prohibited by Law or any binding agreement or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

Documents required to be delivered pursuant to Section 6.01(a), (b), (c) or (d) or Section 6.02(c) or (d) (or to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which such documents are posted on the Borrower's behalf (or on behalf of any Parent Holding Company or Subsidiary of a Parent Holding Company allowed to deliver financial statements pursuant to the terms hereof) on the Platform or another relevant internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) 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 or such Lender and (ii) the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents described in this paragraph and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents to the extent requested by the Administrative Agent. The Administrative Agent shall have no obligation to request the delivery of or to maintain or deliver to Lenders paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and 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.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks/IntraAgency, LendAmend, Syndtrak or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information (within the meaning of foreign and United States federal and state securities laws) with respect to Holdings or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower hereby agrees that it will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (w) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC SIDE" which, at a

minimum, means that the word "PUBLIC SIDE" or "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC SIDE" or "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to Holdings or its Affiliates, or their respective securities for purposes of foreign and United States federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.08); (y) all Borrower Materials marked "PUBLIC SIDE" or "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information" and (z) any Borrower Materials that are not marked "PUBLIC SIDE" or "PUBLIC" shall be deemed to contain material non-public information (within the meaning of foreign and United States federal and state securities laws) and shall not be suitable for posting on a portion of the Platform designated "Public Side Information." Notwithstanding anything herein to the contrary, financial statements delivered pursuant to Sections 6.01(a) and 6.01(b) and Compliance Certificates delivered pursuant to Section 6.02(b) shall be deemed to be suitable for posting on a portion of the Platform designated "Public Side Information."

Section 6.03 Notices. Promptly, after a Responsible Officer of the Borrower or any Guarantor has obtained knowledge thereof, notify the Administrative Agent for further distribution to each Lender:

(a) of the occurrence of any Default;

(b) of the institution of any material litigation not previously disclosed by the Borrower to the Administrative Agent, or any material development in any material litigation that would be reasonably expected to have a Material Adverse Effect;

(c) of any action arising under any Environmental Law against or of any noncompliance by any Loan Party or any of its Subsidiaries with any Environmental Law or Environmental Permit that would reasonably be expected to have a Material Adverse Effect; and

(d) of the occurrence of any ERISA Event, where there is any reasonable likelihood of the imposition of liability on any Loan Party as a result thereof that would be reasonably expected to have a Material Adverse Effect.

Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and, if applicable, stating what action the Borrower has taken and proposes to take with respect thereto.

Section 6.04 Payment of Taxes. Pay, discharge or otherwise satisfy as the same shall become due and payable all its obligations and liabilities in respect of Taxes imposed upon it or its income, profits, properties or other assets (including in its capacity as a withholding agent), except, in each case, (i) to the extent any such Tax is being contested in good faith and by appropriate proceedings for which appropriate reserves have been established in accordance with GAAP, or (ii) if such failure to pay or discharge such obligations and liabilities would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 6.05 Preservation of Existence, Etc. (a) Preserve, renew and maintain in full force and effect its legal existence under the Laws of the jurisdiction of its organization except in a transaction permitted by Sections 7.03 or 7.04, (b) take all reasonable action to maintain all rights, privileges (including its good standing, if such concept is applicable in its jurisdiction of organization), permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect or as otherwise

permitted hereunder, and (c) use commercially reasonable efforts to preserve or renew all of its registered copyrights, patents, trademarks, trade names and service marks, the non-preservation of which would reasonably be expected to have a Material Adverse Effect or as otherwise permitted hereunder; provided that nothing in this Section 6.05 shall require the preservation, renewal or maintenance of, or prevent the abandonment by, the Borrower or any Restricted Subsidiary of any registered copyrights, patents, trademarks, trade names and service marks that the Borrower or any Restricted Subsidiary reasonably determines is not useful to its business or no longer commercially desirable.

Section 6.06 Maintenance of Properties. Except if the failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, maintain, preserve and protect all of its tangible properties and equipment that are necessary in the operation of its business in good working order, repair and condition, ordinary wear and tear excepted and casualty or condemnation excepted.

Section 6.07 Maintenance of Insurance. Except if the failure to do so would not reasonably be expected to have a Material Adverse Effect, 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, but with respect to flood insurance, only to the extent required by applicable Law. Subject to Section 6.16, the Borrower shall use commercially reasonable efforts to ensure that at all times the Collateral Agent, for the benefit of the Secured Parties, shall be named as an additional insured, lender loss payee and/or loss payee, as applicable, with respect to liability policies (other than directors and officers policies and workers compensation) maintained by the Borrower and each Subsidiary Guarantor and the Collateral Agent, for the benefit of the Secured Parties, shall be named as lender loss payee and mortgagee with respect to the property insurance maintained by the Borrower and each Subsidiary Guarantor; provided that, unless an Event of Default shall have occurred and be continuing, (A) all proceeds from such insurance policies shall be paid to the Borrower or Subsidiary Guarantors, as applicable, (B) to the extent the Collateral Agent receives any proceeds, the Collateral Agent shall turn over to the Borrower any amounts received by it as an additional insured, lender loss payee and/or loss payee under any property insurance maintained by the Borrower and its Subsidiaries, and (C) the Collateral Agent agrees that the Borrower and/or its applicable Subsidiaries shall have the sole right to adjust or settle any claims under such insurance.

Section 6.08 Compliance with Laws. Comply with the requirements of all applicable Laws (including, without limitation, ERISA, the PATRIOT Act, Sanctions Laws and Regulations (with respect to any Foreign Subsidiary, solely to the extent not in conflict with applicable local laws and/or regulations) and Environmental Laws) and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it or to its business or property, except if the failure to comply therewith, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 6.09 Books and Records. Maintain proper books of record and account, in a manner to allow financial statements to be prepared in all material respects in conformity with GAAP consistently applied in respect of all financial transactions and matters involving the assets and business of the Borrower or such Restricted Subsidiary, as the case may be (it being understood and agreed that Foreign Subsidiaries may maintain individual books and records in conformity with generally accepted accounting principles that are applicable in their respective jurisdiction of organization).

Section 6.10 Inspection Rights. Permit representatives of the Administrative Agent and, during the continuance of any Event of Default, of each Lender to visit and inspect any of its properties (subject to the rights of lessees or sublessees thereof and subject to any restrictions or limitations in the applicable lease, sublease or other written occupancy arrangement pursuant to which the Borrower or such Restricted Subsidiary is a party), 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, managers, officers, and independent public accountants (subject to such accountants' customary policies and procedures), 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 written notice to the Borrower; provided that (i) only the Administrative Agent on behalf of the Lenders may exercise rights under this Section 6.10, (ii) excluding any such visits and inspections during the continuation of an Event of Default, the Administrative Agent shall not exercise such rights more often than one time during any calendar year and (iii) such exercise shall be at the Borrower's expense; provided further, that when an Event of Default is continuing the Administrative Agent (or any of its respective representatives) may do any of the foregoing at the expense of the Borrower at any time and from time to time during normal business hours and upon reasonable advance written notice. The Administrative Agent and the Lenders shall give the Borrower the opportunity to participate in any discussions with the Borrower's accountants. Notwithstanding anything to the contrary in this Section 6.10, none of Holdings nor any Restricted Subsidiary will be required to disclose or permit the inspection or discussion of, any document, information or other matter (i) that constitutes trade secrets or proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by Law or any binding agreement or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

Section 6.11 Use of Proceeds. The Borrower will use the proceeds of the Initial Term Loans, together with the proceeds of the Equity Contribution, the Second Lien Term Facility (as defined in this Agreement as in effect on the Closing Date) and the proceeds of any borrowings under the ABL Credit Agreement, to (i) finance the Transactions (including working capital and/or purchase price adjustments), (ii) pay the Transaction Costs and (iii) finance the working capital needs of the Borrower and the Restricted Subsidiaries and for capital expenditures and other general corporate purposes of the Borrower and the Restricted Subsidiaries (including Permitted Investments and Restricted Payments). The Borrower will use the proceeds of the 2022 Incremental Term Loans to fund (i) the payments contemplated to be made under the Vectrus Merger Agreement in connection with the Vectrus Merger, (ii) the Vectrus Refinancing, (iii) the redemption of the Company Preferred Stock (as defined in the Merger Agreement), (iv) fees, expenses and premiums incurred in connection with the foregoing and transactions related thereto and (v) working capital and general corporate purposes. The Borrower will use the proceeds of the 2023 Term Loans to refinance the Initial Term Loans and to pay fees, costs and expenses in connection therewith on the Amendment No. 3 Effective Date. The Borrower will use the proceeds of the 2024 Term Loans to refinance the 2023 Term Loans and to pay fees, costs and expenses in connection therewith on the Amendment No. 4 Effective Date. The Borrower will use the proceeds of the 2024 Term B-2 Loans to refinance the 2024 Term Loans and to pay fees, costs and expenses in connection therewith on the Amendment No. 5 Effective Date.

Section 6.12 Covenant to Guarantee Obligations and Give Security.

Upon the formation or acquisition of any new wholly owned Domestic Subsidiary by any Loan Party (provided that each of (i) any Subsidiary Redesignation resulting in an Unrestricted Subsidiary becoming a Restricted Subsidiary that is a Domestic Subsidiary and (ii) any Excluded Subsidiary ceasing to be an Excluded Subsidiary but remaining a Restricted Subsidiary and a Domestic Subsidiary (including a FSHCO ceasing to be a FSHCO or designation of an Excluded Subsidiary as a Guarantor) shall be deemed to constitute the acquisition of a Domestic Subsidiary for all purposes of this Section

6.12), and upon the acquisition of any property (other than (x) Excluded Property and real property that is not Material Real Property and (y) U.S. intellectual property that is not registered with, or that is not the subject of an application for registration with, the United States Patent and Trademark Office or United States Copyright Office) by any Loan Party, which property, in the reasonable judgment of the Administrative Agent, is not already subject to a perfected Lien in favor of the Collateral Agent for the benefit of the Secured Parties (and where such a perfected Lien would be required in accordance with the terms of the Collateral Documents or other Loan Documents), the Borrower shall, at the Borrower's expense:

(i) in connection with such formation or acquisition of a Domestic Subsidiary within 90 days after such formation or acquisition or such longer period as the Collateral Agent may agree in its reasonable discretion, cause each such Subsidiary that is not an Excluded Subsidiary to duly execute and deliver to the Collateral Agent a guaranty or guaranty supplement, in form and substance reasonably satisfactory to the Collateral Agent, guaranteeing the Obligations and a joinder or supplement to the applicable Collateral Documents, and (if not already so delivered) deliver certificates (or the foreign equivalent thereof, as applicable) representing the Equity Interests of each such Subsidiary (if any) held by the applicable Loan Party accompanied by undated stock powers or other appropriate instruments of transfer executed in blank and instruments evidencing the Indebtedness owing by such Subsidiary to any Loan Party indorsed in blank to the Collateral Agent, in each case to the extent required to be delivered pursuant to the Collateral Documents, together with, if requested by the Collateral Agent, supplements to the Security Agreement; provided that any Excluded Property shall not be required to be pledged as Collateral,

(ii) within 90 days (or, with respect to the Mortgages and related deliverables, within 120 days) after such formation or acquisition of any such property or any request therefor by the Collateral Agent (or such longer period, as the Collateral Agent may agree in its reasonable discretion) duly execute and deliver, and cause each such Domestic Subsidiary that is not an Excluded Subsidiary to duly execute and deliver, to the Collateral Agent one or more Mortgages (and other documentation and instruments referred to in Section 6.14) (with respect to Material Real Properties only), Security Agreement Supplements, Intellectual Property Security Agreement Supplements, as specified by and in form and substance reasonably satisfactory to the Collateral Agent (consistent, to the extent applicable, with the Security Agreement, the Intellectual Property Security Agreement, the Mortgages and the other Collateral Documents (and Section 6.14)), securing payment of all the Obligations (provided that to the extent any property to be subject to a Mortgage is located in a jurisdiction which imposes mortgage recording taxes, intangibles tax, documentary tax or similar recording fees or taxes, the relevant Mortgage shall not secure an amount in excess of the Fair Market Value of such property subject thereto) of the applicable Loan Party or such Subsidiary, as the case may be, under the Loan Documents and establishing Liens on all such properties or property; provided that such properties or property shall not be required to be pledged as Collateral, and no Security Agreement Supplements, Intellectual Property Security Agreement Supplements or other Collateral Documents shall be required to be delivered in respect thereof, to the extent that any such properties or property constitute Excluded Property,

(iii) within 90 days (or, with respect to the Mortgages and related deliverables, within 120 days) after such request, formation or acquisition, or such longer period, as the Collateral Agent may agree in its reasonable discretion, take, and cause each such Domestic Subsidiary that is not an Excluded Subsidiary and each applicable Loan Party to take, whatever action (including the recording of Mortgages (with respect to Material Real Properties only), the filing of UCC financing statements, the giving of notices, the delivery of stock and membership interest certificates or foreign equivalents representing the applicable Capital Stock) as may be necessary or advisable in the reasonable opinion of the Collateral Agent to vest in the Collateral Agent (or in any representative of the Collateral Agent designated by it), subject to the Legal Reservations and Section 5.03, valid and subsisting Liens on the

properties purported to be subject to the Mortgages, Security Agreement Supplements, Intellectual Property Security Agreement Supplements, supplements to other Collateral Documents and security agreements delivered pursuant to this Section 6.12, in each case to the extent required under the Loan Documents and subject to the Perfection Exceptions, enforceable against all third parties in accordance with their terms,

(iv) within 90 days (or, with respect to the Mortgages and related deliverables, within 120 days) after the request of the Collateral Agent, or such longer period as the Collateral Agent may agree in its reasonable discretion, deliver to the Collateral Agent, Organization Documents, resolutions and a signed copy of one or more customary opinions, addressed to the Collateral Agent and the other Secured Parties, of counsel for the Loan Parties (or the Collateral Agent, as applicable) reasonably acceptable to the Collateral Agent as to such matters as the Collateral Agent may reasonably request (limited, in the case of any opinions of local counsel to Loan Parties constituting material Subsidiary Guarantors in jurisdictions in which any Mortgaged Property is located, to opinions relating to Material Real Property),

(v) within 90 days (or, with respect to the Mortgages and related deliverables, within 120 days) after the request of the Collateral Agent, or such longer period as the Collateral Agent may agree in its reasonable discretion, deliver to the Collateral Agent with respect to each Material Real Property that is the subject of such request and subject to a Mortgage, title reports in scope, form and substance reasonably satisfactory to the Collateral Agent (but only to the extent such reports exist and are in the possession of the relevant Loan Party or can reasonably be obtained), fully paid American Land Title Association Lender's title insurance policies or the equivalent or other form available in the applicable jurisdiction in form and substance, with endorsements as provided in Section 6.14 and in amounts, reasonably acceptable to the Collateral Agent (not to exceed the value of the Material Real Properties covered thereby and subject to any tie-in coverage available), and

(vi) at any time and from time to time, promptly execute and deliver any and all further instruments and documents and take all such other action as the Collateral Agent in its reasonable judgment may deem necessary or desirable in obtaining the full benefits of, or in perfecting and preserving the Liens of, such guaranties, Mortgages, Security Agreement Supplements, Intellectual Property Security Agreement Supplements, Collateral Documents and security agreements, in each case to the extent required under the Loan Documents and subject to the Perfection Exceptions.

Notwithstanding anything to the contrary in this Agreement or any other Loan Document, in the event that a Foreign Subsidiary becomes a Guarantor, such Loan Party shall grant a valid and enforceable Lien on its assets pursuant to arrangements reasonably agreed between the Administrative Agent and the Borrower, subject to the Legal Reservations and to customary limitations in such jurisdiction as may be reasonably agreed between the Administrative Agent and the Borrower, and, except as otherwise agreed between the Administrative Agent and the Borrower, nothing in the definition of "Excluded Property" or other limitation in this Agreement shall be construed to prevent such Foreign Subsidiary from becoming a Guarantor or granting a lien on its assets or a pledge of the Equity Interests issued by such Foreign Subsidiary, in each case, on account of such Guarantor constituting a Foreign Subsidiary.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, in no event shall any security documentation governed by the laws of a jurisdiction other than the United States or any state thereof or the District of Columbia be required in respect of the assets or Equity Interests issued by the U.S. Obligors.

Section 6.13 Compliance with Environmental Laws. Except, in each case, to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect, (i) comply, and make all reasonable efforts to cause all lessees and other Persons operating or occupying its properties to

comply with all Environmental Laws and Environmental Permits; (ii) obtain, maintain and renew all applicable Environmental Permits necessary for its operations and properties; and (iii) to the extent required under Environmental Laws, conduct any investigation, mitigation, study, sampling and testing, and undertake any cleanup, removal or remedial, corrective or other action necessary to respond to and remove and clean up all Hazardous Materials from any of its properties, in accordance with the requirements of all Environmental Laws.

Section 6.14 Further Assurances. Promptly upon request by the Administrative Agent, or the Collateral Agent or any Lender through the Administrative Agent, and subject to the limitations described in Section 6.12, (i) correct any material defect or error that may be discovered in any Loan Document or other document or instrument relating to any Collateral or in the execution, acknowledgment, filing or recordation thereof and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, or the Collateral Agent or any Lender through the Administrative Agent, may reasonably require from time to time in order to grant, preserve, protect and continue the validity, perfection and priority of the security interests created or intended to be created by the Collateral Documents, in each case to the extent required under the Loan Documents and subject to the Perfection Exceptions. By the date that is 120 days after the Closing Date or 120 days after the acquisition of any Mortgaged Property following the Closing Date, as such time period may be extended in the Collateral Agent's reasonable discretion, the Borrower shall, and shall cause each Restricted Subsidiary to, deliver to the Collateral Agent;

(i) a Mortgage with respect to each Mortgaged Property, together with evidence each such Mortgage has been duly executed, acknowledged and delivered by a duly authorized officer of each Loan Party party thereto on or before such date in a form suitable for filing and recording in all appropriate local filing or recording offices that the Collateral Agent may deem reasonably necessary or desirable in order to create a valid and subsisting perfected Lien on the property described therein in favor of the Collateral Agent for the benefit of the Secured Parties, subject only to Permitted Liens, and that all filing and recording taxes and fees have been paid or otherwise provided for in a manner reasonably satisfactory to the Collateral Agent; provided that to the extent any property to be subject to a Mortgage is located in a jurisdiction that imposes mortgage recording taxes, intangibles tax, documentary tax or similar recording fees or taxes, the relevant Mortgage shall not secure an amount in excess of the Fair Market Value of such property subject thereto;

(ii) fully paid American Land Title Association or equivalent Lender's title insurance policies or marked up unconditional binder for such insurance (the "Mortgage Policies") in form and substance reasonably requested by Collateral Agent, with endorsements reasonably requested by Collateral Agent, in amounts reasonably acceptable to the Collateral Agent (not to exceed the Fair Market Value of the Material Real Properties covered thereby and subject to any tie-in coverage available), issued, coinsured and reinsured by title insurers reasonably acceptable to the Collateral Agent;

(iii) American Land Title Association/American Congress on Surveying and Mapping form surveys, for which all necessary fees (where applicable) have been paid, certified to the Collateral Agent and the issuer of the Mortgage Policies in a manner reasonably satisfactory to the Collateral Agent by a land surveyor duly registered and licensed in the state in which the property described in such surveys is located and reasonably acceptable to the Collateral Agent; provided that new or updated surveys will not be required if an existing survey, ExpressMap or other similar documentation is available and is sufficient for the title company issuing such Mortgage Policy to remove the general survey exception and issue the survey related endorsements without the need for such new or updated surveys;

(iv) in each case with respect to any Material Real Property, customary opinions of local counsel to the Loan Parties in jurisdictions in which the Mortgaged Property is located, with respect to the enforceability and perfection of the Mortgages and, if applicable any related fixture filings, in form and substance reasonably satisfactory to the Collateral Agent;

(v) customary opinions of counsel to the Loan Parties in the states in which the Loan Parties party to the Mortgages are organized or formed, with respect to the valid existence, corporate power and authority of such Loan Parties in the granting of the Mortgages, in form and substance reasonably satisfactory to the Collateral Agent;

(vi) with respect to each improved Mortgaged Property, a "Life-of Loan" Federal Emergency Management Agency Standard Flood Hazard Determination;

(vii) evidence that all other actions reasonably requested by the Administrative Agent, that are necessary in order to create valid and subsisting Liens on the property described in the Mortgage, have been taken; and

(viii) evidence that all documented and invoiced fees, costs and expenses have been paid in connection with the preparation, execution, filing and recordation of the Mortgages, including reasonable attorneys' fees, filing and recording fees, title insurance company coordination fees, documentary stamp, mortgage and intangible taxes and title search charges and other charges incurred in connection with the recordation of the Mortgages and the other matters described in this Section 6.14 and as otherwise required to be paid in connection therewith under Section 10.04.

Section 6.15 Maintenance of Ratings. Use commercially reasonable efforts to obtain and maintain (but not obtain or maintain a specific rating) (i) a public corporate family rating of the Borrower and a rating of the Term Facility, in each case from Moody's, and (ii) a public corporate credit rating of the Borrower and a rating of the Term Facility, in each case from S&P.

Section 6.16 Post-Closing Undertakings. Within the time periods specified on Schedule 6.16 hereto (as each may be extended by the Administrative Agent in its reasonable discretion), provide such Collateral Documents and complete such undertakings as are set forth on Schedule 6.16 hereto.

Section 6.17 No Change in Line of Business. Continue to engage in substantially similar lines of business as those lines of business conducted by the Borrower and the Restricted Subsidiaries on the date hereof including any business reasonably related, complementary, synergistic or ancillary thereto or reasonable extensions thereof.

Section 6.18 Transactions with Affiliates. (a) Not make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction or series of transactions, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Borrower involving aggregate consideration in excess of the greater of $31,000,000 and 15.0% of Consolidated EBITDA of the Group Parties (each of the foregoing, an "Affiliate Transaction"), unless such Affiliate Transaction is on terms that are not materially less favorable to the Borrower or the relevant Restricted Subsidiary than those that could have been obtained in a comparable transaction by Holdings or such Restricted Subsidiary with an unrelated Person on an arm's length basis.

(b) The provisions of Section 6.18 shall not apply to the following:

(1) (a) transactions between or among the Loan Parties and/or any of the Restricted Subsidiaries (or an entity that becomes a Restricted Subsidiary as a result of such transaction) and (b) any merger, amalgamation or consolidation of the Borrower and Holdings or any Parent Holding Company; 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 or Holdings, as applicable) and such merger, amalgamation or consolidation is otherwise in compliance with the terms of this Agreement and effected for a bona fide business purpose;

(2) (a) Restricted Payments permitted by Section 7.05 and (b) Permitted Investments (other than Permitted Investments under clause (13) of the definition thereof);

(3) 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 Section 6.18(a)(i);

(4) payments, loans, advances or guarantees (or cancellation of loans, advances or guarantees) to employees, officers, directors, managers, consultants or independent contractors for bona fide business purposes or in the ordinary course of business;

(5) any agreement or arrangement as in effect as of the Closing Date (other than the Management Agreement) or as thereafter amended, supplemented or replaced (so long as such amendment, supplement or replacement agreement is not materially disadvantageous (as determined in good faith by the management of the Borrower) to the Lenders when taken as a whole as compared to the original agreement or arrangement as in effect on the Closing Date) or any transaction or payments contemplated thereby;

(6) (i) the payment of management, monitoring, consulting, transaction, termination, exit, oversight, advisory and similar fees to Sponsor and (ii) the payment or reimbursement of all indemnification obligations and expenses owed to Sponsor and its directors, officers, members of management, managers, employees and consultants, in each case of clauses (i) and (ii) of this clause (6) whether currently due or paid in respect of accruals from prior periods;

(7) the existence of, or the performance by the Borrower or any of its Restricted Subsidiaries of its obligations under the terms of, any stockholders or similar agreement (including any registration rights agreement or purchase agreement related thereto) to which it is a party as of the Closing Date or similar transactions, arrangements or agreements which it may enter into thereafter; provided, however, that the existence of, or the performance by the Borrower or any of its Restricted Subsidiaries of its obligations under, any future amendment to any such existing transaction, arrangement or agreement or under any similar transaction, arrangement or agreement entered into after the Closing Date shall only be permitted by this clause (7) to the extent that the terms of any such existing transaction, arrangement or agreement, together with all amendments thereto, taken as a whole, or new transaction, arrangement or agreement are not otherwise disadvantageous (as determined in good faith by the management of the Borrower) to the Lenders, in any material respect when taken as a whole as compared with the original transaction, arrangement or agreement as in effect on the Closing Date;

(8) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, in each case, in the ordinary course of business and otherwise in compliance with the terms of this Agreement, which are fair to the Borrower and the Restricted Subsidiaries or are on

terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party (as determined in good faith by the management of the Borrower);

(9) any transaction effected as part of a Qualified Receivables Financing;

(10) the sale, issuance or transfer of Equity Interests (other than Disqualified Stock) of the Borrower;

(11) payments by the Borrower or any of its Restricted Subsidiaries to the Sponsor made for any financial advisory, financing, underwriting or placement services or in respect of other investment banking activities, including, without limitation, in connection with acquisitions or divestitures;

(12) any contribution to the capital of the Borrower (other than Disqualified Stock) or any investments by the Sponsor or a direct or indirect parent of the Borrower in Equity Interests (other than Disqualified Stock) of the Borrower (and payment of reasonable out-of-pocket expenses incurred by the Sponsor or a direct or indirect parent of the Borrower in connection therewith);

(13) any transaction with a Person (other than an Unrestricted Subsidiary) that would constitute an Affiliate Transaction solely because the Borrower or a Restricted Subsidiary owns an Equity Interest in or otherwise controls such Person; provided that no Affiliate of the Borrower or any of its Subsidiaries (other than the Borrower or a Restricted Subsidiary) shall have a beneficial interest or otherwise participate in such Person;

(14) transactions between the Borrower or any of its Restricted Subsidiaries and any Person that would constitute an Affiliate Transaction solely because such Person is a director or such Person has a director which is also a director of the Borrower or any direct or indirect parent of the Borrower; provided, however, that such director abstains from voting as a director of the Borrower or such direct or indirect parent of the Borrower, as the case may be, on any matter involving such other Person;

(15) the entering into of any tax sharing agreement or arrangement and any payments pursuant thereto, in each case to the extent permitted by clauses (13) or (14)(e) of the second paragraph under Section 7.05;

(16) transactions to effect (x) the Transactions and payment of all fees and expenses related to the Transactions and (y) any Transition Arrangements;

(17) pledges of Equity Interests of Unrestricted Subsidiaries;

(18) the issuances of securities or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment arrangements, equity purchase agreements, stock options and stock ownership plans or similar employee benefit plans approved by the Board of Directors of the Borrower, Holdings or any Parent Holding Company or of a Restricted Subsidiary, as appropriate, in good faith;

(19) (i) any employment, consulting, service or termination agreement, or customary indemnification arrangements, entered into by the Borrower or any of its Restricted Subsidiaries with current, former or future officers, directors, employees, managers, consultants and independent contractors of the Borrower or any of its Restricted Subsidiaries (or of any direct or

indirect parent of the Borrower to the extent such agreements or arrangements are in respect of services performed for the Borrower or any of the Restricted Subsidiaries), (ii) any subscription agreement or similar agreement pertaining to the repurchase of Equity Interests pursuant to put/call rights or similar rights with current, former or future officers, directors, employees, managers, consultants and independent contractors of the Borrower or any of its Restricted Subsidiaries or of any direct or indirect parent of the Borrower and (iii) any payment of compensation or other employee compensation, benefit plan or arrangement, any health, disability or similar insurance plan which covers officers, directors, employees, managers, consultants and independent contractors of the Borrower or any of its Restricted Subsidiaries or any direct or indirect parent of the Borrower (including amounts paid pursuant to any management equity plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, stock option or similar plans and any successor plan thereto and any supplemental executive retirement benefit plans or arrangements), in each case in the ordinary course of business or as otherwise approved in good faith by the Board of Directors of the Borrower, Holdings or any Parent Holding Company or of a Restricted Subsidiary or a direct or indirect parent of the Borrower, as appropriate;

(20) investments by Affiliates in Indebtedness or preferred Equity Interests of the Borrower or any of its Subsidiaries, so long as non-Affiliates were also offered the opportunity to invest in such Indebtedness or preferred Equity Interests, and transactions with Affiliates solely in their capacity as holders of Indebtedness or preferred Equity Interests of the Borrower or any of its Subsidiaries, so long as such transaction is with all holders of such class (and there are such non-Affiliate holders) and such Affiliates are treated no more favorably than all other holders of such class generally;

(21) the existence of, or the performance by the Borrower or any of its Restricted Subsidiaries of their obligations under the terms of, any registration rights agreement to which they are a party or become a party in the future;

(22) investments by the Sponsor or a direct or indirect parent of the Borrower in securities of the Borrower or any Restricted Subsidiary (and payment of reasonable out-of-pocket expenses incurred by the Sponsor or a direct or indirect parent of the Borrower in connection therewith);

(23) transactions with joint ventures for the purchase or sale of goods, equipment and services entered into in the ordinary course of business;

(24) any lease entered into between the Borrower or any Restricted Subsidiary, as lessee, and any Affiliate of the Borrower, as lessor, in the ordinary course of business;

(25) (i) intellectual property licenses and (ii) intercompany intellectual property licenses and research and development agreements in the ordinary course of business;

(26) transactions approved by a majority of the Disinterested Directors of the Board of Directors of the Borrower, Holdings or any Parent Holding Company;

(27) transactions pursuant to, and complying with, Section 7.03;

(28) intercompany transactions undertaken in good faith for the purpose of improving the consolidated tax efficiency of the Borrower and the Restricted Subsidiaries and not for the purpose of circumventing any covenant set forth herein, provided that, after giving effect to any

such transactions, the security interest of the Collateral Agent in the Collateral, taken as a whole, is not materially impaired or reduced (in each case, as determined by the management of the Borrower in good faith); or

(29) transactions constituting any part of a Permitted Reorganization or a Permitted IPO Reorganization.

Section 6.19 Accounting Changes. Maintain its fiscal year; provided, however, that (a) the Borrower, Holdings or any Restricted Subsidiary thereof may upon written notice to the Administrative Agent, change its fiscal year to any other fiscal year reasonably acceptable to the Administrative Agent and (b) any Restricted Subsidiary may change its fiscal year to the same fiscal year as the Borrower, and in each such case of clause (a) or clause (b), the Borrower and the Administrative Agent will, and are hereby authorized by the Lenders to, make any amendments to this Agreement that are necessary, in the judgment of the Administrative Agent and the Borrower, to reflect such change in fiscal year.

Section 6.20 FACA Requirement. With respect to any Government Contract that is for an amount in excess of $9,000,000, at the request of the Administrative Agent, after the occurrence and during the continuance of an Event of Default, the Loan Parties shall promptly execute and deliver to the Collateral Agent the applicable FACA Requirement Documents with respect to such Government Contract. The Collateral Agent shall file, with the appropriate Governmental Authority, all FACA Requirement Documents required to be delivered to the Collateral Agent pursuant to the terms of this Agreement after the occurrence and during the continuance of an Event of Default and the Loan Parties shall cooperate with the Collateral Agent to facilitate such filing. The covenants of the Loan Parties set forth in this Section 6.20 are referred to herein as the "FACA Requirement".

ARTICLE VII.
Negative Covenants

So long as the Termination Conditions have not been satisfied, (A) except with respect to Section 7.09, the Borrower shall not, nor shall it permit any other Restricted Subsidiary to, directly or indirectly and (B) with respect to Section 7.09, Holdings shall not:

Section 7.01 Indebtedness. Directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) or issue any shares of Disqualified Stock, and the Borrower will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock other than Indebtedness (including Acquired Indebtedness), Disqualified Stock or Preferred Stock of the Borrower or any Restricted Subsidiary ("Incremental Equivalent Debt") in an amount equal to, without duplication, the amount of Indebtedness that could be Incurred under (and in lieu of) (i) the Cash-Capped Incremental Facility (such Incremental Equivalent Debt the "Incremental Equivalent Cash Component Debt"), (ii) the Prepayment-Based Incremental Facility (such Incremental Equivalent Debt the "Incremental Equivalent Prepayment Component Debt") and/or (iii) the Ratio-Based Incremental Facility (such Incremental Equivalent Debt Incurred under this clause (iii), the "Incremental Equivalent Ratio Component Debt"); provided that, in the case of any Incremental Equivalent Debt Incurred by any Loan Party, (w) except in the case of Extendable Bridge Loans or Permitted Earlier Maturity Debt, such Incremental Equivalent Debt shall have a final maturity no earlier than the Latest Maturity Date of the 2024 Term B-2 Loan Facility and shall have Weighted Average Life to Maturity no shorter than that of the 2024 Term B-2 Loan Facility, (x) shall not be Guaranteed by any Subsidiary of the Borrower that is not a Guarantor under the 2024 Term B-2 Loan Facility, (y) shall be unsecured or secured (*provided* that any such Incremental Equivalent Debt secured by the Collateral shall rank either on a first lien pari passu basis with the Liens on the Collateral securing the 2024 Term B-2 Loan Facility or on a junior lien basis to the Liens on the Collateral securing the 2024 Term B-2 Loan Facility) (and in each case, to the extent such

Incremental Equivalent Debt is secured by the Collateral, or subordinated in right of payment or security, such New Term Facility shall be subject to a Market Intercreditor Agreement) and (z) may share (I) on a greater than pro rata basis, pro rata basis or less than pro rata basis with voluntary prepayments or repayments in respect of the existing Term Loans and (II) on a pro rata basis or less than pro rata basis (but not greater than pro rata basis (other than in the case of prepayment with Refinancing Indebtedness)) with mandatory prepayments or repayments in respect of the existing Term Loans.

The foregoing limitations will not apply to (collectively, "Permitted Debt"):

(a) (v) Indebtedness arising under the Loan Documents including any refinancing thereof in accordance with Section 2.18, (w) Indebtedness of the Loan Parties evidenced by Refinancing Notes and any Permitted Refinancing thereof (or successive Permitted Refinancings thereof), (x) Indebtedness of the Loan Parties evidenced by New Incremental Notes and any Permitted Refinancing thereof (or successive Permitted Refinancings thereof), (y) Specified Refinancing Debt and any Permitted Refinancing thereof (or successive Permitted Refinancings thereof) and (z) Permitted Debt Exchange Notes and any Permitted Refinancing thereof (or successive Permitted Refinancings thereof);

(b) Indebtedness Incurred under the ABL Credit Agreement by the ABL Loan Parties consisting of Permitted ABL Debt, and any Permitted Refinancing thereof (or successive Permitted Refinancings thereof);

(c) Indebtedness of the Borrower and its Restricted Subsidiaries that is existing on the Closing Date and, in the case of Indebtedness in excess of $16,000,000, listed on Schedule 7.01;

(d) Indebtedness (including, without limitation, Capitalized Lease Obligations and mortgage financings as purchase money obligations) Incurred by the Borrower or any of its Restricted Subsidiaries, Disqualified Stock issued by the Borrower or any of its Restricted Subsidiaries and Preferred Stock issued by any Restricted Subsidiaries to finance all or any part of the purchase, lease, construction, installation, repair or improvement of property (real or personal), plant or equipment or other fixed or capital assets (whether through the direct purchase of assets or the Equity Interests of any Person owning such assets) and Indebtedness arising from the conversion of the obligations of the Borrower or any Restricted Subsidiary under or pursuant to any "synthetic lease" transactions to on-balance sheet Indebtedness of the Borrower or such Restricted Subsidiary, in an aggregate principal amount or liquidation preference, including all Indebtedness Incurred and Disqualified Stock or Preferred Stock issued to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred or Disqualified Stock or Preferred Stock issued pursuant to this clause (d), not to exceed the greater of (x) $62,000,000 and (y) 30.0% of Consolidated EBITDA of the Group Parties, at any one time outstanding, *plus*, in the case of any refinancing of any Indebtedness permitted under this clause (d) or any portion thereof, the aggregate amount of Incremental Amounts Incurred in connection with such refinancing; provided that Capitalized Lease Obligations Incurred by the Borrower or any Restricted Subsidiary pursuant to this clause (d) in connection with a Sale/Leaseback Transaction shall not be subject to the foregoing limitation so long as the proceeds of such Sale/Leaseback Transaction are used by the Borrower or such Restricted Subsidiary to permanently repay outstanding Term Loans under this Agreement or other Indebtedness that is secured by *pari passu* Liens on the Collateral;

(e) Indebtedness Incurred by the Borrower or any of its Restricted Subsidiaries constituting reimbursement obligations with respect to letters of credit or bank guarantees or

similar instruments issued in the ordinary course of business, including, without limitation, (i) letters of credit or performance or surety bonds in respect of workers' compensation claims, health, disability or other employee benefits (whether current or former) 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 (whether current or former) or property, casualty or liability insurance and (ii) guarantees of Indebtedness Incurred by customers in connection with the purchase or other acquisition of equipment or supplies in the ordinary course of business;

(f) Indebtedness, Disqualified Stock or Preferred Stock arising from agreements of the Borrower or the Restricted Subsidiaries providing for indemnification, earn-outs, adjustment of purchase or acquisition price or similar obligations, in each case, Incurred in connection with the acquisition or disposition of any business, assets or a Subsidiary of the Borrower in accordance with this Agreement, other than guarantees of Indebtedness Incurred or Disqualified Stock or Preferred Stock issued by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition;

(g) Indebtedness or Disqualified Stock of the Borrower owing to a Restricted Subsidiary; provided that such Indebtedness or Disqualified Stock owing to a Non-Loan Party is subordinated in right of payment to the Borrower's Obligations with respect to this Agreement pursuant to the Intercompany Note;

(h) shares of Preferred 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 Restricted Subsidiary that holds such shares of Preferred Stock of another Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of Preferred Stock (except to the Borrower or another Restricted Subsidiary) shall be deemed, in each case, to be an issuance of shares of Preferred Stock not permitted by this clause (h);

(i) Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary or the Borrower owing to the Borrower or another Restricted Subsidiary; provided that if the Borrower or a Loan Party Incurs such Indebtedness, Disqualified Stock or Preferred Stock owing to a Non-Loan Party, such Indebtedness, Disqualified Stock or Preferred Stock is subordinated in right of payment to the Borrower's Obligations or Guarantee of such Loan Party, as applicable, pursuant to the Intercompany Note;

(j) obligations under Swap Contracts and cash management services Incurred other than for speculative purposes;

(k) obligations (including reimbursement obligations with respect to letters of credit or bank guarantees or similar instruments) in respect of customs, self-insurance, performance, bid, appeal and surety bonds and completion guarantees and similar obligations provided by the Borrower or any Restricted Subsidiary;

(l) Indebtedness or Disqualified Stock of the Borrower or any Restricted Subsidiary and Preferred Stock of any Restricted Subsidiary in an aggregate principal amount or liquidation preference that, when aggregated with the principal amount or liquidation preference of all other Indebtedness, Disqualified Stock and Preferred Stock then outstanding and Incurred pursuant to this clause (l) (including, for the avoidance of doubt, any General Debt Basket Reallocated Amount), does not exceed the greater of (x) $125,000,000 and (y) 60.0% of Consolidated

EBITDA of the Group Parties, at any one time outstanding (the "General Debt Basket"), *plus*, in the case of any refinancing of any Indebtedness, Disqualified Stock or Preferred Stock permitted under this clause (l) or any portion thereof, the aggregate amount of Incremental Amounts incurred in connection with such refinancing (it being understood that any Indebtedness Incurred or Disqualified Stock or Preferred Stock issued pursuant to this clause (l) shall cease to be deemed Incurred, issued or outstanding pursuant to this clause (l) but shall be deemed Incurred or issued and outstanding as Incremental Equivalent Ratio Component Debt from and after the first date on which the Borrower or such Restricted Subsidiary, as the case may be, could have Incurred such Indebtedness or issued such Disqualified Stock or Preferred Stock as Incremental Equivalent Ratio Component Debt (to the extent the Borrower or such Restricted Subsidiary is able to Incur any Liens related thereto as Permitted Liens after such reclassification));

(m) any guarantee by the Borrower or a Restricted Subsidiary of Indebtedness or other obligations of the Borrower or any of its Restricted Subsidiaries so long as the Incurrence of such Indebtedness or other obligations by the Borrower or such Restricted Subsidiary is permitted under the terms of this Agreement;

(n) the Incurrence by the Borrower or any of its Restricted Subsidiaries of Indebtedness or Disqualified Stock, or Preferred Stock of a Restricted Subsidiary, that serves to refund, refinance, replace, redeem, repurchase, retire or defease, in whole or in part, and is in an aggregate principal amount (or if issued with original issue discount an aggregate issue price) that is equal to or less than, Indebtedness Incurred or Disqualified Stock or Preferred Stock permitted under the first paragraph of this Section 7.01 or clause (c), (d), (l), (n), (o), (r), (t), (cc), (dd), (gg) or (hh) of this Section 7.01, *plus* any additional Indebtedness Incurred or Disqualified Stock or Preferred Stock issued to fund Incremental Amounts Incurred in connection therewith (subject to the following proviso, "Refinancing Indebtedness"); provided, however, that such Refinancing Indebtedness:

(1) except with respect to Permitted Earlier Maturity Debt and Extendable Bridge Loans, has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is Incurred that is not less than the remaining Weighted Average Life to Maturity of the Indebtedness, Disqualified Stock or Preferred Stock being refunded, refinanced, replaced, redeemed, repurchased or retired; provided that this clause (1) shall apply solely with respect to any Indebtedness Incurred pursuant to the first paragraph of Section 7.01;

(2) the Incurrence of any Refinancing Indebtedness shall not be deemed to refresh or increase capacity with respect to any clause under which the Indebtedness being refinanced was originally Incurred;

(3) to the extent that such Refinancing Indebtedness refinances (i) Subordinated Indebtedness, such Refinancing Indebtedness is Subordinated Indebtedness or (ii) Disqualified Stock or Preferred Stock, such Refinancing Indebtedness is Disqualified Stock or Preferred Stock, respectively;

(4) shall not include (x) Indebtedness, Disqualified Stock or Preferred Stock of a Non-Loan Party that refinances Indebtedness, Disqualified Stock or Preferred Stock of the Borrower or a Guarantor, or (y) Indebtedness or Disqualified Stock of the Borrower or Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary that refinances Indebtedness, Disqualified Stock or Preferred Stock of an Unrestricted Subsidiary; and

(5) with respect to any Refinancing Indebtedness Incurred by a Loan Party, to the extent that such Refinancing Indebtedness is secured, the Liens securing such Refinancing Indebtedness have a Lien priority equal to or junior to the Indebtedness being refunded, refinanced, replaced, redeemed, repurchased or retired;

provided that sub-clause (1) and (2) will not apply to any refunding or refinancing of any secured Indebtedness;

(o) (1) Indebtedness, Disqualified Stock or Preferred Stock of any Person that is acquired by the Borrower or any of its Restricted Subsidiaries or merged into or consolidated or amalgamated with the Borrower or a Restricted Subsidiary in accordance with the terms of this Agreement after the Closing Date and (2) Indebtedness, Disqualified Stock or Preferred Stock of any Person assumed in anticipation of, or in connection with, an acquisition of any assets, business or Person; provided that, in the case of each of sub-clauses (1) and (2), such Indebtedness, Disqualified Stock or Preferred Stock was not Incurred or created in contemplation of such merger, consolidation, amalgamation or acquisition;

(p) 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;

(q) Indebtedness of the Borrower or any Restricted Subsidiary supported by a letter of credit or bank guarantee issued pursuant to any credit facility permitted hereunder, so long as such letter of credit has not been terminated and is in a principal amount not in excess of 105% of the stated amount of such letter of credit or bank guarantee;

(r) Contribution Indebtedness;

(s) Indebtedness, Disqualified Stock or Preferred Stock of the Borrower or any Restricted Subsidiary consisting of (x) the financing of insurance premiums or (y) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business;

(t) Indebtedness, Disqualified Stock or Preferred Stock of Non-Loan Parties in an aggregate principal amount not to exceed the greater of (x) $75,000,000 and (y) 35.0% of Consolidated EBITDA of the Group Parties, at any one time outstanding, *plus,* in the case of any refinancing of any Indebtedness, Disqualified Stock or Preferred Stock permitted under this clause (t) or any portion thereof, the aggregate amount of Incremental Amounts Incurred in connection with such refinancing, outstanding at any one time;

(u) Indebtedness, Disqualified Stock or Preferred Stock of a joint venture to the Borrower or a Restricted Subsidiary and to the other holders of Equity Interests or participants of such joint venture, so long as the percentage of the aggregate amount of such Indebtedness, Disqualified Stock or Preferred Stock of such joint venture owed to such holders of its Equity Interests or participants of such joint venture does not exceed the percentage of the aggregate outstanding amount of the Equity Interests of such joint venture held by such holders or such participant's participation in such joint venture;

(v) Indebtedness Incurred or Disqualified Stock or Preferred Stock issued by a Receivables Subsidiary in a Qualified Receivables Financing that is not recourse to the Borrower or any Restricted Subsidiary other than a Receivables Subsidiary (except for Standard Securitization Undertakings);

(w) Indebtedness owed on a short-term basis to banks and other financial institutions in the ordinary course of business of the Borrower and the Restricted Subsidiaries with such banks or financial institutions that arises in connection with ordinary banking arrangements, including cash management, cash pooling arrangements and related activities to manage cash balances of the Borrower and its Subsidiaries and joint ventures including treasury, depository, overdraft, credit, purchasing or debit card, electronic funds transfer and other cash management arrangements and Indebtedness in respect of netting services, overdraft protection, credit card programs, automatic clearinghouse arrangements and similar arrangements;

(x) Indebtedness, Disqualified Stock or Preferred Stock consisting of Indebtedness, Disqualified Stock or Preferred Stock issued by the Borrower or any Restricted Subsidiary to future, current or former officers, directors, managers, employees, consultants and independent contractors thereof or any direct or indirect parent thereof, their respective Immediate Family Members, in each case to finance the purchase or redemption of Equity Interests of the Borrower or any direct or indirect parent of the Borrower to the extent permitted under Section 7.05;

(y) customer deposits and advance payments received from customers for goods or services;

(z) Indebtedness Incurred by the Borrower or a Restricted Subsidiary in connection with bankers' acceptances, discounted bills of exchange, warehouse receipts or similar facilities or the discounting or factoring of receivables for credit management purposes;

(aa) Indebtedness Incurred pursuant to receivables factoring arrangements;

(bb) (i) guarantees Incurred in the ordinary course of business in respect of obligations to suppliers, customers, franchisees, lessors, licensees, sub-licensees and distribution partners and (ii) Indebtedness Incurred by the Borrower or a Restricted Subsidiary as a result of leases entered into by the Borrower or such Restricted Subsidiary or any Permitted Parent in the ordinary course of business;

(cc) the Incurrence by the Borrower or any Restricted Subsidiary of Indebtedness Incurred or Disqualified Stock or Preferred Stock issued on behalf of, or representing guarantees of Indebtedness Incurred or Disqualified Stock or Preferred Stock issued by, joint ventures; provided that the aggregate principal amount or liquidation preference, as applicable, of Indebtedness Incurred or guaranteed or Disqualified Stock or Preferred Stock issued or guaranteed pursuant to this clause (cc) does not at any one time outstanding exceed the greater of (x) $52,000,000 and (y) 25.0% of Consolidated EBITDA of the Group Parties, at any one time outstanding, *plus*, in the case of any refinancing of any Indebtedness, Disqualified Stock or Preferred Stock permitted under this clause (cc) or any portion thereof, the aggregate amount of Incremental Amounts incurred in connection with such refinancing;

(dd) Indebtedness, Disqualified Stock or Preferred Stock of the Borrower or a Restricted Subsidiary Incurred to finance or assumed in connection with an acquisition of any assets (including Capital Stock), business or Person in an aggregate principal amount or liquidation preference that does not exceed the greater of (x) $125,000,000 and (y) 60.0% of Consolidated EBITDA of the Group Parties, at any one time outstanding, *plus*, in the case of any refinancing of any Indebtedness, Disqualified Stock or Preferred Stock permitted under this clause (dd) or any portion thereof, the aggregate amount of Incremental Amounts incurred in connection with such refinancing;

(ee) Indebtedness, Disqualified Stock or Preferred Stock consisting of obligations of the Borrower or any Restricted Subsidiary under deferred compensation or other similar arrangements Incurred by such Person in connection with any Permitted Investment;

(ff) unfunded pension fund and other employee benefit plan obligations and liabilities to the extent that they are permitted to remain unfunded under applicable law;

(gg) Indebtedness of Non-Loan Parties to provide for working capital needs in an aggregate principal amount not to exceed the greater of (x) $62,000,000 and (y) 30.0% of Consolidated EBITDA of the Group Parties, at any one time outstanding, *plus*, in the case of any refinancing of any Indebtedness, permitted under this clause (gg) or any portion thereof, the aggregate amount of Incremental Amounts Incurred in connection with such refinancing, outstanding at any one time;

(hh) Indebtedness arising from Seller Notes;

(ii) Indebtedness in an aggregate principal amount equal to the aggregate amount of Restricted Payments that may be made pursuant to Section 7.05; and

(jj) Indebtedness consisting of Permitted Pari Passu Debt Incurred pursuant to the Pari Passu Loan Documents or any Permitted Refinancing thereof; provided that any Indebtedness Incurred pursuant to this clause (jj) shall not be Guaranteed by any Restricted Subsidiary of the Borrower that is not a Guarantor under the 2024 Term B-2 Loan Facility.

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount, the payment of interest or dividends in the form of additional Indebtedness with the same terms, the payment of dividends on Disqualified Stock or Preferred Stock in the form of additional shares of Disqualified Stock or Preferred Stock of the same class, the accretion of liquidation preference and increases in the amount of Indebtedness, Disqualified Stock or Preferred Stock outstanding solely as a result of fluctuations in the exchange rate of currencies will not be deemed to be an Incurrence of Indebtedness or issuance of Disqualified Stock or Preferred Stock for purposes of this Section 7.01. Guarantees of, or obligations in respect of letters of credit relating to, Indebtedness that are otherwise included in the determination of a particular amount of Indebtedness shall not be included in the determination of such amount of Indebtedness; provided that the Incurrence of the Indebtedness represented by such guarantee or letter of credit, as the case may be, was in compliance with this Section 7.01.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness or the issuance of Disqualified Stock or Preferred Stock, the U.S. dollar-equivalent principal amount or liquidation preference, as applicable, of Indebtedness, Disqualified Stock or Preferred Stock denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term debt, or first committed or first Incurred (whichever yields the lower U.S. dollar-equivalent), in the case of revolving credit debt or such Disqualified Stock or Preferred Stock was issued; provided that if such Indebtedness, Disqualified Stock or Preferred Stock is Incurred to refinance other Indebtedness, Disqualified Stock or Preferred Stock denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount or liquidation preference, as applicable, of such Refinancing Indebtedness does not exceed the principal amount or liquidation

preference, as applicable, of such Indebtedness, Disqualified Stock or Preferred Stock, as the case may be, being refinanced (plus Incremental Amounts Incurred in connection therewith).

The principal amount or liquidation preference, as applicable, of any Indebtedness, Disqualified Stock or Preferred Stock, as the case may be, Incurred to refinance other Indebtedness, Disqualified Stock or Preferred Stock, if Incurred in a different currency from the Indebtedness, Disqualified Stock or Preferred Stock, as the case may be, being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness, Disqualified Stock or Preferred Stock is denominated that is in effect on the date of such refinancing.

Section 7.02 Limitations on Liens.

Permit the Borrower or any of the Subsidiary Guarantors to, create, Incur or assume any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of the Borrower or any Subsidiary Guarantor, whether now owned or hereafter acquired (each, a "Subject Lien") that secures obligations under any Indebtedness, except:

(a) in the case of Subject Liens on any Collateral, such Subject Lien is a Permitted Lien; and

(b) in the case of any other asset or property, any Subject Lien if (i) the Obligations are equally and ratably secured with (or on a senior basis to, in the case such Subject Lien secures any Junior Financing) the obligations secured by such Subject Lien or (ii) such Subject Lien is a Permitted Lien.

Any Lien created for the benefit of the Secured Parties pursuant to the preceding clause (b)(i) shall provide by its terms that such Lien shall be automatically and unconditionally be released and discharged upon the release and discharge of the Subject Lien that gave rise to the obligation to so secure the Obligations.

Section 7.03 Fundamental Changes. Merge, dissolve, liquidate, amalgamate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that:

(a) (i) any Restricted Subsidiary of Holdings may merge, amalgamate, dissolve, liquidate or consolidate with the Borrower (including a merger, the purpose of which is to reorganize the Borrower into a new jurisdiction in any State of the United States or the District of Columbia); provided that the Borrower shall be the continuing or surviving Person or the surviving Person shall expressly assume the obligations of the Borrower pursuant to documents reasonably acceptable to the Administrative Agent and the Borrower (or, if not the Borrower, the surviving Person) and shall be a corporation or a limited liability company organized under the laws of the United States, any state thereof or the District of Columbia and (ii) any Restricted Subsidiary may merge, amalgamate, dissolve, liquidate or consolidate with any one or more other Restricted Subsidiaries;

(b) the Borrower or any Restricted Subsidiary may (if the validity, perfection and priority of the Liens securing the Obligations is not adversely affected thereby) change its legal form if the Borrower determines in good faith that such action is in the best interest of the Borrower and its Subsidiaries and is not disadvantageous to the Lenders in any material respect (it being understood that in the case of any dissolution of a Restricted Subsidiary that is a Guarantor, such Subsidiary shall at or before the time of such dissolution transfer its assets to another Restricted Subsidiary that is a Guarantor in the same jurisdiction or a different jurisdiction reasonably satisfactory to the Administrative Agent unless such Disposition of assets is permitted hereunder; and in the case of any change in legal form, a

Restricted Subsidiary that is a Guarantor will remain a Guarantor unless such Guarantor is otherwise permitted to cease being a Guarantor hereunder);

(c) any Restricted Subsidiary may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Borrower or to any Restricted Subsidiary; provided that if the transferor in such a transaction is a Guarantor, then (i) the transferee must either be the Borrower or be or become a Guarantor or (ii) to the extent constituting an Investment, such Investment must be an Investment not prohibited hereunder; provided further that the Borrower may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to any other Loan Party;

(d) any Restricted Subsidiary may merge, amalgamate or consolidate with, or liquidate or dissolve into, any other Person in order to effect an Investment; provided that (i) the continuing or surviving Person shall, to the extent required by the terms hereof, have complied with the requirements of Section 6.12, (ii) to the extent constituting an Investment, such Investment must be an Investment not prohibited hereunder and (iii) to the extent constituting a Disposition, such Disposition must be permitted hereunder;

(e) the Borrower and the other Restricted Subsidiaries may consummate the Transactions and any Transition Arrangements;

(f) any Restricted Subsidiary may merge, dissolve, liquidate, amalgamate, consolidate with or into another Person in order to effect a Disposition permitted pursuant to Section 7.04; and

(g) any Investment may be structured as a merger, consolidation or amalgamation.

Section 7.04 Asset Sales. Cause or make an Asset Sale of assets or property with a Fair Market Value in excess of the greater of (i) $31,000,000 and (ii) 15.0% of Consolidated EBITDA of the Group Parties per transaction (or series of related transactions), unless:

(1) the Borrower or any of its Restricted Subsidiaries, as the case may be, receives consideration (including by way of relief from, or by any other person assuming responsibility for, any liabilities, contingent or otherwise) at the time of such Asset Sale at least equal to the Fair Market Value (as determined at the time of contractually agreeing to such Asset Sale) of the assets sold or otherwise disposed of; and

(2) except in the case of a Permitted Asset Swap, at least 75% of the consideration received by the Borrower or such Restricted Subsidiary, as the case may be, determined cumulatively for all Asset Sales pursuant to this Section 7.04 since the Closing Date, is in the form of cash or Cash Equivalents or Replacement Assets; provided, that the amount of:

(a) any liabilities of the Borrower or such Restricted Subsidiary other than liabilities that are by their terms subordinated to the Obligations or are otherwise extinguished in connection with the transactions relating to such Asset Sale, that are assumed by the transferee of any such assets or Equity Interests or that are otherwise extinguished in connection with the transactions relating to such Asset Sale;

(b) any notes or other obligations or other securities or assets 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, or by their terms are required to be satisfied for cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received) within 180 days of the receipt thereof; and

(c) any Designated Non-Cash Consideration received by Holdings, the Borrower or any of its Restricted Subsidiaries in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (c) that is at that time outstanding, not to exceed the greater of (x) $52,000,000 and (y) 25.0% of Consolidated EBITDA of the Group Parties, calculated at the time of the receipt of such Designated Non-Cash Consideration (with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value);

shall each be deemed to be Cash Equivalents for the purposes of this clause (2) (the "General Asset Sale Basket").

Within 18 months after the Borrower's or any Restricted Subsidiary's receipt of the Net Cash Proceeds of any Asset Sale or Casualty Event in respect of assets constituting Collateral (for the avoidance of doubt, without duplication of the prepayment thresholds set forth in Section 2.05(b)(ii)) (such 18 month period, as it may be extended pursuant to the first succeeding proviso, the "Reinvestment Period"), the Borrower or such Restricted Subsidiary may apply an amount equal to the Net Cash Proceeds from such Asset Sale or such Casualty Event, at its option:

(i) to prepay Loans and other Permitted Debt in accordance with Section 2.05(b)(ii);

(ii) to make an investment in any one or more businesses, assets, or property or capital expenditures, in each case used or useful in a Similar Business;

(iii) to make an investment in any one or more businesses, properties or assets that replace the businesses, properties and/or assets that are the subject of such Asset Sale or Casualty Event; or

(iv) any combination of the foregoing;

provided that the Borrower and its Restricted Subsidiaries will be deemed to have complied with the provisions described in clause (ii) or (iii) above if and to the extent that, within 18 months after the receipt of the Net Cash Proceeds generated by such Asset Sale, the Borrower or such Restricted Subsidiary, as applicable, has entered into a binding agreement to make an investment in compliance with the provision described in clauses (ii) and (iii) of this paragraph, and that investment is thereafter completed within 180 days after the end of such 18 month period; provided, further that the Borrower may elect to deem expenditures that otherwise would be permissible applications of the Net Cash Proceeds that occur prior to receipt of the Net Cash Proceeds from such from such Asset Sale or such Casualty Event to have been applied in accordance with the provisions hereof (it being agreed that such deemed expenditure shall have been made no earlier than the earlier of (x) notice to the Administrative Agent of such intended Asset Sale (y) execution of a definitive agreement for such Asset Sale, if applicable, and (z) consummation of such Asset Sale or Casualty Event).

Pending the final application of any such amount of Net Cash Proceeds pursuant to Section 2.05(b)(ii) and this Section 7.04, the Borrower or such Restricted Subsidiary may temporarily reduce Indebtedness under the ABL Facility, or otherwise invest or utilize such Net Cash Proceeds in any manner not prohibited by this Agreement.

To the extent any Collateral is sold, disposed of or distributed or to be sold, disposed of or distributed as part of or in connection with any transaction permitted under this Section 7.04, in each case to a Person that is not a Loan Party, such Collateral shall be sold, disposed of or distributed free and clear of any Liens created by the Loan Documents, and the Collateral Agent shall (and shall be authorized to) take any action deemed appropriate to effect or evidence the foregoing.

Notwithstanding the foregoing, neither the Borrower nor any of its Restricted Subsidiaries may transfer legal title to, or license on an exclusive basis, any intellectual property or customer contracts owned by the Borrower or any restricted subsidiary that is, in the good faith determination of the Borrower, material to the operation of the business of the Borrower and its Restricted Subsidiaries, taken as a whole ("Material Intellectual Property or Contracts") to any Unrestricted Subsidiary.

Section 7.05 Restricted Payments. Directly or indirectly:

(1) declare or pay any dividend or make any payment or distribution on account of the Borrower's or any of its Restricted Subsidiaries' Equity Interests, including any payment made in connection with any merger, amalgamation or consolidation involving Holdings or the Borrower (other than) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Restricted Subsidiary other than a Wholly Owned Restricted Subsidiary, the Borrower or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities);

(2) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Borrower or any direct or indirect parent of the Borrower, including in connection with any merger, amalgamation or consolidation;

(3) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value, in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Subordinated Indebtedness of the Borrower or any Guarantor in an aggregate principal amount in excess of the Threshold Amount (other than the payment, redemption, repurchase, defeasance, acquisition or retirement of Subordinated Indebtedness of the Borrower or any Guarantor ("Junior Financing") in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such payment, redemption, repurchase, defeasance, acquisition or retirement); or

(4) make any Restricted Investment;

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "Restricted Payments"), unless, at the time of such Restricted Payment:

(a) in the case of any Restricted Payment described in clause (1) or (2) above, no Specified Event of Default shall have occurred and be continuing;

(b) [reserved]; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Borrower and its Restricted Subsidiaries after the Closing Date (including Restricted Payments permitted by clause (1) of the next succeeding paragraph, but excluding all other Restricted Payments permitted by the next succeeding paragraph), is less than the sum of, without duplication,

(i) the cumulative portion of Excess Cash Flow (commending with the Excess Cash Flow calculation in respect of the fiscal year ending December 31, 2022), which has not been and is not required to be applied to prepay the Term Loans pursuant to Section 2.05(b)(i) (which amount shall not be less than $0), *plus*

(ii) 100% of the aggregate net proceeds, including cash and the Fair Market Value of assets (other than cash), received by the Borrower after the Closing Date from the public or private issuance or sale of Equity Interests of the Borrower or any direct or indirect parent thereof (to the extent contributed to the Borrower) (other than Excluded Equity), including such Equity Interests issued upon exercise of warrants or options, *plus*

(iii) 100% of the aggregate amount of contributions to the capital of the Borrower received in cash and the Fair Market Value of other assets or property after the Closing Date (other than Excluded Equity), *plus*

(iv) the principal amount of any Indebtedness, or the liquidation preference or maximum fixed repurchase price, as the case may be, of any Disqualified Stock, in each case, of the Borrower or any Restricted Subsidiary thereof issued after the Closing Date (other than Indebtedness or Disqualified Stock issued to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Borrower or any Restricted Subsidiary (other than to the extent such employee stock ownership plan or trust has been funded by the Borrower or any Restricted Subsidiary)) that, in each case, has been converted into or exchanged for Equity Interests in the Borrower or any direct or indirect parent of the Borrower (other than Excluded Equity), *plus*

(v) 100% of the aggregate amount received by the Borrower or any Restricted Subsidiary in cash and the Fair Market Value of assets (other than cash) received by the Borrower or any Restricted Subsidiary from:

(A) the sale or other disposition (other than to the Borrower or a Restricted Subsidiary) of Restricted Investments made by the Borrower and its Restricted Subsidiaries and from repurchases and redemptions of such Restricted Investments from the Borrower and its Restricted Subsidiaries by any Person (other than the Borrower or any of its Restricted Subsidiaries),

(B) repayments of loans or advances that constituted Restricted Investments made after the Closing Date,

(C) the sale (other than to the Borrower or a Restricted Subsidiary or an employee stock ownership plan or trust established by the Borrower or any Restricted Subsidiary (other than to the extent such employee stock ownership plan or trust has been funded by the Borrower or any Restricted Subsidiary)) of the Equity Interests of an Unrestricted Subsidiary,

(D) any distribution or dividend from an Unrestricted Subsidiary, or

(E) other returns, profits, distributions and similar amounts received on account of any Restricted Investment made using availability under this clause (c), *plus*

(vi) in the event any Unrestricted Subsidiary has been redesignated as a Restricted Subsidiary or has been merged, consolidated or amalgamated with or into, or transfers or conveys its assets to, or is liquidated into, the Borrower or a Restricted Subsidiary, in each case after the Closing Date, the Fair Market Value of the Investment of the Borrower in such Unrestricted Subsidiary at the time of such redesignation, combination or transfer (or of the assets transferred or conveyed, as applicable), *plus*

(vii) in the event any joint venture or minority Investment has become a Restricted Subsidiary or has been merged, consolidated or amalgamated with or into, or transfers or conveys its assets to, or is liquidated into, the Borrower or a Restricted Subsidiary, in each case after the Closing Date, the Fair Market Value of the Investment of the Borrower in such joint venture or minority Investment at the time such Person becomes a Restricted Subsidiary or the time of such merger, consolidation, amalgamation, transfer or conveyance, *plus*

(viii) the aggregate amount of Declined Amounts since the Closing Date, *plus*

(ix) the greater of (A) $103,000,000 and (B) 50.0% of Consolidated EBITDA of the Group Parties.

This Section 7.05 will not prohibit:

(1) the payment of any dividend or distribution or consummation of any redemption within 60 days after the date of declaration thereof or the giving of a redemption notice related thereto, if at the date of declaration or notice such payment would have complied with the provisions of this Agreement;

(2)

(a) the redemption, repurchase, retirement or other acquisition of any Equity Interests ("Retired Capital Stock") of the Borrower or any direct or indirect parent of the Borrower, or Junior Financing of the Borrower or any Subsidiary Guarantor, in exchange for, or out of the proceeds of the issuance or sale of, Equity Interests of the Borrower or any direct or indirect parent of the Borrower or contributions to the equity capital of the Borrower (other than Excluded Equity) (collectively, including any such contributions, "Refunding Capital Stock");

(b) the declaration and payment of accrued dividends on the Retired Capital Stock out of the proceeds of the issuance or sale (other than to a Restricted Subsidiary of the Borrower or to an employee stock ownership plan or any trust established by the Borrower or any of its Restricted Subsidiaries) of Refunding Capital Stock; and

(c) if immediately prior to the retirement of the Retired Capital Stock, the declaration and payment of dividends thereon was permitted under clause (7) of this paragraph of Section 7.05 and has not been made as of such time (the "Unpaid Amount"), the declaration and payment of dividends on the Refunding Capital Stock (other than Refunding Capital Stock the proceeds of which were used to redeem, repurchase, retire or otherwise acquire any Equity Interests of the Borrower or any direct or indirect parent of the Borrower in accordance with sub-clause (a) above) in an aggregate amount no greater than the Unpaid Amount (with the payment of such Unpaid Amount being treated as a payment under the applicable provision);

(3) the prepayment, redemption, defeasance, repurchase or other acquisition or retirement of Junior Financing of the Borrower or any Subsidiary Guarantor made by exchange for, or out of the proceeds of the Incurrence of, Refinancing Indebtedness thereof;

(4) [reserved];

(5) the purchase, retirement, redemption or other acquisition (or Restricted Payments to the Borrower or any direct or indirect parent of the Borrower to finance any such purchase, retirement, redemption or other acquisition) for value of Equity Interests (including related stock appreciation rights or similar securities) of the Borrower or any direct or indirect parent of the Borrower held directly or indirectly by any future, present or former employee, officer, director, manager, members of management, consultant or independent contractor of the Borrower or any direct or indirect parent of the Borrower or any Subsidiary of the Borrower or their Immediate Family Members (including for all purposes of this clause (5), Equity Interests held by any entity whose Equity Interests are held by any such future, present or former employee, officer, director, manager, consultant or independent contractor or their Immediate Family Members); provided, however, that the aggregate amounts paid under this clause (5) shall not exceed (with unused amounts in any fiscal year being permitted to be carried over to succeeding fiscal years or carried back to any immediately preceding fiscal year) (A) in any fiscal year, the greater of (x) $16,000,000 and (y) 8.0% of Consolidated EBITDA of the Group Parties or (B) subsequent to the consummation of a Qualified IPO, in any fiscal year, the greater of (x) $25,000,000 and (y) 12.0% of Consolidated EBITDA of the Group Parties; provided further, however, that such amount in any fiscal year may be increased by an amount not to exceed:

(a) the cash proceeds received by the Borrower from the issuance or sale of Equity Interests (other than Disqualified Stock) of the Borrower or any direct or indirect parent of the Borrower (to the extent contributed to the Borrower), in each case, to any future, present or former employees, officers, directors, managers, consultants or independent contractors of the Borrower or its Restricted Subsidiaries or any direct or indirect parent of the Borrower that occurs after the Closing Date; provided that the amount of such cash proceeds utilized for any such repurchase, retirement, other acquisition or dividend will not increase the amount available for Restricted Payments under the immediately preceding paragraph; plus

(b) the cash proceeds of key man life insurance policies received by the Borrower or its Restricted Subsidiaries or any direct or indirect parent of the Borrower (to the extent contributed to the Borrower) after the Closing Date; plus

(c) the amount of any cash bonuses otherwise payable to employees, officers, directors, managers, consultants or independent contractors of the Borrower or its Restricted Subsidiaries or any direct or indirect parent of the Borrower that are foregone in return for the receipt of Equity Interests; less

(d) the amount of cash proceeds described in clause (a), (b) or (c) of this clause (5) previously used to make Restricted Payments pursuant to this clause (5); (provided that the Borrower may elect to apply all or any portion of the aggregate increase contemplated by clauses (a), (b) and (c) above in any fiscal year);

provided further cancellation of Indebtedness owing to the Borrower or any Restricted Subsidiary from any future, current or former officer, director, employee, manager, consultant or independent contractor (or any permitted transferees thereof) of the Borrower or any of its Restricted Subsidiaries or any direct

or indirect parent of the Borrower, in connection with a repurchase of Equity Interests of the Borrower or any direct or indirect parent of the Borrower from such Persons will not be deemed to constitute a Restricted Payment for purposes of this Section 7.05 or any other provisions of this Agreement;

(6) the declaration and payment of dividends or distributions to holders of any class or series of Disqualified Stock of the Borrower or any of its Restricted Subsidiaries and any class or series of Preferred Stock of any Restricted Subsidiaries issued or Incurred in accordance with the covenant described in Section 7.01;

(7) the declaration and payment of dividends or distributions to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) and the declaration and payment of dividends to the Borrower or any direct or indirect parent of the Borrower, the proceeds of which will be used to fund the payment of dividends to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) of the Borrower or any direct or indirect parent of the Borrower issued after the Closing Date; provided, however, that (A) on the date of issuance of such Designated Preferred Stock, the Consolidated Interest Coverage Ratio of the Group Parties is not less than 2.00 to 1.00 and (B) the aggregate amount of dividends declared and paid pursuant to this clause (7) does not exceed the net cash proceeds actually received by the Borrower from the sale (or the contribution of the net cash proceeds from the sale) of Designated Preferred Stock;

(8) Restricted Payments in connection with Permitted Reorganizations or a Permitted IPO Reorganization;

(9) following the consummation of a Qualified IPO, Restricted Payments in an annual amount for each fiscal year of the Borrower equal to the sum of (A) an amount equal to 7.00% of the net proceeds received by or contributed to the Borrower from any such Qualified IPO (and any subsequent public offerings) and (B) an amount equal to 7.00% of the Market Capitalization of the Borrower and/or any Parent Holding Company;

(10) Restricted Payments that are made with Excluded Contributions;

(11) Restricted Payments in an aggregate amount taken together with all other Restricted Payments made pursuant to this clause (11) not to exceed the greater of (x) $103,000,000 and (y) 50.0% of Consolidated EBITDA of the Group Parties;

(12) Restricted Payments that are made in connection with (x) the consummation of the Transactions or to satisfy any payment obligations owing under the Purchase Agreement (including payment of indemnities, earn-outs, working capital adjustments, purchase price adjustments and Transaction Costs and payments in respect of appraisal rights) or (y) any Transition Arrangements;

(13) for any taxable year ending after the Closing Date for which (i) the Borrower or any of its Subsidiaries are members (or disregarded as an entity separate from a member) of a group filing a consolidated, combined, affiliated or unitary income tax return for U.S. federal, state and/or local income tax purposes with a direct or indirect parent of the Borrower or (ii) the Borrower is, for U.S. federal income tax purposes, an entity that is disregarded from a corporate parent for such taxable year, Restricted Payments, directly or indirectly, to a direct or indirect parent of the Borrower in amounts required for such parent entity or its direct or indirect owners to pay such federal, state and/or local income (and franchise or other similar Taxes imposed lieu of income) Taxes, as applicable, imposed on such group or such direct or indirect corporate

parent, to the extent such Taxes are directly attributable to the income of the Borrower and its applicable Subsidiaries, as applicable; provided, however, that the amount of such payments in respect of any tax year does not, in the aggregate, exceed the amount that the Borrower and its Subsidiaries (if such Subsidiaries are members of such consolidated, combined, affiliated or unitary group) would have been required to pay in respect of such Taxes (as the case may be) in respect of such year if the Borrower and its such Subsidiaries, as applicable, paid such Taxes directly as a stand-alone corporation or as a stand-alone consolidated, combined, affiliated or unitary corporate tax group for all relevant tax years (reduced by any such Taxes paid directly by the Borrower or any Subsidiary); provided further that the cash distributions made pursuant to this paragraph (13) in respect of any Taxes attributable to the income of any Unrestricted Subsidiaries of the Borrower may be made only to the extent that such Unrestricted Subsidiaries have made cash payments for such purpose to the Borrower or any of its Restricted Subsidiaries;

(14) the declaration and payment of dividends, other distributions or other amounts to, or the making of loans to any direct or indirect parent of the Borrower, in the amount required for such entity to, if applicable:

(a) pay amounts equal to the amounts required for any direct or indirect parent of the Borrower to pay fees and expenses, salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers, employees, directors, managers, consultants or independent contractors of any direct or indirect parent of the Borrower, if applicable, and general corporate operating (including, without limitation, expenses related to auditing and other accounting matters) and overhead costs and expenses of the Borrower or any direct or indirect parent of the Borrower, if applicable, in each case to the extent such fees, expenses, salaries, bonuses, benefits and indemnities are attributable to the ownership or operation of the Borrower and its Subsidiaries;

(b) pay, if applicable, amounts equal to amounts required for any direct or indirect parent of the Borrower to pay interest and/or principal on Indebtedness the proceeds of which have been contributed to the Borrower (other than as Excluded Equity) or that has been guaranteed by, or is otherwise considered Indebtedness of, the Borrower or any Restricted Subsidiary Incurred in accordance with Section 7.01 (except to the extent any such payments have otherwise been made by any such guarantor);

(c) pay fees and expenses incurred by any direct or indirect parent of the Borrower related to (i) the maintenance of such parent entity of its corporate or other entity existence, (ii) any equity or debt offering of such parent entity (whether or not consummated) and (iii) any equity or debt issuance, incurrence or offering, any disposition or acquisition or any investment transaction by the Borrower or any of its Restricted Subsidiaries (or any acquisition of or investment in any business, assets or property that will be contributed to the Borrower or any of its Restricted Subsidiaries as part of the same or a related transaction) permitted by this Agreement (whether or not consummated);

(d) make payments (i) pursuant to or contemplated by the Management Agreement or (ii) for any other monitoring, consulting, management, transaction, advisory, financing, underwriting or placement services or in respect of other investment banking activities, termination or similar fees, indemnities, reimbursements and reasonable and documented out-of-pocket fees and expenses including, without limitation, in connection with acquisitions or divestitures, including in connection with the consummation of the Transactions;

(e) without duplication of paragraph (13), pay franchise, excise and similar Taxes, and other fees and expenses, required to maintain their organizational existences;

(f) make payments for the benefit of the Borrower or any of its Restricted Subsidiaries to the extent such payments could have been made by the Borrower or any of its Restricted Subsidiaries because such payments (x) would not otherwise be Restricted Payments and (y) would be permitted by Section 6.18; and

(g) make Restricted Payments to any direct or indirect parent of the Borrower to finance, or to any direct or indirect parent of the Borrower for the purpose of paying to any other direct or indirect parent of the Borrower to finance, any Investment that, if consummated by the Borrower or any of its Restricted Subsidiaries, would be a Permitted Investment; provided that (a) such Restricted Payment is made substantially concurrently with the closing of such Investment and (b) promptly following the closing thereof, such direct or indirect parent of the Borrower causes (i) all property acquired (whether assets or Equity Interests) to be contributed to the Borrower or any Restricted Subsidiary or (ii) the merger, consolidation or amalgamation (to the extent permitted by Section 7.03) of the Person formed or acquired into the Borrower or any Restricted Subsidiary in order to consummate such acquisition or Investment, in each case, in accordance with the requirements of Section 6.12;

(15) (i) repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants, (ii) payments made or expected to be made by the Borrower or any Restricted Subsidiary in respect of withholding or similar Taxes payable or expected to be payable by any future, present or former director, officer, employee, manager, consultant or independent contractor of the Borrower or any direct or indirect parent of the Borrower or any Subsidiary of the Borrower (or their respective Affiliates, estates or immediate family members) in connection with such repurchases of Equity Interests and (iii) loans or advances to officers, directors, employees, managers, consultants and independent contractors of the Borrower or any direct or indirect parent of the Borrower or any Subsidiary of the Borrower in connection with such Person's purchase of Equity Interests of the Borrower or any direct or indirect parent of the Borrower; provided that no cash is actually advanced pursuant to this clause (iii) unless immediately repaid;

(16) purchases of receivables pursuant to a Receivables Repurchase Obligation in connection with a Qualified Receivables Financing and the payment or distribution of Receivables Fees;

(17) payments or distributions to satisfy dissenters' rights, pursuant to or in connection with a consolidation, merger, amalgamation or transfer of assets that complies with the provisions of this Agreement;

(18) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Borrower or a Restricted Subsidiary by, Unrestricted Subsidiaries (other than the equity of Unrestricted Subsidiaries the primary assets of which are cash and/or Cash Equivalents (except to the extent that such cash and Cash Equivalents constitute the proceeds of any sale of the assets or equity of any Unrestricted Subsidiary));

(19) the payment of cash in lieu of the issuance of fractional shares of Equity Interests in connection with any merger, consolidation, amalgamation or other business combination, or in connection with any dividend, distribution or split of or upon exercise,

conversion or exchange of Equity Interests, warrants, options or other securities exercisable or convertible into, Equity Interests of the Borrower or any direct or indirect parent of the Borrower;

(20) Investments in Unrestricted Subsidiaries in an aggregate amount, taken together with all other Investments made pursuant to this clause (20) that are at the time outstanding, not to exceed the greater of (A) $75,000,000 and (B) 35.0% of Consolidated EBITDA of the Group Parties;

(21) (A) any Restricted Payment described in clause (1) or (2) of the definition thereof so long as (i) no Event of Default has occurred and is continuing and (ii) immediately after giving effect to the making of such Restricted Payment on a Pro Forma Basis, the Consolidated Total Net Leverage Ratio does not exceed 4.75 to 1.00 and (B) any Restricted Payment described in clause (3) of the definition thereof so long as immediately after giving effect to the making of such Restricted Payment on a Pro Forma Basis, the Consolidated Total Net Leverage Ratio does not exceed 5.00 to 1.00;

(22) any payment in the minimum amount necessary to prevent any Junior Financing from being treated as an "applicable high yield discount obligation" within the meaning of Section 163(i)(1) of the Code; and

(23) any Restricted Payment described in clause (3) or (4) of the definition thereof in an amount not to exceed the greater of (x) $103,000,000 or (y) 50.0% of Consolidated EBITDA of the Group Parties at any one time outstanding;

provided that the amount of Restricted Payment capacity under any basket set forth above shall be reduced by the amount thereof that was allocated to incur Permitted Debt pursuant to clause (ii) thereof.

Notwithstanding the foregoing, neither the Borrower nor any of its Restricted Subsidiaries may transfer legal title to, or license on an exclusive basis, any Material Intellectual Property or Contracts to any Unrestricted Subsidiary.

It is understood that the transfer or assignment to any direct or indirect parent company of the Borrower of any insurance policy obtained in connection with a direct or indirect acquisition or investment by such parent company consummated prior to the Closing Date shall not be deemed to constitute a Restricted Payment hereunder and shall be deemed to be permitted under Section 6.18.

Section 7.06 Burdensome Agreements.

Permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary to create, Incur or assume Liens on the Collateral of such Person for the benefit of the Lenders with respect to the Facilities and the Obligations or under the Loan Documents other than encumbrances or restrictions existing under or by reason of:

(1) contractual encumbrances or restrictions of the Borrower or any of its Restricted Subsidiaries in effect on the Closing Date, including pursuant to this Agreement and the other Loan Documents, the ABL Loan Documents, Pari Passu Loan Documents, related Swap Contracts and Indebtedness permitted pursuant to Section 7.01(c);

(2) applicable law or any applicable rule, regulation or order;

(3) any agreement or other instrument of a Person acquired by or merged, amalgamated or consolidated with or into the Borrower or any Restricted Subsidiary or an Unrestricted Subsidiary that is designated a Restricted Subsidiary that was in existence at the time of such acquisition (or at the time it merges with or into the Borrower or any Restricted Subsidiary or assumed in connection with the acquisition of assets from such Person (but, in each 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, or the property or assets of the Person, so acquired or designated; provided that in connection with a merger, amalgamation or consolidation under this clause (3), if a Person other than the Borrower or such Restricted Subsidiary is the successor company with respect to such merger, amalgamation or consolidation, any agreement or instrument of such Person or any Subsidiary of such Person, shall be deemed acquired or assumed, as the case may be, by the Borrower or such Restricted Subsidiary, as the case may be, at the time of such merger, amalgamation or consolidation;

(4) customary encumbrances or restrictions contained in contracts or agreements for the sale of assets applicable to such assets pending consummation of such sale, including customary restrictions with respect to a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale or disposition of Capital Stock or assets of such Restricted Subsidiary;

(5) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(6) customary provisions in operating or other similar agreements, asset sale agreements and stock sale agreements entered into in connection with the entering into of such transaction, which limitation is applicable only to the assets that are the subject of those agreements;

(7) purchase money obligations for property acquired and Capitalized Lease Obligations, to the extent such obligations impose restrictions of the nature described in the first paragraph of this Section 7.06 on the property so acquired;

(8) customary provisions contained in leases, sub-leases, licenses, sublicenses, contracts and other similar agreements entered into in the ordinary course of business to the extent such obligations impose restrictions of the type described in the first paragraph of this Section 7.06 on the property subject to such lease;

(9) any encumbrance or restriction effected in connection with a Qualified Receivables Financing that, in the good faith determination of the Borrower, are necessary or advisable to effect such Qualified Receivables Financing;

(10) any encumbrance or restriction contained in other Indebtedness, Disqualified Stock or Preferred Stock of the Borrower or any Restricted Subsidiary that is incurred subsequent to the Closing Date pursuant to Section 7.01; provided that (i) such encumbrances and restrictions contained in any agreement or instrument will not materially affect the Borrower's ability to make anticipated principal or interest payments under this Agreement (as determined by the Borrower in good faith) or (ii) such encumbrances and restrictions contained in any agreement or instrument taken as a whole are not materially less favorable to the Lenders than the encumbrances and restrictions contained in this Agreement (as determined by the Borrower in good faith);

(11) any encumbrance or restriction contained in secured Indebtedness otherwise permitted to be incurred pursuant to Sections 7.01 and 7.02 to the extent limiting the right of the debtor to dispose of the assets securing such Indebtedness;

(12) any encumbrance or restriction arising or agreed to in the ordinary course of business, not relating to any Indebtedness, and that do not, individually or in the aggregate, (x) detract from the value of the property or assets of the Borrower or any Restricted Subsidiary in any manner material to the Borrower or any Restricted Subsidiary or (y) materially affect the Borrower's ability to make future principal or interest payments under this Agreement, in each case, as determined by the Borrower in good faith;

(13) customary provisions in joint venture agreements or arrangements and other similar agreements or arrangements relating solely to the applicable joint venture; and

(14) 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 (1) through (13); provided that such encumbrances and restrictions contained in any such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing are, in the good faith judgment of the Borrower, not materially more restrictive, taken as a whole, than the encumbrances and restrictions prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

For purposes of determining compliance with this Section 7.06, (i) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock and (ii) the subordination of loans or advances made to the Borrower or a Restricted Subsidiary to other Indebtedness Incurred by the Borrower or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Section 7.07 [Reserved].

Section 7.08 [Reserved].

Section 7.09 Holding Company. Holdings shall not conduct, transact or otherwise engage in any material business or operations; provided, that the following shall be permitted in any event: (i) its ownership of the Capital Stock of the Borrower, its Restricted Subsidiaries and any other Subsidiary of Holdings and, in each case, activities incidental thereto; (ii) the entry into, and the performance of its obligations with respect to the Loan Documents (including any Specified Refinancing Debt or any New Term Facility), the Pari Passu Loan Documents, the ABL Loan Documents, any Refinancing Notes, any New Incremental Notes, any Junior Financing Document, any Incremental Equivalent Debt documentation, any Permitted Debt Exchange Notes, any documentation relating to any Permitted Refinancing of the foregoing or documentation relating to the Indebtedness otherwise permitted by this Section 7.09 and the Guarantees permitted by clause (v) below; (iii) activities relating to any Permitted Reorganization, a Qualified IPO or a Permitted IPO Reorganization; (iv) the performing of activities (including, without limitation, cash management activities) and the entry into documentation with respect thereto, in each case, permitted by this Agreement for Holdings to enter into and perform; (v) the issuance of its own Equity Interests, the payment of dividends and distributions (and other activities in lieu thereof permitted by this Agreement), the making of contributions to the capital of its Subsidiaries and Guarantees of Indebtedness permitted to be Incurred hereunder by the Borrower or any of the Restricted Subsidiaries and the Guarantees of other obligations not constituting Indebtedness; (vi) the

maintenance of its legal existence (including the ability to incur fees, costs and expenses relating to such maintenance and performance of activities relating to its officers, directors, managers and employees and those of its Subsidiaries); (vii) the entry into the Purchase Agreement and the other agreements contemplated thereby and the performing of its obligations with respect thereto and of its obligations with respect to the Transactions and any Transition Arrangements; (viii) incurring Indebtedness permitted under Section 7.01, including any refinancing thereof; (ix) the performing of activities in preparation for and consummating any public offering of its common stock or any other issuance or sale of its Capital Stock (other than Disqualified Stock) including converting into another type of legal entity; (x) the participation in tax, accounting and other administrative matters as a member of the consolidated group of Holdings and its Subsidiaries, including compliance with applicable Laws and legal, tax and accounting matters related thereto and activities relating to its officers, directors, managers and employees; (xi) the holding of any cash and Cash Equivalents or property (but not operating any property); (xii) the entry into and performance of its obligations with respect to contracts and other arrangements, including the providing of indemnification to officers, managers, directors and employees; (xiii) repurchases of Indebtedness through open market purchases and Dutch auctions; (xiv) merging, amalgamating or consolidating with or into any Person in compliance with Section 7.03 and disposing of any Capital Stock; (xv) consummating the Transactions and (xvi) any activities incidental to the foregoing. Holdings shall not Incur any Indebtedness (other than in respect of Disqualified Stock, Qualified Holding Company Indebtedness or Guarantees permitted above and liabilities imposed by Law, including Tax liabilities).

ARTICLE VIII.
Events of Default and Remedies

Section 8.01 Events of Default. Any of the following shall constitute an "Event of Default":

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when due and as required to be paid herein, any amount of principal of any Loan, (ii) within five (5) Business Days after the same becomes due and payable, any interest on any Loan, any fee due hereunder or any other amount payable hereunder or with respect to any other Loan Document; or

(b) Specific Covenants. Holdings or any other Loan Party fails to perform or observe any term, covenant or agreement contained in any of Sections 6.03(a) or 6.05(a) (solely with respect to the Borrower) or in any Section of Article VII; provided that, unless a Responsible Officer had actual knowledge of the occurrence of any such Default, a Default as a result of a breach of Section 6.03(a) and any Event of Default resulting therefrom, shall be cured upon the earlier of (i) the cure of the underlying Default or (ii) provision of notice by a Responsible Officer of the Borrower to the Administrative Agent of such Default; or

(c) Other Defaults. Any Loan Party fails to perform or observe any covenant or agreement (other than those specified in Section 8.01(a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after notice thereof by the Administrative Agent to the Borrower; or

(d) Representations and Warranties. Any representation, warranty or certification made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document required to be delivered in connection herewith or therewith shall be incorrect or misleading in any material respect (or in any respect if any such representation or warranty is already qualified by materiality) when made or deemed made and such incorrect or misleading representation, warranty or certification (if curable, including by a

restatement of any relevant financial statements) shall remain incorrect for a period of 30 days after notice thereof from the Administrative Agent to the Borrower; or

(e) Cross-Default. Any Loan Party or any Restricted Subsidiary (A) fails to make any payment beyond the applicable grace period with respect thereto, if any (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness (other than Indebtedness hereunder and intercompany Indebtedness) having an aggregate outstanding principal amount in excess of the Threshold Amount or (B) fails to observe or perform any other agreement or condition relating to any Indebtedness (other than Indebtedness hereunder and intercompany Indebtedness) having an aggregate outstanding principal amount in excess of the Threshold Amount, or any other event occurs, the effect of which default or other event 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 or beneficiary or beneficiaries) after the expiration of any applicable grace or cure period therefor to cause, with the giving of notice if required, such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, in each case, prior to its stated maturity; provided that this clause (e)(B) shall not apply to (x) secured Indebtedness that becomes due as a result of the sale or transfer or other Disposition (including a Casualty Event) of the property or assets securing such Indebtedness permitted hereunder and under the documents providing for such Indebtedness and such Indebtedness is repaid when required under the documents providing for such Indebtedness, (y) events of default, termination events or any other similar event under the documents governing Swap Contracts for so long as such event of default, termination event or other similar event does not result in the occurrence of an early termination date or any acceleration or prepayment of any amounts or other Indebtedness payable thereunder or (z) Indebtedness that upon the happening of any such default or event automatically converts into Equity Interests (other than Disqualified Stock or, in the case of a Restricted Subsidiary, Disqualified Stock or Preferred Stock) in accordance with its terms; provided further, that such failure is unremedied or has not been waived by the holders of such Indebtedness in accordance with the terms of the documents governing such Indebtedness prior to any acceleration of the Loans pursuant to Section 8.02; provided further, that in the case of the ABL Facility, any such default or event with respect to the ABL Credit Agreement will not constitute an Event of Default under this clause (e) of this Section 8.01 unless (x) the agent and/or lenders thereunder have terminated the commitments in respect of, or demanded repayment of, or otherwise accelerated, any of the Indebtedness or other obligations thereunder or (y) such failure to make payment is in respect of payment at final maturity; provided further, that in the case of breach of any financial covenant contained in any Indebtedness (other than Indebtedness hereunder and intercompany Indebtedness) having an aggregate outstanding principal amount in excess of the Threshold Amount, such breach will not constitute an Event of Default under clause (e)(B) of this Section 8.01 unless the agent and/or lenders thereunder have terminated the commitments in respect of, or demanded repayment of, or otherwise accelerated, any of the Indebtedness or other obligations thereunder; or

(f) Insolvency Proceedings, Etc. Holdings, the Borrower or any Loan Party that is a Significant Subsidiary institutes or consents to the institution of any proceeding under any Debtor Relief Law, a winding-up, an administration, a liquidation, a dissolution, or a composition or makes an assignment for the benefit of creditors or any other action is commenced (by way of voluntary arrangement, scheme of arrangement or otherwise); or appoints, applies for or consents to the appointment of any receiver, administrator, administrative receiver, trustee, custodian, conservator, liquidator, rehabilitator, judicial manager, provisional liquidator, administrator, receiver and manager, controller, monitor or similar officer for it or for

all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator, judicial manager, provisional liquidator, administrator, administrative receiver, receiver and manager, controller, monitor or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for 60 days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or substantially all of its property is instituted without the consent of such Person and continues undismissed or unstayed for 60 days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (x) Holdings, the Borrower or any Loan Party that is a Significant Subsidiary becomes unable or admits in writing its inability or fails generally to pay its debts as they become due or suspends making payments or enters into a moratorium or standstill arrangement in relation to its Indebtedness or is taken to have failed to comply with a statutory demand (or otherwise be presumed to be insolvent by applicable Law) or (y) any writ or warrant of attachment or execution or similar process is issued, commenced or levied against all or substantially all of the property of any such Person and is not released, vacated or fully bonded within 60 days after its issue, commencement or levy, or any analogous procedure or step is taken in any jurisdiction; or

(h) Judgments. There is entered against Holdings, the Borrower or any Significant Subsidiary a final judgment or order for the payment of money in an aggregate amount (as to all such judgments and orders) in excess of the Threshold Amount (to the extent not paid and not covered by insurance (including, if applicable, self-insurance) or indemnities as to which the insurer or indemnitor has been notified of such judgment or order and has not denied coverage and there has elapsed a period of 60 consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) One or more ERISA Events occur or there is or arises an Unfunded Pension Liability (taking into account only Plans with positive Unfunded Pension Liability) which ERISA Events or instances of Unfunded Pension Liability, when aggregated with all other ERISA Events or instances of Unfunded Pension Liability, results or would reasonably be expected to result in liability of any Loan Party in an aggregate amount which would reasonably be expected to result in a Material Adverse Effect or (ii) any Loan Party or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA which has resulted or would reasonably be expected to result in liability of any Loan Party in an aggregate amount which would reasonably be expected to result in a Material Adverse Effect; or

(j) Invalidity of Certain Loan Documents. Any material provision of any Collateral Document, any Guaranty and/or any intercreditor agreement required to be entered into pursuant to the terms of this Agreement (in each case, subject to the Legal Reservations and the Perfection Exceptions), at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder (including as a result of a transaction permitted under Section 7.03 or Section 7.04) and prior to the satisfaction of the Termination Conditions ceases to be in full force and effect (except that any such failure to be in full force and effect with respect to the documents referred to in clause (v) of the definition of "Loan Documents" shall constitute an Event of Default only if the Borrower receives notice thereof and the Borrower fails to remedy the relevant failure in all material respects within 15 days of receiving said notice); or any Loan Party contests in writing the validity or enforceability of any provision of this Agreement, any Collateral Document, any Guaranty or any intercreditor agreement required to be entered into pursuant to the terms of this Agreement; or any Loan Party denies in writing that it has any or further liability or obligation under any Loan Document (other than as a

result of the satisfaction of the Termination Conditions), or purports in writing to revoke or rescind any Loan Document or the perfected Liens created thereby (except as otherwise expressly provided in this Agreement or the Collateral Documents); or

(k) Change of Control. There occurs any Change of Control.

Section 8.02 Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders only, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) [reserved]; and

(d) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents, under any document evidencing Indebtedness in respect of which the Facilities have been designated as "Designated Senior Debt" (or any comparable term) and/or under applicable Law;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under any Debtor Relief Law, the obligation of each Lender to make Loans shall automatically terminate and the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, in each case without further act of the Administrative Agent or any Lender; provided, further, that neither the Administrative Agent nor any Lender may take any action or remedy with respect to any Event of Default which arose out of any action (if such event, action or inaction was publicly reported or was reported to the Administrative Agent or the Lenders) which occurred two (2) years or more prior to such requested action or remedy (unless the applicable Administrative Agent has commenced remedial action with respect thereto prior to the end of such two year period) (it being understood that such Event of Default shall be deemed cured after such two (2) year period).

Section 8.03 [Reserved].

Section 8.04 Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after an actual or deemed entry of an order for relief with respect to the Borrower under any Debtor Relief Law), any amounts received on account of the Obligations shall, subject to the provisions of Sections 2.16 and 2.17 and the ABL Intercreditor Agreement, be applied by the Administrative Agent in the following order:

(a) first, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, disbursements and other charges of counsel payable under Section 10.04 and amounts payable under Article III and amounts owing in respect of (x) the preservation of Collateral or the Collateral Agent's security interest in the Collateral or (y) with respect to enforcing the rights of the Secured Parties under the Loan Documents) payable to the Administrative Agent and the Collateral Agent in their respective capacity as such;

(b) second, to payment in full of Unfunded Advances;

(c) third, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (other than principal and interest) payable to the Lenders (including fees, disbursements and other charges of counsel payable under Sections 10.04 and 10.05) arising under the Loan Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause (c) held by them;

(d) fourth, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause (d) held by them;

(e) fifth, to payment of that portion of the Obligations constituting unpaid principal of the Loans and obligations of the Loan Parties then owing under Secured Hedge Agreements and the Secured Cash Management Agreements, ratably among the Lenders, the Hedge Banks party to such Secured Hedge Agreements and the Cash Management Banks party to such Secured Cash Management Agreements in proportion to the respective amounts described in this clause (e) held by them;

(f) sixth, to the payment of all other Obligations of the Loan Parties owing under or in respect of the Loan Documents or under Secured Hedge Agreement or Secured Cash Management Agreements that are then due and payable to the Administrative Agent and the other Secured Parties, ratably based upon the respective aggregate amounts of all such Obligations then owing to the Administrative Agent and the other Secured Parties; and

(g) last, after all of the Obligations have been paid in full (other than contingent indemnification obligations not yet due and owing), to the Borrower or as otherwise required by Law;

provided that no amounts received from any Guarantor shall be applied to Excluded Swap Obligations of such Guarantor.

Notwithstanding the foregoing, Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements shall be excluded from the application of payments described above if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may reasonably request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. Each Cash Management Bank or Hedge Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX for itself and its Affiliates as if a "Lender" party hereto.

It is understood and agreed by each Loan Party and each Secured Party that the Administrative Agent and Collateral Agent shall have no liability for any determinations made by it in this Section 8.04, in each case except to the extent resulting from the gross negligence or willful misconduct of the Administrative Agent or the Collateral Agent, as applicable (as determined by a court of competent jurisdiction in a final and non-appealable decision). Each Loan Party and each Secured Party also agrees that the Administrative Agent and the Collateral Agent may (but shall not be required to), at any time and in its sole discretion, and with no liability resulting therefrom, petition a court of competent jurisdiction regarding any application of Collateral in accordance with the requirements hereof, and the

Administrative Agent and the Collateral Agent shall be entitled to wait for, and may conclusively rely on, any such determination.

ARTICLE IX.
Administrative Agent and Other Agents

Section 9.01 Appointment and Authorization of Agents.

(a) Each Lender hereby irrevocably appoints RBC to act on its behalf as Administrative Agent hereunder and under the other Loan Documents (subject to the provisions in Section 9.09), and designates and authorizes the Administrative Agent to take such actions on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement or any other Loan Document, together with such actions and powers as are reasonably incidental thereto (including to extend any deadline (which such extension may be retroactive) or requirement in connection with compliance with the provisions of the Loan Documents relating to any Guaranty). The Administrative Agent may perform any of its duties through its officers, directors, agents, employees, or affiliates. Except as expressly provided for in Sections 9.09 and 9.11 with respect to the Borrower's right to receive, or its ability to furnish, notice as described therein, and the provisions related to the release of Guarantors or Collateral, the provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and no Loan Party shall have rights as a third party beneficiary of any of such provisions. Notwithstanding any provision to the contrary contained elsewhere herein or in any other Loan Document no Agent shall have any duties or responsibilities, except those expressly set forth herein, nor shall any Agent have or be deemed to have any fiduciary relationship with any Lender or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against any Agent. Regardless of whether a Default has occurred and is continuing and without limiting the generality of the foregoing sentence, the use of the term "agent" herein and in the other Loan Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

(b) [Reserved].

(c) The Administrative Agent shall also act as the Collateral Agent under the Loan Documents, and each of the Lenders (including in its capacities as a Lender and a potential Cash Management Bank party to a Secured Cash Management Agreement and/or a potential Hedge Bank party to a Secured Hedge Agreement) hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of (and to hold any security interest, charge or other Lien created by the Collateral Documents for and on behalf of or in trust for) such Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto (including to extend any deadline or requirement in connection with compliance with the provisions of the Loan Documents relating to the Collateral and the rights of the Secured Parties with respect thereto). In this connection, the Administrative Agent as Collateral Agent (and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 9.02 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of all provisions of this Article IX (including Section 9.07, as though such co-agents, sub-agents and attorneys-in-fact were the Collateral Agent under the Loan Documents) and

Section 10.04 as if set forth in full herein with respect thereto and all references to Administrative Agent in this Article IX shall, where applicable, be read as including a reference to the Collateral Agent. Without limiting the generality of the foregoing, the Lenders hereby expressly authorize the Administrative Agent as Collateral Agent to execute any and all documents (including releases) with respect to the Collateral and the rights of the Secured Parties with respect thereto (including any intercreditor agreement), as contemplated by and in accordance with the provisions of this Agreement and the Collateral Documents and acknowledge and agree that any such action by any Agent shall bind the Lenders (including in its capacities as a Lender and a potential Cash Management Bank party to a Secured Cash Management Agreement and/or a potential Hedge Bank party to a Secured Hedge Agreement).

Section 9.02 Delegation of Duties. The Administrative Agent may execute any of its duties and exercise its rights and powers under this Agreement or any other Loan Document (including for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents or of exercising any rights and remedies thereunder) by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel and other consultants or experts concerning all matters pertaining to such duties. The Administrative Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Agent-Related Persons. The Administrative Agent shall not be responsible for the negligence or misconduct of any agent or attorney-in-fact that it selects in the absence of gross negligence or willful misconduct by the Administrative Agent, as determined by a final non-appealable judgment by a court of competent jurisdiction. The exculpatory provisions of this Article IX shall apply to any such sub agent and to the Agent-Related Persons of the Administrative Agent and any such sub agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Section 9.03 Liability of Agents.

(a) No Agent-Related Person shall be (i) liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct in connection with its duties expressly set forth herein, to the extent determined in a final, non-appealable judgment by a court of competent jurisdiction), (ii) liable for any action taken or not taken by it (A) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (B) in the absence of its own gross negligence or willful misconduct as determined by the final, non-appealable judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein, (iii) responsible in any manner to any Lender or participant for any recital, statement, representation or warranty made by any Loan Party or any officer thereof, contained herein or in any other Loan Document, or in any certificate, report, statement 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 Loan Document, (iv) responsible for or have any duty to ascertain or inquire into the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien, or security interest created or purported to be created under the Collateral Documents, or for any failure of any Loan Party or any other party to any Loan Document to perform its obligations hereunder, (v) responsible for or have any duty to ascertain or inquire into the value or the sufficiency of any Collateral or (vi) responsible for or have any duty to ascertain or inquire into the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent. No Agent-Related Person shall be under any obligation to any Lender or participant 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 Loan Document, or to inspect the properties, books or records of any Loan Party or any Affiliate thereof. The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or participant or prospective Lender or participant is a Disqualified Institution, (y) have any responsibility for enforcing the provisions relating to Disqualified Institutions or (z) have any liability with respect to or arising out of any assignment or participant of loans, or disclosure of confidential information, to, or the restriction on any exercise of rights or remedies of, any Disqualified Institution.

(b) The Administrative Agent shall not have any duty to (i) take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that such 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 Loan Documents); provided that no Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable Law; and (ii) to disclose, except as expressly set forth herein and in the other Loan Documents, and shall not be liable for the failure to disclose, any information relating to Holdings or any of its Affiliates that is communicated to or obtained by any Person serving as an Agent or any of its Affiliates in any capacity.

Section 9.04 Reliance by Agents.

(a) Each Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, communication, signature, resolution, representation, notice, request, consent, certificate, instrument, affidavit, letter, telegram, facsimile, telex or telephone message, electronic mail message, Internet or intranet website posting or other distribution statement or other document or conversation reasonably believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons. Each Agent also may rely upon any statement made to it orally or by telephone and reasonably believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. Each Agent may consult with, and rely upon (and be fully protected in relying upon), advice and statements of legal counsel (including counsel to any Loan Party), independent accountants and other experts selected by such Agent. Each Agent shall be fully justified in failing or refusing to take any action under any Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or such other number of Lenders as may be expressly required hereby in any instance) as it deems appropriate and, if it so requests, it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Each Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Required Lenders (or such other number of Lenders as may be expressly required hereby in any instance) and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders.

(b) For purposes of determining compliance with the conditions specified in Section 4.01, 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 9.05 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default, except with respect to defaults in the payment of principal, interest and fees required to be paid to the Administrative Agent for the account of the Lenders, unless the Administrative Agent shall have received written notice from a Lender or the Borrower referring to this Agreement, describing such Default and stating that such notice is a "notice of default." The Administrative Agent will notify the Lenders of its receipt of any such notice. The Administrative Agent shall take such action with respect to any Event of Default as may be directed by the Required Lenders in accordance with Article VIII; provided, however, that unless and until the Administrative Agent has received any such direction, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Event of Default as it shall deem advisable or in the best interest of the Lenders.

Section 9.06 Credit Decision; Disclosure of Information by Agents. Each Lender acknowledges that no Agent-Related Person has made any representation or warranty to it, and that no act by any Agent hereafter taken, including any consent to and acceptance of any assignment or review of the affairs of any Loan Party or any Affiliate thereof, shall be deemed to constitute any representation or warranty by any Agent-Related Person to any Lender as to any matter, including whether Agent-Related Persons have disclosed material information in their possession. Each Lender represents to each Agent that it has, independently and without reliance upon any Agent-Related Person and based on such documents and information as it has deemed appropriate, made its own appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of the Loan Parties and their respective Subsidiaries, and all applicable bank or other regulatory Laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrower and the other Loan Parties hereunder. Each Lender also represents that it will, independently and without reliance upon any Agent-Related Person 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 Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrower and the other Loan Parties. Except for notices, reports and other documents expressly required to be furnished to the Lenders by any Agent herein, such Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any of the Loan Parties or any of their respective Affiliates which may come into the possession of any Agent-Related Person.

Section 9.07 Indemnification of Agents. Whether or not the transactions contemplated hereby are consummated, each Lender shall, on a ratable basis based on such Lender's Pro Rata Share of all the Facilities, indemnify upon demand each Agent-Related Person (to the extent not reimbursed by or on behalf of any Loan Party and without limiting the obligation of any Loan Party to do so), and hold harmless each Agent-Related Person in each case from and against any and all Indemnified Liabilities incurred by such Agent-Related Person; provided, however, that no Lender shall be liable for any Indemnified Liabilities incurred by an Agent-Related Person to the extent such Indemnified Liabilities are determined in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Agent-Related Person's own gross negligence or willful misconduct; provided, however, that no action taken in accordance with the directions of the Required Lenders (or such other number or percentage of the Lenders as shall be required by the Loan Documents) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 9.07. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Liabilities, this Section 9.07 shall apply whether

or not any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limiting the foregoing, each Lender shall reimburse the Administrative Agent upon demand for its Pro Rata Share of any costs or out-of-pocket expenses (including the fees, disbursements and other charges of counsel) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, or any document contemplated by or referred to herein, to the extent that the Administrative Agent is not reimbursed for such expenses by or on behalf of the Borrower; provided that such reimbursement by the Lenders shall not affect the Borrower's continuing reimbursement obligations with respect thereto; provided further, that failure of any Lender to indemnify or reimburse the Administrative Agent shall not relieve any other Lender of its obligation in respect thereof. The undertaking in this Section 9.07 shall survive termination of the Aggregate Commitments, the payment of all other Obligations and the resignation or removal of the Administrative Agent.

Section 9.08 Agents in their Individual Capacities. Any Agent and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire Capital Stock in and generally engage in any kind of banking, trust, financial advisory, underwriting or other business with each of the Loan Parties and their respective Affiliates as though it were not an Agent hereunder and without notice to or consent of the Lenders. The Lenders acknowledge that, pursuant to such activities, an Agent or its Affiliates may receive information regarding any Loan Party or its Affiliates (including information that may be subject to confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that such Agent shall be under no obligation to provide such information to them. With respect to its Loans, such Agent shall have the same rights and powers under this Agreement as any other Lender and may exercise such rights and powers as though it were not an Agent, and the terms "Lender" and "Lenders" include such Agent in its individual capacity (unless otherwise expressly indicated or unless the context otherwise requires).

Section 9.09 Successor Agents. The Administrative Agent or Collateral Agent may resign as the Administrative Agent or Collateral Agent, as applicable, upon 30 days' written notice to the Borrower and the Lenders. If the Administrative Agent or Collateral Agent or a controlling Affiliate of the Administrative Agent or the Collateral Agent is subject to an Agent-Related Distress Event, the Borrower may remove such Agent from such role upon ten (10) days' written notice to the Lenders. At any time the Administrative Agent or Collateral Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Administrative Agent or Collateral Agent may be removed as the Administrative Agent or Collateral Agent hereunder at the request of the Borrower and the Required Lenders. Upon receipt of any such notice of resignation or removal, the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall be either (i) a "U.S. person" and a "financial institution" within the meaning of Treasury Regulations Section 1.1441-1(b)(2)(ii) or (ii) a U.S. branch of a foreign financial institution described in Treasury Regulations Section 1.1141-1(b)(2)(iv)(A), and shall be consented to by the Borrower at all times other than during the existence of a Specified Event of Default (which consent of the Borrower shall not be unreasonably withheld or delayed). If no successor agent is appointed prior to the effective date of the resignation or removal, as applicable, of the Administrative Agent or Collateral Agent, as applicable, the Administrative Agent or Collateral Agent (other than to the extent subject to an Agent-Related Distress Event or if the Administrative Agent is being removed as a result of it being a Disqualified Institution), as applicable, may appoint, after consulting with the Lenders and the Borrower, a successor agent, who shall be either (i) a "U.S. person" and a "financial institution" within the meaning of Treasury Regulations Section 1.1441-1(b)(2)(ii) or (ii) a U.S. branch of a foreign financial institution described in Treasury Regulations Section 1.1441-1(b)(2)(iv)(A), from among the Lenders. Upon the acceptance of its appointment as successor agent hereunder, the Person acting as such successor agent shall succeed to all the rights, powers and duties of the retiring Administrative Agent or Collateral Agent, as applicable,

and the term "Administrative Agent" or "Collateral Agent," as applicable, means such successor administrative agent or such successor collateral agent, as applicable, and the retiring Administrative Agent's or Collateral Agent's appointment, powers and duties as the Administrative Agent or Collateral Agent, as applicable, shall be terminated. After the retiring Administrative Agent's or Collateral Agent's resignation or removal hereunder as the Administrative Agent or Collateral Agent, the provisions of this Article IX and Sections 10.04 and 10.05 shall continue in effect for its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent or Collateral Agent under this Agreement. If no successor agent has accepted appointment as the Administrative Agent or Collateral Agent by the date which is 30 days following the retiring Administrative Agent's or Collateral Agent's notice of resignation or removal, the retiring Administrative Agent's or Collateral Agent's resignation or removal shall nevertheless thereupon become effective and (i) the retiring or removed Administrative Agent or Collateral Agent, as applicable, shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent or Collateral Agent on behalf of the Lenders under any of the Loan Documents, the retiring Agent shall continue to hold such collateral security as bailee, trustee or other applicable capacity until such time as a successor of such Agent is appointed), (ii) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this Section 9.09 and (iii) the Lenders shall perform all of the duties of the Administrative Agent or Collateral Agent, as applicable, hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. Upon the acceptance of any appointment as the Administrative Agent or Collateral Agent hereunder by a successor and upon the execution and filing or recording of such financing statements, or amendments thereto, and such amendments or supplements to the Mortgages, and such other instruments or notices, as may be necessary or desirable, or as the Required Lenders may request, in order to continue the perfection of the Liens granted or purported to be granted by the Collateral Documents, the Administrative Agent or Collateral Agent, as applicable, shall thereupon succeed to and become vested with all the rights, powers, discretion, privileges, and duties of the retiring or removed Administrative Agent or Collateral Agent. Upon the acceptance of any appointment as the Administrative Agent or Collateral Agent hereunder by a successor or upon the expiration of the 30-day period following the retiring or removed Administrative Agent's or Collateral Agent's notice of resignation or removal without a successor agent having been appointed, the retiring Administrative Agent or Collateral Agent, as applicable, shall be discharged from its duties and obligations hereunder and under the other Loan Documents other than as specifically set forth in clause (i) above of this Section 9.09 but the provisions of this Article IX and Sections 10.04 and 10.05 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Agent-Related Persons in respect of any actions taken or omitted to be taken by any of them solely in respect of the Loan Documents or Obligations, as applicable, while the retiring or removed Agent was acting as Administrative Agent or Collateral Agent, as applicable.

Section 9.10 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, administrative receivership, judicial management, insolvency, liquidation, bankruptcy, reorganization (by way of voluntary arrangement, schemes of arrangement or otherwise), arrangement, adjustment, composition or other judicial proceeding relative to any Loan 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 to the extent provided for herein and all other amounts due the Lenders and the Administrative Agent under Sections 2.09 and 10.04) 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 administrator, administrative receiver, custodian, receiver, assignee, trustee, judicial manager, 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, in each case, due the Administrative Agent under Sections 2.09 and 10.04.

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 (by way of voluntary arrangement, schemes of arrangement or otherwise), arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 9.11 Collateral and Guaranty Matters.

(a) Each of the Lenders (including in their capacities as potential Hedge Banks party to a Secured Hedge Agreement and potential or actual Cash Management Banks party to a Secured Cash Management Agreement) irrevocably authorizes the Administrative Agent and the Collateral Agent, and each of the Administrative Agent and the Collateral Agent shall to the extent requested by the Borrower or, solely in the case of clause (b)(ii) below, to the extent provided for under this Agreement, take the actions to be taken by them pursuant to clauses (b) and (c) below;

(b) Each of the Lenders (including in their capacities as potential or actual Hedge Banks party to a Secured Hedge Agreement and potential or actual Cash Management Banks party to a Secured Cash Management Agreement), each of the Agents and each other Secured Party agrees that, notwithstanding anything to the contrary in this Agreement:

(i) any Lien on any property granted to or held by the Administrative Agent or Collateral Agent under any Loan Document shall be automatically released (i) upon the satisfaction of the Termination Conditions, (ii) if sold, disposed of or distributed or to be sold, disposed of or distributed as part of or in connection with any transaction permitted hereunder or under any other Loan Document, in each case to a Person that is not a Loan Party, (iii) subject to Section 10.01, if approved, authorized or ratified in writing by the Required Lenders, (iv) if such property constitutes Excluded Property as a result of an occurrence not prohibited hereunder or (v) if such property is owned by a Subsidiary Guarantor, upon release of such Subsidiary Guarantor from its obligations under its Guaranty pursuant to clause (iii) below;

(ii) the Administrative Agent or 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 or subordinate any Lien on any property granted to or held by the Administrative Agent or Collateral Agent under any Loan Document to the holder of any Permitted Lien on such property that is permitted by clauses (1)(solely

with respect to cash deposits), (4)(in the case of a release, solely with respect to cash deposits), (5), (6) (only with regard to Section 7.01(d)), (9), (11) (solely with respect to cash deposits), (16), (17) (other than with respect to self-insurance arrangements), (18), (21), (23) (solely to the extent relating to a lien of the type allowed pursuant to clause (9) of the definition thereof), (25) (solely to the extent relating to a lien of the type allowed pursuant to clause (6) of the definition of "Permitted Liens" and securing obligations under Indebtedness of the type allowed pursuant to Section 7.01(d)), (26) (solely to the extent the Lien of the Collateral Agent on such property is not, pursuant to such agreements, required or permitted to be senior to or pari passu with such Liens), (29) (solely with respect to cash deposits), (34), (39) (only for so long as required to be secured for such letter of intent or investment), (45)(solely with respect to cash deposits), (46) and (48) of the definition thereof;

(iii) any Subsidiary Guarantor shall be automatically released from its obligations under the applicable Guaranty if in the case of any Subsidiary, such Person ceases to be a Restricted Subsidiary or otherwise becomes an Excluded Subsidiary as a result of a transaction or designation permitted hereunder; provided that in the case of any such Subsidiary Guarantor that becomes an Excluded Subsidiary solely as a result of becoming a non-Wholly Owned Subsidiary, such Subsidiary Guarantor shall not be released from its obligations under this Agreement and the Guaranty unless either (I) (a) such transaction is entered into for a bona fide business purpose (as determined in good faith by the Borrower) and, for the avoidance of doubt, not the primary purpose of causing such release and (b) the portion of Equity Interests that caused such Guarantor to cease to be wholly owned were not transferred to an Affiliate of the Borrower (other than for purposes of a bona fide joint venture arrangement on terms that are not less favorable than arms-length terms), (II) such person ceases to constitute a Subsidiary or (III) such Person otherwise constitutes an Excluded Subsidiary (other than solely on account of constituting a non-Wholly Owned Subsidiary); and

(c) the Administrative Agent or Collateral Agent, as applicable, shall establish intercreditor arrangements as expressly contemplated by this Agreement (including, for the avoidance of doubt, the ABL Intercreditor Agreement, the Term Loan Intercreditor Agreement or another Market Intercreditor Agreement).

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Collateral Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 9.11. In each case as specified in this Section 9.11, the applicable Agent will (and each Lender irrevocably authorizes the applicable Agent to), at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release or subordination of such item of Collateral from the assignment and security interest granted under the Collateral Documents, or to evidence the release of such Guarantor from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 9.11. Additionally, upon reasonable request of the Borrower, the Collateral Agent will return possessory Collateral held by it that is released from the security interests created by the Collateral Documents pursuant to this Section 9.11; provided that in each case of this Section 9.11, the Borrower shall have delivered to the Administrative Agent and Collateral Agent a certificate of a Responsible Officer of the Borrower certifying that any such transaction has been consummated in compliance with the Credit Agreement and the other Loan Documents and that such release is permitted hereby; provided, that in the event that the Collateral Agent loses or misplaces any possessory collateral delivered to the Collateral Agent by the Borrower, upon reasonable request of the Borrower, the Collateral Agent shall provide a loss affidavit to the Borrower, in the form customarily provided by the Collateral Agent in such circumstances and reasonably satisfactory to the Borrower.

Section 9.12 Other Agents; Arranger and Managers. None of the Lenders or other Persons identified on the facing page or signature pages of this Agreement as a "documentation agent," "joint lead arranger," or "joint bookrunner" shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such; provided that each Arranger shall be entitled to any express rights given to that Arranger under any Loan Document. Without limiting the foregoing, none of the Lenders or other Persons so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

Section 9.13 Secured Cash Management Agreements and Secured Hedge Agreements. No Cash Management Bank or Hedge Bank that obtains the benefits of Section 8.04, any Guaranty or any Collateral by virtue of the provisions hereof or of any Guaranty or any Collateral 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 Loan 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 Loan Documents. Notwithstanding any other provision of this Article IX 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 Hedge 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.

Section 9.14 Appointment of Supplemental Agents, Incremental Arrangers and Specified Refinancing Agents.

(a) It is the purpose of this Agreement and the other Loan Documents that there shall be no violation of any Law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as agent or trustee in such jurisdiction. It is recognized that in case of litigation under this Agreement or any of the other Loan Documents, and in particular in case of the enforcement of any of the Loan Documents, or in case the Administrative Agent or the Collateral Agent deems that by reason of any present or future Law of any jurisdiction it may not exercise any of the rights, powers or remedies granted herein or in any of the other Loan Documents or take any other action which may be desirable or necessary in connection therewith, the Administrative Agent and the Collateral Agent are hereby authorized to appoint an additional individual or institution selected by them in their sole discretion as a separate trustee, co-trustee, administrative agent, collateral agent, administrative sub-agent or administrative co-agent, as applicable (any such additional individual or institution being referred to herein individually as a "Supplemental Agent" and collectively as "Supplemental Agents").

(b) In the event that the Administrative Agent or the Collateral Agent appoints a Supplemental Agent with respect to any Collateral, (i) each and every right, power, privilege or duty expressed or intended by this Agreement or any of the other Loan Documents to be exercised by or vested in or conveyed to the Administrative Agent or the Collateral Agent with respect to such Collateral shall be exercisable by and vest in such Supplemental Agent, to the extent, and only to the extent, necessary to enable such Supplemental Agent, to exercise such rights, powers and privileges with respect to such Collateral and to perform such duties with respect to such Collateral, and every covenant and obligation contained in the Loan Documents and necessary to the exercise or performance thereof by such Supplemental Agent, shall run to and be enforceable by either the Administrative Agent and the Collateral Agent or such Supplemental Agent, and (ii) the provisions of this Article IX and of Sections 10.04 and 10.05 (obligating the Borrower to pay the Administrative Agent's and the Collateral Agent's

expenses and to indemnify the Administrative Agent and the Collateral Agent) that refer to the Administrative Agent and/or the Collateral Agent shall inure to the benefit of such Supplemental Agent and all references therein to the Administrative Agent and/or Collateral Agent shall be deemed to be references to the Administrative Agent and/or Collateral Agent and/or such Supplemental Agent, as the context may require.

(c) Should any instrument in writing from the Borrower, Holdings or any other Loan Party be required by any Supplemental Agent so appointed by the Administrative Agent or the Collateral Agent for more fully and certainly vesting in and confirming to him or it such rights, powers, privileges and duties, the Borrower or Holdings, as applicable, shall, or shall cause such Loan Party to, execute, acknowledge and deliver any and all such instruments promptly upon request by the Administrative Agent or the Collateral Agent. In case any Supplemental Agent, or a successor thereto, shall die, become incapable of acting, resign or be removed, all the rights, powers, privileges and duties of such Supplemental Agent to the extent permitted by Law, shall vest in and be exercised by the Administrative Agent or the Collateral Agent, as applicable, until the appointment of a new Supplemental Agent.

(d) In the event that the Borrower appoints or designates any Incremental Arranger or Specified Refinancing Agent pursuant to Sections 2.14 or 2.18, as applicable, (i) each and every right, power, privilege or duty expressed or intended by this Agreement or any of the other Loan Documents to be exercised by or vested in or conveyed to an agent or arranger with respect to New Loan Commitments or Specified Refinancing Debt, as applicable, shall be exercisable by and vest in such Incremental Arranger or Specified Refinancing Agent to the extent, and only to the extent, necessary to enable such Incremental Arranger or Specified Refinancing Agent to exercise such rights, powers and privileges with respect to the New Loan Commitments or Specified Refinancing Debt, as applicable, and to perform such duties with respect to such New Loan Commitments or Specified Refinancing Debt, and every covenant and obligation contained in the Loan Documents and necessary to the exercise or performance thereof by such Incremental Arranger or Specified Refinancing Agent shall run to and be enforceable by either the Administrative Agent or such Incremental Arranger or Specified Refinancing Agent, and (ii) the provisions of this Article IX and of Sections 10.04 and 10.05 (obligating the Borrower to pay the Administrative Agent's and the Collateral Agent's expenses and to indemnify the Administrative Agent and the Collateral Agent) that refer to the Administrative Agent and/or the Collateral Agent shall inure to the benefit of such Incremental Arranger or Specified Refinancing Agent and all references therein to the Administrative Agent and/or Collateral Agent shall be deemed to be references to the Administrative Agent and/or Collateral Agent and/or such Incremental Arranger or Specified Refinancing Agent, as the context may require. Each Lender hereby irrevocably appoints any Incremental Arranger or Specified Refinancing Agent to act on its behalf hereunder and under the other Loan Documents pursuant to Sections 2.14 or 2.18, as applicable, and designates and authorizes such Incremental Arranger or Specified Refinancing Agent to take such actions on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to such Incremental Arranger or Specified Refinancing Agent by the terms of this Agreement or any other Loan Document, together with such actions and powers as are reasonably incidental thereto.

Section 9.15 Intercreditor Agreement.

(a) The Administrative Agent and the Collateral Agent are authorized by the Lenders and other Secured Parties to, to the extent required by the terms of the Loan Documents, (i) enter into the ABL Intercreditor Agreement, the Term Loan Intercreditor Agreement and any other intercreditor agreement expressly contemplated by this Agreement, (ii) enter into any Collateral Document, or (iii) make or consent to any filings or take any other actions in connection therewith (and any amendments, amendments and restatements, restatements or waivers of or supplements to or other modifications to, such agreements in connection with the Incurrence by any Loan Party of any Indebtedness of such Loan

Party that is permitted to be secured pursuant to Sections 7.01 and 7.02 of this Agreement, in order to permit such Indebtedness to be secured by a valid, perfected lien on the Collateral (with such priority as may be designated by such Loan Party, to the extent such priority is permitted by the Loan Documents)), and the parties hereto acknowledge that the ABL Intercreditor Agreement, the Term Loan Intercreditor Agreement any other intercreditor agreement, Collateral Document, consent, filing or other action will be binding upon them. Each Lender and other Secured Party (a) understands, acknowledges and agrees that Liens will be created on Collateral pursuant to the ABL Loan Documents and the Pari Passu Loan Documents, which Liens shall be subject to the terms and conditions of the ABL Intercreditor Agreement and the Term Loan Intercreditor Agreement (as applicable), (b) hereby agrees that it will be bound by and will take no actions contrary to the provisions of the ABL Intercreditor Agreement, the Term Loan Intercreditor Agreement or any other intercreditor agreement (if entered into) and (c) hereby authorizes and instructs the Administrative Agent and the Collateral Agent to enter into the ABL Intercreditor Agreement, the Term Loan Intercreditor Agreement and any other intercreditor agreement contemplated by this Agreement or Collateral Document (and any amendments, amendments and restatements, restatements or waivers of or supplements to or other modifications to, such agreements in connection with the Incurrence by any Loan Party of any Indebtedness of such Loan Party that is permitted to be secured pursuant to Sections 7.01 and 7.02 of this Agreement, in order to permit such Indebtedness to be secured by a valid, perfected lien on the Collateral (with such priority as may be designated by such Loan Party, to the extent such priority is permitted by the Loan Documents)), and to subject the Liens on the Collateral securing the Obligations to the provisions thereof.

(b) The terms of this Agreement and the other Loan Documents (other than the ABL Intercreditor Agreement or the Term Loan Intercreditor Agreement), any Lien granted to the Administrative Agent pursuant to any Loan Document and the exercise of any right or remedy by the Administrative Agent hereunder are subject to the provisions of the ABL Intercreditor Agreement and the Term Loan Intercreditor Agreement. In the event of any inconsistency between the provisions of this Agreement and the Loan Documents (other than the ABL Intercreditor Agreement or the Term Loan Intercreditor Agreement), on the one hand, and the ABL Intercreditor Agreement or the Term Loan Intercreditor Agreement, on the other hand, the provisions of the ABL Intercreditor Agreement or the Term Loan Intercreditor Agreement, as applicable, shall supersede the provisions of this Agreement and the Loan Documents (other than the ABL Intercreditor Agreement). Without limiting the generality of the foregoing, and notwithstanding anything herein to the contrary, all rights and remedies of the Administrative Agent and the Lenders shall be subject to the terms of the ABL Intercreditor Agreement, and until the Discharge of ABL Obligations (as defined in the ABL Intercreditor Agreement), (i) except for express requirements of this Agreement or the other Loan Documents, no Loan Party shall be required hereunder or under any other Loan Document to take any action in respect of the ABL Priority Collateral that is inconsistent with such Loan Party's obligations under the ABL Loan Documents except if otherwise provided in the ABL Intercreditor Agreement and (ii) any obligation of any Loan Party hereunder or under any other Loan Document with respect to the delivery of any ABL Priority Collateral, shall be deemed to be satisfied if such Loan Party delivers such ABL Priority Collateral to the ABL Representative as bailee for the Collateral Agent pursuant to the terms of the Intercreditor Agreement.

Section 9.16 Withholding Tax. To the extent 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 provisions of Section 3.01, each Lender shall indemnify the Administrative Agent against, and shall make payable in respect thereof within 30 days after demand therefor, all Taxes and all related losses, claims, liabilities and expenses (including fees, charges and disbursements of any counsel for the Administrative Agent) incurred by or asserted against the Administrative Agent by the U.S. Internal Revenue Service or any other Governmental Authority as a result of the failure of the Administrative Agent to properly withhold tax from amounts paid to or for the account of any Lender for any reason (including, without limitation, because the

appropriate form was not delivered or not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstance that rendered the exemption from, or reduction of withholding tax ineffective), whether or not such Tax was correctly or legally imposed or asserted. 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, any other Loan Document or otherwise against any amount due the Administrative Agent under this Section 9.16. The agreements in this Section 9.16 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender and the repayment, satisfaction or discharge of all other obligations under any Loan Document.

Section 9.17 ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments or this Agreement,

(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 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 Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (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 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 either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (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, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that none of the Administrative Agent, the Arrangers or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

Section 9.18 Erroneous Payments.

(a) If the Administrative Agent (x) notifies a Lender or Secured Party, or any Person who has received funds on behalf of a Lender or Secured Party (any such Lender, Secured Party or other recipient (and each of their respective successors and assigns), a "Payment Recipient") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds (as set forth in such notice from the Administrative Agent) received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Secured Party or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent pending its return or repayment as contemplated below in this Section 9.18 and such Lender or Secured Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter (or such later date as the Administrative Agent may, in its sole discretion, specify in writing), return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Administrative Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Payment Recipient agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment (a "Payment Notice"), (y) that was not preceded or accompanied by a Payment Notice or (z) that such Payment Recipient otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

(i) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made

(absent written confirmation from the Administrative Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Payment Recipient shall (and shall use commercially reasonable efforts to cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 9.18(b).

For the avoidance of doubt, the failure to deliver a notice to the Administrative Agent pursuant to this Section 9.18(b) shall not have any effect on a Payment Recipient's obligations pursuant to Section 9.18(a) or on whether or not an Erroneous Payment has been made.

(c) Each Lender or Secured Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender or Secured Party under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Lender or Secured Party under any Loan Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Administrative Agent has demanded to be returned under immediately preceding clause (a).

(d)

(i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon the Administrative Agent's notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Tranche with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance)), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Loans to the Borrower or the Administrative Agent (but the failure of such Person to deliver any such Notes shall not affect the effectiveness of the foregoing assignment), (B) the Administrative Agent as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the

assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, (D) the Administrative Agent and the Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Administrative Agent will reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement.

(ii) Subject to Section 10.07, the Administrative Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Administrative Agent on or with respect to any such Loans acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Loans are then owned by the Administrative Agent) and (y) may, in the sole discretion of the Administrative Agent, be reduced by any amount specified by the Administrative Agent in writing to the applicable Lender from time to time.

(e) Each party hereto agrees that, except to the extent that the Administrative Agent has sold any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Payment Recipient with respect to the Erroneous Payment Return Deficiency.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on "discharge for value" or any similar doctrine.

(g) Each party's obligations, agreements and waivers under this Section 9.18 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

(h) This Section 9.18 shall not apply to the disbursement of any proceeds of a Loan to or at the express direction of the Borrower, unless otherwise expressly agreed in writing by the Borrower, and no Erroneous Payment shall, constitute, create, increase or otherwise alter any Obligations of the Loan Parties under the Loan Documents or otherwise.

(i) In addition, (i) no payment of Obligations made in accordance with this Agreement with funds received by the Administrative Agent from the Borrower or any other Loan Party for the purpose of satisfying such Obligations shall constitute an Erroneous Payment, unless otherwise expressly agreed in writing by the Borrower and (ii) without limiting clause (e) above, notwithstanding anything to the contrary herein or in any other Loan Document, neither the Borrower nor any other Loan Party shall have any liability for any actions or inactions of any Payment Recipient, including any failure by any Payment Recipient to comply with the above provisions of this Section 9.18, and the Administrative Agent expressly agrees, on behalf of itself and its Affiliates, that, notwithstanding anything in Section 10.05 to the contrary, no Loan Party shall have any liability for losses, claims, damages, liabilities and expenses (including attorneys' fees) arising out of, resulting from or in connection with any such actions or inactions of any Payment Recipient in respect of any Erroneous Payment. Notwithstanding anything to the contrary in this Section 9.18 or in any other Loan Document, the Borrower and the Loan Parties shall have no obligations, liabilities or responsibilities for any actions, consequences or remediation (including the repayment or recovery of any amounts) contemplated by this Section 9.18 (and, for the avoidance of doubt, it is understood and agreed that if a Loan Party has paid principal, interest or any other amounts owed pursuant to a Loan Document, nothing in this Section 9.18 (or Section 10.05 (or any equivalent provision) in connection therewith) shall require any such Loan Party to pay additional amounts that are duplicative of such previously paid amounts).

ARTICLE X.
Miscellaneous

Section 10.01 Amendments, Etc. Except as otherwise expressly set forth in this Agreement or the applicable Loan Document, no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders (or by the Administrative Agent at the instruction of the Required Lenders) and the Borrower or the applicable Loan Party, as the case may be (other than with respect to any amendment or waiver contemplated by clauses (a), (b), (c) and (d) below, which shall only require the consent of the applicable Loan Parties and the Lenders expressly set forth therein (and not the Required Lenders)), and each such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) extend or increase the Commitment of any Lender, in each case without the written consent of such Lender (it being understood that the waiver of (or amendment to the terms of) any Default or Event of Default, condition precedent, mandatory prepayment or mandatory reduction of the Commitments shall not constitute an extension or increase of any Commitment of any Lender);

(b) postpone any date scheduled for, or reduce the amount of, any payment of principal of, or interest on, any Loan or any fees or other amounts payable hereunder, without the written consent of each Lender directly and adversely affected thereby (and subject to such further requirements as may be applicable thereto under the last two paragraphs of this Section 10.01), it being understood that (x) the waiver of any obligation to pay interest at the Default Rate, the amendment or waiver of any mandatory prepayment of Loans, the waiver of (or amendment to the terms of) any Default or Event of Default, and extensions for administrative convenience as agreed by the Administrative Agent shall not constitute a postponement of any date scheduled for the payment of principal, interest or fees and (y) the waiver of any obligation to pay interest at the Default Rate, the waiver of (or amendment to the terms of) any Default,

Event of Default or condition precedent or mandatory prepayment or any change to the definition of a financial ratio or in the component definitions thereof shall not constitute a reduction in any payment of principal of, or interest on, any Loan or any fees or other amounts;

(c) reduce the principal of, or the rate of interest specified herein on, or change the currency of, any Loan (it being understood that a waiver of any Default or Event of Default or mandatory prepayment shall not constitute a reduction or forgiveness of principal), or any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly and adversely affected thereby, it being understood that any change to the definition of a financial ratio or in the component definitions thereof shall not constitute a reduction in any rate of interest or any fees based thereon; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate shall not constitute a reduction in any rate of interest or any fees based thereon;

(d) modify the provisions of Section 2.12(a), 2.13 or 8.04 in a manner that would by its terms alter the pro rata sharing or application of payments required thereby without the written consent of each Lender directly and adversely affected thereby;

(e) change any provision of this Section 10.01 (other than the last three paragraphs of this Section), or the definition of "Required Lenders," or any other provision hereof specifying the number or percentage of Lenders or portion of the Loans or Commitments required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder (other than modifications in connection with repurchases of Term Loans, amendments with respect to the New Term Facilities and amendments with respect to extensions of maturity, which shall only require the written consent of each Lender directly and adversely affected thereby), without the written consent of each Lender;

(f) other than in a transaction permitted under Section 7.03 or Section 7.04, release all or substantially all of the Liens on the Collateral in any transaction or series of related transactions, without the written consent of each Lender; or

(g) other than in a transaction permitted under Section 7.03 or Section 7.04, release all or substantially all of the Guarantees provided by the Guarantors, or all or substantially all of the Guarantors, without the written consent of each Lender;

and provided further that (i) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent or the Collateral Agent, as applicable, in their respective capacities as such, in addition to the Borrower and the Lenders required above, affect the rights or duties of, or any fees or other amounts payable to, the Administrative Agent or the Collateral Agent, as applicable, under this Agreement or any other Loan Document; and (ii) Section 10.07(g) may not be amended, waived or otherwise modified without the consent of each Granting Lender all or any part of whose Loans are being funded by an SPC at the time of such amendment, waiver or other modification. Notwithstanding anything to the contrary herein, any amendment, modification, waiver or other action which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders or Affiliate Lenders (other than Debt Fund Affiliates), except that (x) no amendment, waiver or consent relating to Section 10.01(a), (b) or (c) may be effected, in each case without the consent of such Defaulting Lender or Affiliate Lender and (y) any amendment, modification, waiver or other action that by its terms adversely affects any Defaulting Lender or Affiliate Lender in its capacity as a Lender in a manner that differs in any material respect from, and is more adverse to such Defaulting Lender or Affiliate Lender than it is to, other affected Lenders shall require

the consent of such Defaulting Lender or Affiliate Lender. Notwithstanding anything to the contrary herein, any waiver, amendment, modification or consent in respect of this Agreement or any other Loan Document that by its terms affects the rights or duties under this Agreement or any other Loan Document of Lenders holding Loans or Commitments of a particular Tranche (but not the Lenders holding Loans or Commitments of any other Tranche) may be effected by an agreement or agreements in writing entered into by the Borrower and the requisite percentage in interest of the Lenders with respect to such Tranche that would be required to consent thereto under this Section 10.01 if such Lenders were the only Lenders hereunder at the time.

This Section 10.01 shall be subject to any contrary provision of Section 1.09, Section 2.14 or Section 2.18. In addition, notwithstanding anything else to the contrary contained in this Section 10.01, (a) amendments and modifications in connection with the transactions provided for by Section 2.14 or Section 2.18 that benefit existing Lenders (in the reasonable judgment of the Administrative Agent) may be effected without such Lenders' consent, (b) if the Administrative Agent and the Borrower shall have jointly identified an obvious error or any error, ambiguity or omission, defect or inconsistency of a technical or administrative nature, in each case, in any provision of the Loan Documents, then the Administrative Agent and the Borrower shall be permitted to amend such provision and (c) the Administrative Agent and the Borrower shall be permitted to amend or waive any provision of any Collateral Document, the Guaranty, or enter into any new agreement or instrument, to be consistent with this Agreement and the other Loan Documents or as required by local law or advised by local counsel in the applicable jurisdiction to give effect to any guaranty, or to give effect to or to protect any security interest for the benefit of the Secured Parties, in any property so that the security interests comply with applicable Law or otherwise to comply with local law, and in each case, such amendments, waivers documents and agreements shall become effective without any further action or consent of any other party to any Loan Document.

Notwithstanding anything to the contrary herein, in connection with any amendment, modification, waiver or other action requiring the consent or approval of Required Lenders, Lenders that are Debt Fund Affiliates shall not be permitted, in the aggregate, to account for more than 49.9% of the amounts actually included in determining whether the threshold in the definition of "Required Lenders" has been satisfied, with amounts in excess of 49.9% being deemed to have voted *pro rata* to the relevant Lenders that are not Debt Fund Affiliates.

Notwithstanding anything to the contrary herein, at any time and from time to time, upon notice to the Administrative Agent (who shall promptly notify the applicable Lenders) specifying in reasonable detail the proposed terms thereof, the Borrower may make one or more loan modification offers to (i) Lenders of any Facility that would, if and to the extent accepted by any such Lender (each, an "Accepting Lender"), (a) extend the scheduled Maturity Date and any amortization of the Loans and Commitments under such Facility and/or change the Applicable Rate and/or fees payable with respect to the Loans and Commitments under such Facility (in each case solely with respect to the Loans and Commitments of Accepting Lenders in respect of which an acceptance is delivered) and (b) treat the Loans and Commitments so modified as a new "Facility" for all purposes under this Agreement; provided that no loan modification shall affect the rights or duties of, or any fees or other amounts payable to, the Administrative Agent, without its prior written consent or (ii) Lenders of any Facility that would, if and to the extent accepted by any Accepting Lender, (a) extend the scheduled Maturity Date and any amortization of the Loans and Commitments under such Facility and, if applicable, change the Applicable Rate and/or fees payable with respect to the Loans and Commitments under such Facility (in each case solely with respect to the Loans and Commitments of accepting Lenders in respect of which an acceptance is delivered) and (b) treat the Loans and Commitments so modified as a new "Facility" for all purposes under this Agreement; provided that in no event shall (x) extended Loans and Commitments receive a greater than ratable share of any optional or mandatory prepayments than such non-extended

Loans and Commitments of the original Facility from which such Loans and Commitments are extended (the "Non-Extended Loans and Commitments"), in each case, prior to the final maturity date of such Non-Extended Loans and Commitments applicable at the time of such loan modification and (y) no loan modification shall affect the rights or duties of, or any fees or other amounts payable to, the Administrative Agent, without its prior written consent.

In connection with any such loan modification offer, the Borrower and each Accepting Lender shall execute and deliver to the Administrative Agent such agreements and other documentation as the Administrative Agent shall reasonably specify to evidence the acceptance of the applicable loan modification offer and the terms and conditions thereof, and this Agreement and the other Loan Documents shall be amended in a writing (which may be executed and delivered by the Borrower and the Administrative Agent and shall be effective only with respect to the applicable Loans and Commitments of Lenders that shall have accepted the relevant loan modification offer (and only with respect to Loans and Commitments as to which any such Lender has accepted the loan modification offer)) to the extent necessary or appropriate, in the judgment of the Administrative Agent, to reflect the existence of, and to give effect to the terms and conditions of, the applicable loan modification (including the addition of such modified Loans and/or Commitments as a "Facility" hereunder). No Lender shall have any obligation whatsoever to accept any loan modification offer, and may reject any such offer in its sole discretion. Notwithstanding the foregoing, no modification referred to above shall become effective unless the Administrative Agent, to the extent reasonably requested by the Administrative Agent, shall have received legal opinions, board resolutions, officer's certificates and/or reaffirmation agreements with respect to such transaction.

Notwithstanding anything to the contrary herein, in connection with any determination as to whether the requisite Lenders have (A) consented (or not consented) to any amendment, modification or waiver of any provision of this Agreement or any other Loan Document or any departure by Holdings, the Borrower or any Restricted Subsidiary therefrom, (B) otherwise acted on any matter related to this Agreement or any Loan Document or (C) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to, or under, this Agreement or any Loan Document, any Lender (other than any Lender that is a Regulated Bank or any Affiliate thereof) (or any Affiliate of any such Lender (provided that for purposes of this paragraph, Affiliates of Net Short Lenders shall not include Persons that are subject to customary procedures to prevent the sharing of confidential information between such Lender and such Person and such Person is managed having independent fiduciary duties to the investors or other equityholders of such Person) that, as a result of its (or its Affiliates') interest in any total return swap, total rate of return swap, credit default swap or other derivative contract (other than any such total return swap, total rate of return swap, credit default swap or other derivative contract entered into pursuant to bona fide market making activities), has a net short position with respect to any of the Loans or Commitments or with respect to any other tranche, class or series of Indebtedness for borrowed money incurred or issued by Holdings or any of its Restricted Subsidiaries (including commitments with respect to any revolving credit facility) (each such item of Indebtedness, including the Loan and Commitments, "Specified Indebtedness"), on the later of (x) the date such amendment, modification or waiver is posted for review by Lenders generally and (y) the date, if any, that such Lender consents to such amendment, modification or waiver (each such Lender, a "Net Short Lender") shall have no right to vote with respect to any amendment, modification or waiver of this Agreement or any other Loan Documents and shall be deemed to have voted its interest as a Lender without discretion in the same proportion as the allocation of voting with respect to such matter by Lenders who are not Net Short Lenders (including in any plan of reorganization, adjustment or composition or similar arrangement). For purposes of determining whether a Lender (alone or together with its Affiliates) has a "net short position" on any date of determination: (i) derivative contracts with respect to any Specified Indebtedness and such contracts that are the functional equivalent thereof shall be counted at the notional amount of such contract in Dollars, (ii) notional amounts in other currencies

shall be converted to the dollar equivalent thereof by such Lender in a commercially reasonable manner consistent with generally accepted financial practices and based on the prevailing conversion rate (determined on a mid-market basis) on the date of determination, (iii) derivative contracts in respect of an index that includes Holdings or any other Restricted Subsidiary or any instrument issued or guaranteed by Holdings or any other Restricted Subsidiary shall not be deemed to create a short position with respect to such Specified Indebtedness, so long as (x) such index is not created, designed, administered or requested by such Lender or its Affiliates and (y) Holdings and the other Restricted Subsidiaries and any instrument issued or guaranteed by Holdings and the other Restricted Subsidiaries, collectively, shall represent less than 5.0% of the components of such index, (iv) derivative transactions that are documented using either the 2014 ISDA Credit Derivatives Definitions or the 2003 ISDA Credit Derivatives Definitions (collectively, the "ISDA CDS Definitions") shall be deemed to create a short position with respect to the relevant Specified Indebtedness if such Lender or its Affiliates is a protection buyer or the equivalent thereof for such derivative transaction and (x) the relevant Specified Indebtedness is a "Reference Obligation" under the terms of such derivative transaction (whether specified by name in the related documentation, included as a "Standard Reference Obligation" on the most recent list published by Markit, if "Standard Reference Obligation" is specified as applicable in the relevant documentation or in any other manner), (y) the relevant Specified Indebtedness would be a "Deliverable Obligation" under the terms of such derivative transaction or (z) Holdings or any other Restricted Subsidiary is designated as a "Reference Entity" under the terms of such derivative transaction and (v) credit derivative transactions or other derivatives transactions not documented using the ISDA CDS Definitions shall be deemed to create a short position with respect to any Specified Indebtedness if such transactions offer the Lender or its Affiliates protection against a decline in the value of such Specified Indebtedness, or in the credit quality of Holdings or any other Restricted Subsidiary, in each case, other than as part of an index so long as (x) such index is not created, designed, administered or requested by such Lender or its Affiliates and (y) Holdings and the other Restricted Subsidiaries, and any instrument issued or guaranteed by Holdings or the other Restricted Subsidiaries, collectively, shall represent less than 5.0% of the components of such index. In connection with any amendment, modification or waiver of this Agreement or the other Loan Documents, each Lender (other than any Lender that is a Regulated Bank) will be deemed to have represented to the Borrower and the Administrative Agent that it does not constitute a Net Short Lender, in each case, unless such Lender shall have notified the Borrower and the Administrative Agent prior to the requested response date with respect to such amendment, modification or waiver that it constitutes a Net Short Lender (it being understood and agreed that the Borrower and the Administrative Agent shall be entitled to rely on each such representation and deemed representation). The Administrative Agent shall not (a) be obligated to ascertain, monitor or inquire as to whether any Lender is a Net Short Lender or have any liability in connection therewith or (b) have any responsibility or liability for enforcing the Borrower's or any Lender's compliance with the terms of any of the provisions set forth herein with respect to Net Short Lenders.

Notwithstanding anything else to the contrary contained in this Section 10.01, no Lender consent is required to effect any amendment or supplement to this Agreement or any of the other Loan Documents or to enter into additional Loan Documents required or permitted by Section 1.09.

Section 10.02 Notices; Electronic Communications.

(a) General. Unless otherwise expressly provided herein, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier or electronic mail as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to Holdings, any other Loan Party, the Administrative Agent or the Collateral Agent, to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule 10.02 or to such other address, telecopier number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties hereto, as provided in Section 10.02(d); and

(ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its Administrative Questionnaire.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in clause (b) below shall be effective as provided in such clause (b).

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving, or is unwilling to receive, notices under Article II by electronic communication. The Administrative Agent or the Borrower may, in their discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes (with the Borrower's consent), (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT-RELATED PERSONS DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT-RELATED PERSON IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall any Agent-Related Person have any liability to any Loan Party or any of their respective Subsidiaries, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or

expenses are determined by a court of competent jurisdiction by a final and non-appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Agent-Related Person; provided, however, that in no event shall any Agent-Related Person have any liability to any Loan Party or any of their respective Subsidiaries, any Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each of Holdings, the Borrower, the Guarantors, the Administrative Agent and the Collateral Agent may change its address, telecopier, telephone number or electronic mail address for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, telecopier, telephone number or electronic mail address for notices and other communications hereunder by notice to the Borrower and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, 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 foreign and United States federal and state securities Laws, to make reference to Borrower Materials 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, the Borrower or their securities for purposes of foreign and United States federal or state securities laws.

(e) Reliance by Administrative Agent, Collateral Agent and Lenders. The Administrative Agent, the Collateral Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices) 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 except to the extent such reliance is deemed to be gross negligence, bad faith or willful misconduct of the Administrative Agent, Collateral Agent or Lender in a final non-appealable judgment of a court of competent jurisdiction. The Borrower shall indemnify the Administrative Agent, the Collateral Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower to the extent required by Section 10.05. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

Section 10.03 No Waiver; Cumulative Remedies; Enforcement.

(a) No failure by any Lender, the Administrative Agent or the Collateral Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document 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 provided hereunder and under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law.

(b) Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at

law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent or the Collateral Agent in accordance with Section 8.02 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent or the Collateral Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as the Administrative Agent or the Collateral Agent) hereunder and under the other Loan Documents, or (b) any Lender from exercising setoff rights in accordance with Section 10.09 (subject to the terms of Section 2.13); and provided further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clause (b) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders. In the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale, the Administrative Agent, the Collateral Agent or any Lender (or any person nominated by them) may be the purchaser of any or all of such Collateral at any such sale and the Administrative Agent, as agent for and representative of the Lenders (but not any Lender or Lenders in its or their respective individual capacities unless the Required Lenders shall otherwise agree in writing), shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold in any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any Collateral payable by the Administrative Agent at such sale.

Section 10.04 Expenses. The Borrower agrees (a) to pay or reimburse the Administrative Agent and the other Agents and the Arrangers (solely with respect to clause (x)) for all reasonable and documented out-of-pocket costs and expenses incurred in connection with (x) the preparation, negotiation, syndication and execution of this Agreement and the other Loan Documents, and (y) any amendment, waiver, consent or other modification of the provisions hereof and thereof, and (z) the consummation and administration of the transactions contemplated hereby and thereby, including the reasonable fees, disbursements and other charges of counsel (limited to the reasonable and documented fees, disbursements and other charges of one primary counsel to the Agents and, if necessary, one local counsel in each relevant jurisdiction (which may include a single special counsel acting in multiple jurisdictions), in each case, in jurisdictions material to the interests of the Lenders), and (b) to pay or reimburse the Administrative Agent, the other Agents and each Lender for all reasonable documented out-of-pocket costs and expenses incurred in connection with the enforcement of any rights or remedies under this Agreement or the other Loan Documents (including all such costs and expenses incurred during any legal proceeding, including any proceeding under any Debtor Relief Law or in connection with any workout or restructuring), including the fees, disbursements and other charges of counsel (limited to the reasonable fees, disbursements and other charges of one counsel to the Administrative Agent, the other Agents and the Lenders taken as a whole, and, if necessary, of one local counsel in each relevant jurisdiction (which may include a single special counsel acting in multiple jurisdictions), in each case, in jurisdictions material to the interests of the Lenders and, in the event of any actual or perceived conflict of interest, one additional counsel in each relevant jurisdiction for each Lender or group of similarly affected Lenders or Agents subject to such conflict after notification to the Borrower). The foregoing costs and expenses shall include all reasonable search, filing, recording, title insurance and appraisal charges and fees and Taxes related thereto, and other out-of-pocket expenses incurred by any Agent. All amounts due under this Section 10.04 shall be paid within 30 days after invoiced or a written demand therefor (with a reasonably detailed invoice with respect thereto), together with backup documentation supporting such reimbursement request. The agreements in this Section 10.04 shall survive the termination of the Aggregate Commitments and repayment of all other Obligations. If any Loan Party fails to pay when due any costs, expenses or other amounts payable by it hereunder or under any Loan Document, such amount may be paid on behalf of such Loan Party by the Administrative Agent after any applicable grace periods have expired, in its sole discretion and the Borrower shall promptly

reimburse the Administrative Agent, as applicable. This Section 10.04 shall not apply with respect to Taxes other than any Taxes arising from any non-Tax cost or expense.

Section 10.05 Indemnification by the Borrower. The Borrower shall indemnify and hold harmless each Arranger, each Agent-Related Person, each Lender, each of their respective Affiliates and each partner, director, officer, employee, counsel, advisor, controlling person and other representative of the foregoing and, in the case of any funds, trustees and advisors and attorneys-in-fact (collectively, the "Indemnitees") from and against any and all liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs (including settlement costs), disbursements, and reasonable and documented or invoiced out-of-pocket fees and expenses (including the reasonable and documented fees, disbursements and other charges of (i) one counsel to the Indemnitees taken as a whole, (ii) in the case of an actual or perceived conflict of interest, where the Indemnitee affected by such conflict informs the Borrower of such conflict and thereafter retains its own counsel, of another firm of counsel for each such affected Indemnitee in each relevant jurisdiction material to the interests of the Lenders, and (iii) if necessary, one local counsel in each jurisdiction material to the interests of the Indemnitees (which may include a single counsel acting in multiple jurisdictions)) of any kind or nature whatsoever which may at any time be imposed on, incurred by or asserted or awarded against any such Indemnitee in any way relating to or arising out of or in connection with or by reason of (x) any actual or prospective claim, litigation, investigation or proceeding in any way relating to, arising out of, in connection with or by reason of any of the following, whether based on contract, tort or any other theory (including any investigation of, preparation for, or defense of any pending or threatened claim, investigation, litigation or proceeding): (a) the execution, delivery, enforcement, performance or administration of any Loan Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby or (b) any Commitment or Loan or the use or proposed use of the proceeds therefrom; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, disbursements, fees or expenses (A) are determined by a court of competent jurisdiction in a final and non-appealable judgment to have resulted from the bad faith, gross negligence or willful misconduct of, or a material breach of the Loan Documents by, such Indemnitee or any of its Affiliates or controlling persons or any of the officers, directors, employees, agents, advisors, or members of any of the foregoing or (B) arise from any dispute that is among Indemnitees (other than any dispute involving claims against the Administrative Agent, any Arranger or any other Agent, in each case in their respective capacities as such) that does not involve actions or omissions of any direct or indirect parent or controlling person of Holdings or its Subsidiaries; or (y) any actual or alleged presence or Release of Hazardous Materials at, on, under or from any property currently or formerly owned or operated by Holdings or any of its Subsidiaries, or any Environmental Liability related in any way to Holdings or any of its Subsidiaries, ((x) and (y), collectively, the "Indemnified Liabilities")). In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 10.05 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Loan Party, its directors, shareholders or creditors or an Indemnitee or any other Person, and whether or not any Indemnitee is otherwise a party thereto. Should any investigation, litigation or proceeding be settled, or if there is a judgment in any such investigation, litigation or proceeding, the Borrower shall indemnify and hold harmless each Indemnitee in the manner set forth above; provided that the Borrower shall not be liable for any settlement effected without the Borrower's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Each Indemnitee shall be obligated to refund or return any and all amounts paid by the Borrower pursuant to this Section 10.05 to such Indemnitee for any fees, expenses, or damages to the extent such Indemnitee is not entitled to payment of such amounts in accordance with the terms hereof, as determined by a court of competent jurisdiction in a final and non-appealable judgment. All amounts due under this Section 10.05 shall be payable within 30 days after written demand therefor, accompanied by backup documentation. The agreements in this Section 10.05 shall survive the resignation of the

Administrative Agent, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations. This Section 10.05 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

Section 10.06 Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to any Agent or any Lender, or any Agent or any Lender, in each case in their capacities as such, exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be or avoided as 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, debtor-in-possession, receiver or any other party, in connection with any proceeding under any Debtor Relief Law 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 (without duplication) 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 Federal Funds Rate from time to time in effect. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

Section 10.07 Successors and Assigns.

(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 the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee (other than to any Disqualified Institution) in accordance with the provisions of Section 10.07(b), (ii) by way of participation in accordance with the provisions of Section 10.07(d), (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 10.07(f) or (iv) to an SPC in accordance with the provisions of Section 10.07(g) (and any other attempted assignment or transfer by any party hereto shall be null and void). 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 10.07(d) and, to the extent expressly contemplated hereby, the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may at any time 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 Commitment(s) and the Loans at the time owing to it); provided that:

(i) (A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility and the Loans at the time owing to it under such Facility no minimum amount shall need be assigned, (B) in the case of an Existing Lender Assignment no minimum amount shall need be assigned, and (C) in any case not described in clause (b)(i)(A) and (B) of this Section 10.07, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the outstanding principal balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $1,000,000 unless each of the Administrative Agent and the Borrower otherwise consents; provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments

from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met;

(ii) 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 Loans or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis;

(iii) no consent shall be required for any assignment except to the extent required by clause (b)(i)(C) of this Section 10.07 and, in addition (A) the consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed) shall be required for any assignment unless (1) a Specified Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is an Existing Lender Assignment; provided that (1) the Borrower shall be deemed to have consented to any assignment unless the Borrower objects thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof, (2) following the Closing Date, the Borrower shall be deemed to have consented to an assignment to any Lender if such Lender was, prior to such assignment, identified and approved in the initial allocations of the Loans and Commitments approved by the Borrower in connection with the initial syndication of the Term Facility and (3) the Borrower may in its sole discretion withhold its consent to any assignment to any Person that is not a Disqualified Institution but is known by the Borrower to be an Affiliate of a Disqualified Institution regardless of whether such Person is identifiable as an Affiliate of a Disqualified Institution on the basis of such Affiliate's name and (B) the consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed) shall be required for any assignment unless (1) such assignment is an Existing Lender Assignment or (2) such assignment is permitted by Section 10.07(i) or Section 10.07(j) (provided that in each case the Administrative Agent shall acknowledge any such assignment);

(iv) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption via an electronic settlement system acceptable to the Administrative Agent (or, if previously agreed with the Administrative Agent, manually), together with a processing and recordation fee of $3,500 (except (1) no processing and recordation fee shall be payable in the case of assignments permitted by Section 10.07(i) or Section 10.07(j), (2) no processing and recordation fee shall be payable in the case of assignments in connection with the initial syndication of the Facilities, (3) in the case of contemporaneous assignments by any Lender to one or more Approved Funds, only a single processing and recording fee shall be payable for such assignments, (4) no processing and recordation fee shall be payable for assignments among Approved Funds or among any Lender and any of its Approved Funds and (5) the Administrative Agent, in its sole discretion, may elect to waive or reduce such processing and recording fee in the case of any assignment). Each Eligible Assignee that is not an existing Lender shall deliver to the Administrative Agent an Administrative Questionnaire;

(v) no such assignment shall be made (A) to any Defaulting Lender or any of its Affiliates, or any Person who, upon becoming a Lender hereunder, would constitute a Defaulting Lender or a Subsidiary of a Defaulting Lender, (B) to any Natural Person, (C) to any Disqualified Institution, (D) to Holdings, the Borrower or any of their Subsidiaries except as permitted under clause (j) below, or (E) to any Affiliate Lender except as permitted under Section 10.07(i);

(vi) [reserved];

(vii) the assigning Lender shall deliver any Notes or, in lieu thereof, a lost note affidavit and indemnity reasonably acceptable to the Borrower evidencing such Loans to the Borrower or the Administrative Agent; and

(viii) in connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable Pro Rata Share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full Pro Rata share of all Loans; provided that notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this clause, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 10.07(c), from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, 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 Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, 10.04 and 10.05 with respect to facts and circumstances occurring prior to the effective date of such assignment, and subject to the obligations set forth in Section 10.08). Upon request, and the surrender by the assigning Lender of its Note (or, in lieu thereof, a lost note affidavit and indemnity reasonably acceptable to the Borrower), the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement (other than any purported assignment or transfer to a Disqualified Institution) that does not comply with this clause (b) 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 10.07(d). In connection with any prospective assignment, each assigning Lender shall deliver to the Borrower a copy of its request (including the name of the prospective assignee) for assignment at the time the Administrative Agent is notified of the prospective assignment, irrespective of the existence or non-existence of a Specified Event of Default.

(c) The Administrative Agent, acting solely 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 Assumption delivered to it and a register in which it shall record the names and addresses of the Lenders, and the Commitments of, and principal amounts (and related interest amounts) of the Loans owing to each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Agents 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. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as Defaulting Lender. The Register shall be available for inspection by the Borrower, any Agent and any Lender (but only to entries with respect to itself), at any reasonable time

and from time to time upon reasonable prior notice. The parties intend that all Loans will be at all times maintained in "registered form" within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code and any related Treasury regulations (or any other relevant or successor provisions of the Code or of such Treasury regulations), including without limitation under United States Treasury Regulations Section 5f.103-1(c) and Proposed Regulations Section 1.163-5 (and any successor provisions).

(d) Any Lender may at any time, without the consent of, or, subject to clause (iv) below, notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a Natural Person, an Affiliate Lender (other than a Debt Fund Affiliate), a Defaulting Lender or a Disqualified Institution) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Agents 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 the other Loan Documents and to approve any amendment, modification or waiver of any provision of this Agreement or any other Loan Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 (in the case of any amendment, waiver or other modification described in clause (a), (b) or (c) of such proviso, that directly and adversely affects such Participant). Subject to Section 10.07(e), the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 (subject to the requirements and the limitations of such Sections (it being understood that the documentation required under Section 3.01(g)shall be delivered solely to the participating Lender) and Section 3.08) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.07(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.09 as though it were a Lender; provided such Participant agrees to be subject to Section 2.13 as though it were a Lender.

(e) A Participant (i) agrees to be subject to the provisions of Section 3.08 as if it were an assignee pursuant to Section 10.07(b) and (ii) shall not be entitled to receive any greater payment under Section 3.01, 3.04 or 3.05 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, except to the extent that a Participant's right to a greater payment results from a change in any Law after the Participant becomes a Participant.

(f) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) (other than to a Natural Person or a Disqualified Institution) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Lender; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Notwithstanding anything to the contrary herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower (an "SPC") the option to provide all or any part of any Loan that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Loan, and (ii) if an SPC elects not to exercise such option or otherwise fails to make all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof or, if it fails to do so, to make such payment to the Administrative Agent as is required under Section 2.12(b). Each party

hereto hereby agrees that an SPC shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 (subject to the requirements and the limitations of such Sections and Section 3.08); provided that neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Borrower under this Agreement (including under Section 3.01, 3.04 or 3.05), except to the extent that the SPC's right to a greater payment results from a change in any Law after the grant to the SPC takes place. Each party hereto further agrees that (i) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, and (ii) the Granting Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Loan Document, remain the Lender of record hereunder. Other than as expressly provided in this Section 10.07(g), (A) such Granting Lender's obligations under this Agreement shall remain unchanged, (B) such Granting Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Granting Lender in connection with such Granting Lender's rights and obligations under this Agreement. The making of a Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior debt of any SPC, it will not, other than in respect of matters unrelated to this Agreement or the transactions contemplated hereby, institute against, or join any other Person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceeding under the laws of the United States or any State thereof. Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of the Borrower and the Administrative Agent and with the payment of a processing fee of $3,500 (except that the Administrative Agent, in its sole discretion, may elect to waive or reduce such processing fee), assign all or any portion of its rights hereunder with respect to any Loan to the Granting Lender and (ii) subject to Section 10.08, disclose on a confidential basis any non-public information relating to its funding of Loans to any rating agency, commercial paper dealer or provider of any surety or Guarantee or credit or liquidity enhancement to such SPC.

(h) Notwithstanding anything to the contrary herein, any Lender that is a Fund may create a security interest in all or any portion of the Loans owing to it and the Note, if any, held by it to the agent or trustee for holders of obligations owed, or securities issued, by such Fund as security for such obligations or securities; provided that unless and until such trustee actually becomes a Lender in compliance with the other provisions of this Section 10.07, (i) no such pledge shall release the pledging Lender from any of its obligations under the Loan Documents, and (ii) such trustee shall not be entitled to exercise any of the rights of a Lender under the Loan Documents even though such trustee may have acquired ownership rights with respect to the pledged interest through foreclosure or otherwise.

(i) Notwithstanding anything to the contrary herein, any Lender may assign all or any portion of its Term Loans, Specified Refinancing Term Loans and New Term Loans hereunder to any Affiliate Lender (including any Debt Fund Affiliate), but only if:

(i) the assigning Lender and Affiliate Lender purchasing such Lender's Term Loans, Specified Refinancing Term Loans or New Term Loans, as applicable, shall execute and deliver to the Administrative Agent an assignment agreement substantially in the form of Exhibit D-2 hereto (an "Affiliate Lender Assignment and Assumption") in lieu of an Assignment and Assumption;

(ii) after giving effect to such assignment, Affiliate Lenders (other than Debt Fund Affiliates) shall not, in the aggregate, own or hold Term Loans, *pari passu* Specified Refinancing Term Loans and New Term Loans with an aggregate principal amount in excess of 25% of the principal

amount of all Term Loans, *pari passu* Specified Refinancing Term Loans and New Term Loans then outstanding (calculated as of the date of such purchase and after giving effect to any substantially simultaneous cancellations thereof); and

(iii) such Affiliate Lender (other than any Debt Fund Affiliate) shall at all times thereafter be subject to the voting restrictions specified in Section 10.01.

(j) Notwithstanding anything to the contrary herein, any Lender may assign all or any portion of its Term Loans, Specified Refinancing Term Loans and New Term Loans hereunder to Holdings or any of its Subsidiaries, but only if:

(i) (A) such assignment is made pursuant to a Dutch Auction open to all Term Lenders, Specified Refinancing Term Loan lenders or New Term Loan lenders on a pro rata basis or (B) such assignment is made as an open market purchase;

(ii) [reserved]; and

(iii) any such Term Loans shall be automatically and permanently cancelled immediately upon acquisition thereof by Holdings or any of its Restricted Subsidiaries to the extent permitted by applicable Law.

In connection with any assignment pursuant to Section 10.07(i) or (j), each Lender acknowledges and agrees that, in connection therewith, (1) the Affiliate Lenders, Holdings and/or any of its Subsidiaries may have, and later may come into possession of, information regarding the Sponsor, Holdings, any of its Subsidiaries and/or any of their respective Affiliates not known to such Lender and that may be material to a decision by such Lender to participate in such assignment (including material non-public information) ("Excluded Information"), (2) such Lender, independently and, without reliance on the Affiliate Lenders, Holdings, any of its Subsidiaries, any Agent or any of their respective Affiliates, has made its own analysis and determination to participate in such assignment notwithstanding such Lender's lack of knowledge of the Excluded Information and (3) none of the Affiliate Lenders, Holdings, any of its Subsidiaries, any Agent or any of their respective Affiliates shall have any liability to such Lender, and such Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against Affiliate Lenders, Holdings, any of its Subsidiaries, any Agent or any of their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. No Affiliate Lender shall be required to make any representation that it is not in possession of material nonpublic information with respect to Holdings, its Subsidiaries or their respective securities. Upon the request of the applicable Affiliated Lender or Holdings or any of its Subsidiaries, the assignor in such transaction shall render a customary "big boy" letter to the applicable Affiliated Lender, Holdings or its applicable Subsidiary.

(k) Notwithstanding anything to the contrary herein, (i) Affiliate Lenders (other than Debt Fund Affiliates) shall not have any right to attend (including by telephone) any meeting or discussions (or portion thereof) among the Administrative Agent or any other Lender to which representatives of the Borrower are not then present, (ii) Affiliate Lenders (other than Debt Fund Affiliates) shall not have any right to receive any information or material prepared by the Administrative Agent or any other Lender or any communication by or among the Administrative Agent and one or more other Lenders, except to the extent such information or materials have been made available to the Borrower or its representatives and (iii) neither the Sponsor nor any Affiliate of the Sponsor (other than Debt Fund Affiliates) may be entitled to receive advice of counsel to the Agents or other Lenders and none of them shall challenge any assertion of attorney-client privilege by any Agent or other Lender. Each of the Borrower and each Affiliate Lender (other than any Debt Fund Affiliates) hereby agrees that if a case under Title 11 of the

Bankruptcy Code is commenced against the Borrower, such Affiliate Lenders, with respect to any plan of reorganization that does not adversely affect any Affiliate Lender in any material respect as compared to other Lenders, shall be deemed to have voted in the same proportion as the Lenders that are not Affiliate Lenders voting on such matter; and each Affiliate Lender (other than any Debt Fund Affiliates) hereby acknowledges, agrees and consents that if, for any reason, its vote to accept or reject any plan pursuant to the Bankruptcy Code is not deemed to have been so voted, then such vote will be "designated" pursuant to Section 1126(e) of the Bankruptcy Code such that the vote is not counted in determining whether the applicable class has accepted or rejected such plan in accordance with Section 1126(c) of the Bankruptcy Code.

(l) [Reserved].

(m) The applicable Lender, acting solely for this purpose as a non-fiduciary agent of the Borrower (solely for tax purposes), shall maintain a register on which it enters the name and address of (i) each SPC (other than any SPC that is treated as a disregarded entity of the Granting Lender for U.S. federal income tax purposes) that has exercised its option pursuant to Section 10.07(g) and (ii) each Participant, and the principal amounts (and related interest amounts) of each such SPC's and Participant's interest in such Lender's rights and/or obligations under this Agreement complying with the requirements of Sections 163(f), 871(h) and 881(c)(2) of the Code and the United States Treasury Regulations (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations and Section 1.163-5(b)(1) of the United States Treasury Regulations, or is otherwise required under the Code and the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and the Borrower and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of the applicable rights and/or obligations of such Lender under this Agreement, notwithstanding notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

Section 10.08 Confidentiality. Each of the Agents and the Lenders agrees to maintain the confidentiality of the Information, except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, trustees, representatives and agents, including accountants, legal counsel and other advisors and service providers on a need-to-know basis (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and shall agree to keep such Information confidential in accordance with customary practices); (b) to the extent requested by any regulatory authority having jurisdiction over such Agent, Lender or its respective Affiliates; (c) in any legal, judicial, administrative proceeding or other compulsory process or otherwise as required by applicable Laws or regulations or by any subpoena or similar legal process, in each case based upon the reasonable advice of the disclosing Agent's or Lender's legal counsel (in which case the disclosing Agent or Lender, as applicable, agrees (except with respect to any audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority), to the extent not prohibited by applicable Law, to promptly notify the Borrower prior to such disclosure and allow the Borrower a reasonable opportunity to object to such disclosure in such proceeding or process, and in any event such disclosing party shall use commercially reasonable efforts to ensure that any such information so disclosed is accorded confidential treatment; (d) to any other party to this Agreement; (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or

thereunder; (f) subject to an agreement containing provisions substantially the same (or at least as restrictive) as those of this Section 10.08 (or as may otherwise be reasonably acceptable to the Borrower), to any Eligible Assignee of or Participant in, or any prospective Eligible Assignee of or Participant in, any of its rights or obligations under this Agreement; provided that no such disclosure shall be made by such Lender or such Agent or any of their respective Affiliates to any such Person that is a Disqualified Institution; (g) with the written consent of Holdings; (h) to the extent such Information becomes publicly available other than as a result of a breach of this Section 10.08; (i) to any state, federal or foreign authority or examiner (including the National Association of Insurance Commissioners or any other similar organization) regulating any Agent or Lender or any Affiliate of any Agent or Lender; (j) to any rating agency in connection with obtaining a credit rating for Holdings, the Borrower or any of their Subsidiaries or the credit facilities hereunder (it being understood that, prior to any such disclosure, such rating agency shall undertake to preserve the confidentiality of any Information relating to the Loan Parties received by it from such Agent or Lender); or (k) to any contractual counterparty (or prospective contractual counterparty) in any swap, hedge or similar agreement or to any such contractual counterparty's (or prospective contractual counterparty's) professional advisor (in each case, other than a Disqualified Institution). In addition, the Agents and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors or service providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement, the other Loan Documents, the Commitments, and the Borrowings; provided that such Person is advised and agrees to be bound by the provisions of this Section 10.08.

For the purposes of this Section 10.08, "Information" means all information received from (or on behalf of) any Loan Party or any Subsidiary thereof relating to any Loan Party or any Subsidiary thereof or their respective businesses (including with respect to the target of any actual or potential acquisition or other Investment), other than any such information that is publicly available to any Agent or any Lender prior to disclosure by any Loan Party other than as a result of a breach of this Section 10.08 by such Lender or Agent.

Each Agent and each Lender acknowledges that (i) the Information may include material non-public information concerning Holdings or any of its Subsidiaries, (ii) it has developed compliance procedures regarding the use of material non-public information and (iii) it will handle such material non-public information in accordance with applicable Law, including foreign and United States federal and state securities Laws.

The respective obligations of the Agents and the Lenders under this Section 10.08 shall survive, to the extent applicable to such Person, for a period of two (2) years after (x) the payment in full of the Obligations and the termination of this Agreement, (y) any assignment of its rights and obligations under this Agreement by such Person and (z) the resignation or removal of such Person as an Agent.

Section 10.09 Setoff. In addition to any rights and remedies of the Lenders provided by Law, upon the occurrence and during the continuance of any Event of Default, each Secured Party is authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent, without prior notice to the Borrower or any other Loan Party, any such notice being waived by Holdings (on its own behalf and on behalf of each Loan Party) to the fullest extent permitted by Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in any currency), other than deposits in fiduciary accounts as to which a Loan Party is acting as fiduciary for another Person who is not a Loan Party and other than payroll or trust fund accounts, at any time held by, and other Indebtedness (in any currency) at any time owing by, such Lender to or for the credit or the account of the respective Loan Parties against any and all Obligations owing to such Secured Party hereunder or under any other Loan Document (or other Secured Document

(as defined in the Security Agreement)), now or hereafter existing, irrespective of whether or not such Agent or such Lender shall have made demand under this Agreement or any other Loan Document (or other Secured Document (as defined in the Security Agreement)) and although such Obligations may be contingent or unmatured or denominated in a currency different from that of the applicable deposit or Indebtedness or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such Indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (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 2.17 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 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 setoff. Each Secured Party agrees promptly to notify the Borrower and the Administrative Agent after any such set-off and application made by such Secured Party; provided, however, that the failure to give such notice shall not affect the validity of such setoff and application. The rights of the Administrative Agent and each Secured Party under this Section 10.09 are in addition to other rights and remedies (including other rights of setoff) that the Administrative Agent and such Secured Party may have.

Section 10.10 Interest Rate Limitation. Notwithstanding anything to the contrary in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If any Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by an Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

Section 10.11 Counterparts. This Agreement and each other Loan Document may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by telecopier or other electronic transmission of an executed counterpart of a signature page to this Agreement and each other Loan Document shall be effective as delivery of an original executed counterpart of this Agreement and such other Loan Document. The Agents may also require that any such documents and signatures delivered by telecopier or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature delivered by telecopier or other electronic transmission.

Section 10.12 Integration; Effectiveness. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document (other than the ABL Intercreditor Agreement, the Term Loan Intercreditor Agreement and any Market Intercreditor Agreement), the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of the Agents or the Lenders in any other Loan Document shall not be deemed a conflict with this Agreement. Each Loan Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and

when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto as of the date hereof.

Section 10.13 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by each Agent and each Lender, regardless of any investigation made by any Agent or any Lender or on their behalf and notwithstanding that any Agent or any Lender may have had notice or knowledge of any Default at the time of any Borrowing, and shall continue in full force and effect until the satisfaction of the Termination Conditions.

Section 10.14 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.14, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws then such provisions shall be deemed to be in effect only to the extent not so limited.

Section 10.15 Governing Law; Jurisdiction; Etc.

(a) Governing Law. THIS AGREEMENT AND EACH OTHER LOAN DOCUMENT (OTHER THAN WITH RESPECT TO ANY COLLATERAL DOCUMENTS TO THE EXTENT EXPRESSLY PROVIDED OTHERWISE THEREIN) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) Submission to Jurisdiction. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK CITY IN THE BOROUGH OF MANHATTAN AND OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (OTHER THAN WITH RESPECT TO ANY COLLATERAL DOCUMENT TO THE EXTENT EXPRESSLY PROVIDED OTHERWISE THEREIN), OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, THE COLLATERAL AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE

RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT AGAINST ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) Waiver of Venue. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN CLAUSE (b) OF THIS SECTION 10.15. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) Limitation of Liability. None of the Arrangers, Agent-Related Persons, Lenders, nor any of their respective Affiliates nor any partner, director, officer, employee, counsel, advisor, controlling person or other representative of the foregoing and, in the case of any funds, trustees and advisors and attorneys-in-fact (collectively, the "Arranger/Lender-Related Persons") shall be liable for any damages arising from the use by others of any information or other materials obtained through the Platform or other information transmission systems (including electronic telecommunications) in connection with this Agreement unless determined by a court of competent jurisdiction in a final and non-appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Arranger/Lender-Related Person. None of the Arranger/Lender-Related Person nor any Loan Party nor any of their respective Related Parties shall have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Loan Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date); provided that such waiver of special, punitive, indirect or consequential damages shall not limit the indemnification obligations of the Borrower under Section 10.05.

Section 10.16 Service of Process. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

Section 10.17 Waiver of Right to Trial by Jury. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 10.17 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

Section 10.18 Binding Effect. This Agreement shall be binding upon and inure to the benefit of Holdings, the Borrower, each Agent and each Lender and their respective successors and permitted assigns.

Section 10.19 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower and Holdings acknowledge and agree that: (i) (A) no fiduciary, advisory or agency relationship between any of Holdings and its Subsidiaries and any Agent or any Arranger is intended to be or has been created in respect of any of the transactions contemplated hereby and by the other Loan Documents, irrespective of whether any Agent or any Arranger has advised or is advising Holdings and its Subsidiaries on other matters, (B) the arranging and other services regarding this Agreement provided by the Agents and the Arrangers are arm's-length commercial transactions between Holdings and its Subsidiaries, on the one hand, and the Agents and the Arrangers, on the other hand, (C) the Borrower and Holdings have consulted their own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (D) the Borrower and Holdings are capable of evaluating, and understand and accept, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each Agent and Arranger is and has been acting solely as a principal and, except as may otherwise be expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for Holdings or the Borrower or any of their respective Affiliates, or any other Person and (B) neither any Agent nor any Arranger has any obligation to Holdings or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Agents and the Arrangers and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of Holdings, the Borrower and their respective Affiliates, and neither any Agent nor any Arranger has any obligation to disclose any of such interests and transactions to Holdings, the Borrower or their respective Affiliates. To the fullest extent permitted by law, each of the Borrower and Holdings hereby waives and releases any claims that it may have against the Agents, the Arrangers, and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 10.20 Affiliate Activities. Each of the Borrower and Holdings acknowledges that each Agent and each Arranger (and their respective Affiliates) is a full service securities firm engaged, either directly or through affiliates, in various activities, including securities trading, investment banking and financial advisory, investment management, principal investment, hedging, financing and brokerage activities and financial planning and benefits counseling for both companies and individuals. In the ordinary course of these activities, any of them may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and/or financial instruments (including bank loans) for their own account and for the accounts of customers and may at any time hold long and short positions in such securities and/or instruments. Such investment and other activities may involve securities and instruments of Holdings and its Affiliates, as well as of other entities and persons and their Affiliates which may (i) be involved in transactions arising from or relating to the engagement contemplated hereby and by the other Loan Documents, (ii) be customers or competitors of Holdings and its Affiliates or (iii) have other relationships with Holdings and its Affiliates. In addition, it may provide investment banking, underwriting and financial advisory services to such other entities and persons. It may also co-invest with, make direct investments in, and invest or co-invest client monies in or with funds or other investment vehicles managed by other parties, and such funds or other investment vehicles may trade or make investments in securities of Holdings and its Affiliates or such other entities. The transactions contemplated hereby and by the other Loan Documents may have a direct or indirect impact on the investments, securities or instruments referred to in this clause.

Section 10.21 Electronic Execution of Assignments and Certain Other Documents. The words "execution," "signed," "signature," and words of like import in any Loan Document, any Assignment and Assumption, any Committed Loan Notice or any amendment or other modification thereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually

executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.22 USA PATRIOT Act. Each Lender that is subject to the PATRIOT Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001, as amended from time to time)) (the "PATRIOT Act"), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the PATRIOT Act. Each Loan Party shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that is required in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act and the Beneficial Ownership Regulation.

Section 10.23 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 10.24 Acknowledgement Regarding Any Supported QFCs.

(a) To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, "QFC Credit Support", and each such QFC, a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be

governed by the laws of the State of New York and/or of the United States or any other state of the United States).

(b) In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

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V2X, INC.
SENIOR EXECUTIVE SEVERANCE PAY PLAN
(Amended and Restated as of October 30, 2024)

1. **Purpose**

The purpose of this V2X, Inc. Senior Executive Severance Pay Plan (the "Plan"), as amended and restated, is to assist in occupational transition by providing severance pay for employees covered by the Plan whose employment is terminated under conditions set forth in the Plan.

The Plan first became effective as of September 27, 2014 following the spin-off of Vectrus, Inc. ("Vectrus") from Exelis Inc. ("Exelis") on September 27, 2014. Exelis was spun off from ITT Corporation ("ITT" and, together with Exelis, the "Predecessor Corporations") on October 31, 2011. The Predecessor Corporations maintained similar plans prior to the respective spin-offs (the "Predecessor Plans"), and the Plan was created to continue service accruals under the Predecessor Plans. The Plan now is updated to reflect the merger between Vertex Aerospace Services Holding Corp. and Vectrus on July 5, 2022, and covers the successor entity V2X. The Plan shall remain in effect as provided in Section 12 hereof, and Executives shall receive full credit for their service with the Predecessor Corporations as provided in Section 4 hereof.

2. **Covered Employees**

Covered employees under the Plan ("Executives") are full-time, active regular salaried employees of V2X, and of any subsidiary company (each a "V2X Subsidiary") (collectively or individually as the context requires, the "Company") who are either (a) Section 16 Officers within the meaning of the Securities and Exchange Act and either United States citizens or employed in the United States immediately preceding the date the Company selects as the Executive's last day of active employment ("Scheduled Termination Date") or (b) selected by the V2X Compensation and Human Capital Committee (the "Committee"), but excluding any such employees who are party to individual agreements that provide severance pay in situations where severance would be payable under the Plan.

3. **Severance Pay Upon Termination of Employment**

If the Company terminates an Executive's employment, the Executive shall be provided severance pay in accordance with, and subject to, the terms of the Plan except where the Executive:

- is terminated for Cause (as defined below),
- accepts employment or refuses comparable employment with a purchaser as provided in Section 8, "Divestiture," or
- terminates his or her employment with the Company for any reason, or no reason, prior to the Scheduled Termination Date.

For the avoidance of doubt, no severance pay will be provided under the Plan where the Executive terminates employment by:

- voluntarily resigning, or
- failing to return from an approved leave of absence (including a medical leave of absence).

No severance pay will be provided under the Plan upon any termination of employment as a result of the Executive's death or Disability (as defined below).

"Cause" shall mean the Executive's (i) willful and continued failure to substantially perform the Executive's duties with the Company or to substantially follow and comply with the specific and lawful directives of the Company or the V2X Board of Directors (the "Board"), as reasonably determined by the Board (other than any such failure resulting from the Executive's incapacity due to physical or mental illness) after a written demand for substantial performance that specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties is delivered to the Executive by the Board; (ii) willful commission of an act of fraud or dishonesty resulting in material economic or financial injury to the Company; (iii) willful engagement in illegal conduct or gross misconduct, in either case which is materially and demonstrably injurious to the Company; (iv) material breach of the terms of any confidentiality, trade secret, non-solicitation, non-competition or similar Company agreement or policy; or (v) conviction of, or plea of nolo contendere to, a felony or crime involving moral turpitude.

"Disability" shall mean the complete and permanent inability of the Executive to perform all of his or her duties under the terms of his or her employment, as determined by the Company upon the basis of such evidence, including independent medical reports and data, as the Company deems appropriate or necessary.

4. **Schedule of Severance Pay**

Severance pay will be provided in accordance with the following schedule, which sets forth the aggregate amount of severance pay that will be paid to an Executive. Such aggregate amount of severance pay shall be equal to the Executive's Base Pay (as defined below) multiplied by the "Months of Base Pay" shown in the schedule below based upon the Executive's Years of Service as of the Scheduled Termination Date.

Years of Service	**Months of Base Pay**
Less than 4	12
4	13
5	14
6	15
7	16
8	17
9 or more	18

"Base Pay" shall mean the Executive's annual base salary rate paid or in effect as of the Scheduled Termination Date, divided by twelve (12).

"Years of Service" shall mean the total number of completed years of full-time employment since the Executive's V2X service date, as recorded in Company's system, to the Scheduled Termination Date; provided that, for the purposes of "Years of Service," service shall include years of service with the Predecessor Corporations; provided, however, that any breaks in service during which the Executive was not employed by V2X or one of the Predecessor Corporations shall not be counted. The V2X system service date is the date from which employment in the V2X system is recognized beginning with the first date of employment with the Company,

unless the Executive was previously employed with a Predecessor Corporation, in which case the V2X system service date shall mean the first date of employment with Predecessor Corporation.

Notwithstanding anything contained herein to the contrary, in no event shall severance pay exceed the equivalent of twice the Executive's total annual compensation (base salary and bonus) during the last full calendar year immediately preceding the Scheduled Termination Date.

For the avoidance of doubt, all prior full-time employment by an Executive with the Predecessor Corporations shall be credited in full when determining an Executive's Years of Service.

5. **Form of Payment of Severance Pay**

Severance pay shall be paid in the form of equal periodic payments according to V2X's regular payroll schedule. Severance pay will commence within 60 days following the Scheduled Termination Date; provided, that, to the extent such 60-day period begins in one calendar year and ends in another, any payment scheduled to occur during the first 60 days following the Scheduled Termination Date shall not be paid until the first regularly scheduled pay date in the latter calendar year, and such first payment shall include all amounts that were otherwise scheduled to be paid prior thereto.

In the event of an Executive's death during the period the Executive is receiving severance pay, the amount of severance pay remaining shall be paid in a lump sum to the Executive's spouse or to such other beneficiary or beneficiaries designated by the Executive in writing, or, if the Executive is not married and failing such designation, to the estate of the Executive.

If an Executive is receiving severance pay, the Executive must continue to be available to render to the Company reasonable assistance, consistent with the Executive's prior position with the Company, at times and locations that are mutually acceptable. In requesting such services, the Company will take into account any other commitments which the Executive may have. After the Scheduled Termination Date and normal wind up of the Executive's former duties, the Executive will not be required to perform any regular services for the Company. In the event the Executive secures other employment during the period the Executive is receiving severance pay, the Executive must promptly notify the Company.

Severance pay will permanently cease if an Executive is rehired by the Company.

6. **Benefits During Severance Pay**

As long as an Executive is receiving severance pay, except as provided in this Section or in Section 7, the Executive will be eligible for continued participation in those Company employee benefit plans that are COBRA eligible, and coverage will run concurrently through the COBRA period. The Company and the Executive will continue to share the monthly premium expense per the Plan Year's contribution strategy approved on an annual basis. For the avoidance of doubt, an Executive will not be eligible to participate in any other Company benefit plans, policies, programs, and arrangements, including without limitation, any Company tax qualified retirement plans, non-qualified retirement plans, deferred compensation plans, and incentive plans (stock and cash).

If, for any reason at any time, the Company (i) is unable to treat the Executive as being eligible for ongoing participation in any Company benefit plans or policies in existence immediately prior to the termination of employment of the Executive, and if, as a result thereof, the Executive does not receive a benefit or receives a reduced benefit, or (ii) determines that

ongoing participation in any such Company benefit plans or policies would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Internal Revenue Code of 1986, as amended (the "Code") or any other Code section, statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), the Company shall provide such benefits by making available equivalent benefits from other sources in a manner consistent with Section 15 below.

7. **Excluded Compensation and Benefit Plans, Policies, Programs and Arrangements**

The period during which an Executive is receiving severance pay does not count as service for the purpose of any compensation or benefit plan, policy, program or arrangement, including any equity or cash incentive award plan or program unless otherwise expressly provided in plan and/or award documents previously approved by the Board or the Committee.

8. **Divestiture**

If a V2X Subsidiary or business unit or service line of V2X or a portion thereof at which an Executive is employed or is primarily associated with, is sold or divested and if (i) the Executive accepts employment or continued employment with the purchaser or an affiliate of the purchaser (or, in the case of a divestiture without a purchaser, such as a spin off, accepts employment or continued employment with the divested entity), or (ii) refuses employment or continued employment with the purchaser or an affiliate of the purchaser (or divested entity, as applicable)(where the employment or continued employment requires a regular physical presence at a place of employment no more than 50 miles from the location of Executive's most recent employment with V2X) on terms and conditions substantially comparable to those in effect immediately preceding the sale or divestiture, the Executive shall not be provided severance pay under the Plan. The provisions of this Section 8 apply to divestitures accomplished through sales (or other divestiture) of assets or through sales (or other divestiture) of corporate or other entities.

9. **Disqualifying Conduct**

If during the period an Executive is receiving severance pay, the Executive (i) engages in any activity which is inimical to the best interests of the Company; (ii) disparages the Company;
(iii) fails to comply with any Company policy regarding the disclosure of confidential information, trade secrets or proprietary business information, or regarding the assignment of rights, or ownership of, intellectual property or any agreement with Company addressing same; (iv) without the Company's prior consent, induces any employee of the Company to leave their Company employment; (v) without the Company's prior consent, engages in, becomes affiliated with, or becomes employed by any business competitive with the Company; or (vi) fails to comply with applicable provisions of the V2X Code of Conduct or applicable V2X Corporate Policies (both as existing as of Executive's last day of employment), then the Company (i) will have no further obligation to provide severance pay or benefits under this Plan; and (ii) may seek to recover any severance pay or benefits already paid or extended to Executive.

10. **Release**

The Company shall not be required to make or continue any severance payments or extend other consideration under the Plan unless the Executive executes and delivers to V2X a fully executed, irrevocable release, satisfactory to V2X, within a time frame specified by Company (not to exceed 60 days) following Scheduled Termination Date; provided, however, if the foregoing period spans two calendar years, in no event will any severance payments be made

prior to January 1 of the second calendar year (if applicable, with amounts accruing until the first regularly scheduled payroll date in the second calendar year).

11. **Administration of Plan**

The Plan shall be administered by V2X, which shall have the exclusive right to interpret the Plan, adopt any rules and regulations for carrying out the Plan as may be appropriate and decide any and all matters arising under the Plan, including but not limited to the right to determine appeals. Subject to applicable Federal and state law, all interpretations and decisions by V2X shall be final, conclusive and binding on all parties affected thereby.

Any employee or other person who believes he or she is entitled to any payment under the Plan may submit a claim in writing to the Plan's administrator (in accordance with Section 17) within ninety (90) days after the earlier of (i) the date the claimant learned the amount of their severance benefits under the Plan or (ii) the date the claimant learned that he or she will not be entitled to any benefits under the Plan. If the claim is denied (in full or in part), the claimant will be provided a written notice explaining the specific reasons for the denial and referring to the provisions of the Plan on which the denial is based. The notice will also describe any material or information necessary for the claimant to perfect the claim, and an explanation of why such material or information is necessary, and an explanation of the Plan's procedures (and time limits) for appealing the denial, including a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on appeal. The denial notice will be provided within ninety (90) days after the claim is received. If special circumstances require an extension of time (up to ninety (90) days), written notice of the extension will be given within the initial ninety (90) day period. This notice of extension will indicate the special circumstances requiring the extension of time and the date by which the administrator expects to render its decision on the claim.

If the claimant's claim is denied, the claimant (or his or her authorized representative) may apply in writing to the administrator for a review of the decision denying the claim. Review must be requested within sixty (60) days following the date the claimant received the written notice of their claim denial or else the claimant loses the right to review. The claimant (or representative) then has the right to review and obtain copies of all documents and other information relevant to the claim, upon request and at no charge, and to submit issues and comments (as well as documents, records and other information related to the claim) in writing. The administrator will provide written notice of its decision on review within sixty (60) days after it receives a review request. If additional time (up to sixty (60) days) is needed to review the request, the claimant (or representative) will be given written notice of the reason for the delay. This notice of extension will indicate the special circumstances requiring the extension of time and the date by which the administrator expects to render its decision.

If the claim is denied (in full or in part), the claimant will be provided a written notice explaining the specific reasons for the denial and referring to the provisions of the Plan on which the denial is based. The notice will also include a statement that the claimant will be provided, upon request and free of charge, reasonable access to, and copies of, all documents and other information relevant to the claim and a statement regarding the claimant's right to bring an action under Section 502(a) of ERISA.

If the claims procedures set forth above have been exhausted and a claimant wishes to challenge a final determination by the Plan administrator, such claim shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules and the entire cost thereof shall be borne by the Company. The location of the arbitration proceedings shall be reasonably acceptable to the Executive. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The

Company shall pay all legal fees, costs of litigation, prejudgment interest, and other expenses which are incurred in good faith by the Executive as a result of the Company's refusal to provide any of the Severance Benefits to which the Executive becomes entitled under the Plan, or as a result of the Company's (or any third party's) contesting the validity, enforceability, or interpretation of the Plan, or as a result of any conflict between the Executive and the Company pertaining to the Plan. The Company shall pay such fees and expenses from the general assets of the Company.

12. **Termination or Amendment**

The Board or the Committee may terminate or amend the Plan ("Plan Change") at any time except that no such Plan Change may reduce or adversely affect severance pay for any Executive whose employment terminates on or before the effective date of such Plan Change, provided that the Executive was either receiving or entitled to receive severance pay under the Plan on the date of such Plan Change.

13. **Offset**

Any severance pay provided to an Executive under the Plan shall be offset, to the extent consistent with Section 15, by reducing such severance pay by any severance pay, salary continuation, termination pay or similar pay or allowance which Executive receives or is entitled to receive (i) under any other Company plan, policy practice, program, arrangement; (ii) pursuant to any employment agreement or other agreement with the Company; or (iii) by virtue of any law, custom or practice; provided, however, that any such offset shall not affect the payment timing of any amounts to be provided hereunder.

14. **Miscellaneous**

Except as provided in the Plan, the Executive shall not be entitled to any notice of termination or pay in lieu thereof.

In cases where severance pay is provided under the Plan, pay in lieu of any unused current year paid time off accrual will be paid to the Executive in a lump sum within 30 days after the date of the Executive's Scheduled Termination Date.

Severance pay and benefits under the Plan are paid for entirely by the Company from its general assets and represent an unfunded and unsecured obligation of the Company. An Executive's right to severance pay or benefits under the Plan may not be sold, assigned, transferred, pledged, encumbered or otherwise alienated, hypothecated or disposed of, other than in accordance with the second paragraph of section 5.

The Plan is not a contract of employment, does not guarantee the Executive employment for any specified period and does not limit the right of the Company to terminate the employment of the Executive at any time.

The section headings contained in the Plan are included solely for convenience of reference and shall not in any way affect the meaning of any provision of the Plan.

15. **Section 409A**

The Plan is intended to comply with Section 409A of the Code (or an applicable exemption therefrom) and will be interpreted in a manner consistent with such intent. Notwithstanding anything herein to the contrary, (i) if at the time of the Executive's termination of employment with the Company the Executive is a "specified employee" as defined in Section 409A of the Code (and any related regulations or other pronouncements thereunder) and the

deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to the Executive) until a date that is six months following the Executive's termination of employment with the Company (or the earliest date as is permitted under Section 409A of the Code), at which point all payments deferred pursuant to this Section 15 shall be paid to the Executive in a lump sum and (ii) if any other payments of money or other benefits due hereunder could cause the application of an accelerated or additional tax under Section 409A of the Code, such payments or other benefits shall be deferred if deferral will make such payment or other benefits compliant under Section 409A of the Code, or otherwise such payment or other benefits shall be restructured, to the extent possible, in a manner, determined by the Company, that does not cause such an accelerated or additional tax. To the extent any reimbursements or in-kind benefits due under the Plan constitute "deferred compensation" under Section 409A of the Code, any such reimbursements or in-kind benefits shall be paid in a manner consistent with Treas. Reg. Section 1.409A-3(i)(1)(iv), the terms of which shall be deemed incorporated herein by reference. All payments to be made upon a termination of employment that constitute deferred compensation under the Plan may only be made upon a "separation from service" (as that term is used in Section 409A). Each payment made under the Plan shall be designated as a "separate payment" within the meaning of Section 409A of the Code. The Company shall consult with Executives in good faith regarding the implementation of the provisions of this section; provided that neither the Company nor any of its employees or representatives shall have any liability to Executives with respect thereto.

16. **Adoption Date and Amendments**

The Plan was initially adopted by V2X on September 27, 2014 ("Adoption Date") and does not apply to any termination of employment which occurred or which was communicated to an Executive prior to the Adoption Date. The Plan was amended and restated on October 6, 2015, on November 9, 2016, and again on October , 2024.

17. **Additional Information**

Plan Name: V2X, Inc. Senior Executive Severance Pay Plan

Plan Sponsor: V2X, Inc.
7901 Jones Branch Suite 700
McLean, VA 22102

Employer Identification 38-3924636

Plan Year: V2X' Fiscal Year

Plan Administrator: V2X, Inc.

Attention: Administrator of the V2X, Inc. Senior Executive Severance Pay Plan
7901 Jones Branch, Suite 700
McLean, VA 22102
(571) 481-2000

Agent for Service of Legal Process: V2X, Inc.
Attention: Senior Vice President, General Counsel
Service of process may also be made upon the Plan administrator.

Type of Plan: Employee Welfare Benefit Plan - Severance Pay Plan
Plan Costs: The cost of the Plan is paid by V2X, Inc.

18. **Statement of ERISA Rights**

As participants in the Plan, Executives have the following rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"):

- Executives may examine, without charge, at the Plan administrator's office and at other specified locations, such as worksites, all documents governing the plan, including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration; and
- Executives may obtain, upon written request to the Plan administrator, copies of documents governing the operation of the Plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan administrator may make a reasonable charge for the copies.

In addition to creating rights for participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan (called "fiduciaries") have a duty to do so prudently and in the interests of Plan participants. No one, including V2X or any other person, may fire a Plan participant or otherwise discriminate against a Plan participant in any way to prevent the participant from obtaining a benefit under the Plan or exercising rights under ERISA. If a claim for a severance benefit is denied, in whole or in part, the person seeking benefits must receive a written explanation of the reason for the denial. Plan participants have the right to have the denial of the claim reviewed. (The claim review procedure is explained in Section 8 above.)

Under ERISA, there are steps Plan participants can take to enforce the above rights. For instance, if a Plan participant requests materials and does not receive them within thirty (30) days, the Participant may file suit in a federal court. In such a case, the court may require the Administrator to provide the materials and to pay the Plan participant up to $110 a day until the participant receives the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If a Plan participant has a claim which is denied or ignored, in whole or in part, the participant may file suit in a federal court. If it should happen that the participant is discriminated against for asserting his or her rights, the participant may seek assistance from the U.S. Department of Labor, or the participant may file suit in a federal court.

In any case, the court will decide who will pay court costs and legal fees. If the Plan participant is successful, the court may order the person the Plan participant sued to pay these costs and fees. If the Plan participant loses, unless the Plan requires the V2X to pay the costs, the court may order the Plan participant to pay these costs and fees, for example, if it finds that the Participant's claim is frivolous.

If the Plan participant has any questions regarding the Plan, the participant should contact the Plan administrator (see Section 17 for the contract in formation). If the Plan participant has any questions about this statement or about his or her rights under ERISA, the Plan participant may contact the nearest area office of the Employee

Benefits Security Administration (formerly the Pension and Welfare Benefits Administration), U.S. Department of Labor, listed in his or her telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W. Washington, D.C. 20210. The Plan participant may also obtain certain publications about his or her rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

As participants in the Plan, Executives have the following rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"):

- Executives may examine, without charge, at the Plan administrator's office and at other specified locations, such as worksites, all documents governing the plan, including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration; and
- Executives may obtain, upon written request to the Plan administrator, copies of documents governing the operation of the Plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan administrator may make a reasonable charge for the copies.

In addition to creating rights for participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan (called "fiduciaries") have a duty to do so prudently and in the interests of Plan participants. No one, including V2X or any other person, may fire a Plan participant or otherwise discriminate against a Plan participant in any way to prevent the participant from obtaining a benefit under the Plan or exercising rights under ERISA. If a claim for a severance benefit is denied, in whole or in part, the person seeking benefits must receive a written explanation of the reason for the denial. Plan participants have the right to have the denial of the claim reviewed. (The claim review procedure is explained in Section 8 above.)

Under ERISA, there are steps Plan participants can take to enforce the above rights. For instance, if a Plan participant requests materials and does not receive them within thirty (30) days, the Participant may file suit in a federal court. In such a case, the court may require the Administrator to provide the materials and to pay the Plan participant up to $110 a day until the participant receives the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If a Plan participant has a claim which is denied or ignored, in whole or in part, the participant may file suit in a federal court. If it should happen that the participant is discriminated against for asserting his or her rights, the participant may seek assistance from the U.S. Department of Labor, or the participant may file suit in a federal court.

In any case, the court will decide who will pay court costs and legal fees. If the Plan participant is successful, the court may order the person the Plan participant sued to pay these costs and fees. If the Plan participant loses, unless the Plan requires the V2X to pay the costs, the court may order the Plan participant to pay these costs and fees, for example, if it finds that the Participant's claim is frivolous.

If the Plan participant has any questions regarding the Plan, the participant should contact the Plan administrator (see Section 17 for the contract in formation). If the Plan participant has any questions about this statement or about his or her rights under ERISA, the Plan participant may contact the nearest area office of the Employee Benefits Security Administration (formerly the Pension and Welfare Benefits Administration), U.S. Department of Labor, listed in his or her telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W. Washington, D.C. 20210. The Plan participant may also obtain certain publications about his or her rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

	Document Title:		Document Type:
	Prohibition Against Insider Trading and Trading Windows Policy		Policy (POL)
VExM Subsection or Program Name	Legal	Document #	1.10b
Approved By	SVP, General Counsel, J. Nance	Revision #	03
Publish Date	19 Feb 2025	Page(s)	1 of 5
Written For	V2X-all ☒ Legacy Vectrus ☐	Legacy Vertex ☐	Legacy TTS ☐

This published policy document supersedes all previous documents, directives, or guidelines related to the subject matter and preceding its issuance. Any conflicting or outdated documents are hereby rendered null and void.

REVISION HISTORY		
Revision #	Publish Date	Summary of Changes
00 (Initial)	04 May 2023	Reflect the new SEC amendments for 10b5-1 trading plans, gifts of securities and clarified definitions and converted to V2X template
01	09 May 2024	Made certain clarifications and amendments to reflect best market practice, including 1) to whom the policy applies and how waivers, exceptions and amendments are granted; 2) treatment of departed employees; and 3) changing the Quarterly Black Out Period to generally, begin two full trading days (as opposed to the third business day) following an earnings release.
02	06 Sep 2024	Realigned the document to 1.10b from 6.3b as part of new V2X VExM
03	19 Feb 2025	Revised to replace CLO with General Counsel and Deputy General Counsel replaced with Corporate Secretary.

1.0 POLICY STATEMENT & PURPOSE

This Prohibition Against Insider Trading and Trading Windows Policy ("Policy") governs securities transactions and the confidentiality of material, non-public information related to V2X, Inc. ("V2X" or "Company") and other companies with which V2X does business to facilitate compliance with relevant securities laws, rules and regulations.

2.0 APPLICABILITY

This Policy applies to:

- V2X employees, officers, and directors ("Covered Persons").
- Certain family members of Covered Persons:
  - i) spouse,
  - ii) domestic partner,
  - iii) children/stepchildren who share the same household, and
  - (iv) any other relatives whose V2X securities trading decisions are influenced or controlled by a Covered Person (collectively, referred to as "Family Members"); and
- all trusts, family partnerships and other types of entities or persons over which such Covered Person could influence or direct investment decisions concerning V2X securities (collectively, with Family Members, "Controlled Persons").

The Company may, from time to time, also subject other persons to this Policy, such as contractors and consultants, who have access to Material Non-Public Information. Any such other persons will be notified by the Senior Vice President, General Counsel or the Corporate Secretary.

This Policy continues to apply to transactions in Company securities even after termination of service with the Company. If a Covered Person is in possession of Material Non-Public Information when his or her service terminates, that person may not trade in Company securities until that information has become public or is no longer material. A determination as to whether, and for how long, the Blackout Periods and pre-clearance procedures specified in Section 5 apply to Designated Insiders following such insider's resignation, retirement or termination of service from the Company shall be made by the Senior Vice President, General Counsel, in consultation with the Corporate Secretary.

3.0 REFERENCE DOCUMENT(S)

This Policy is intended to operate in conjunction with other V2X corporate policies, including:

- Code of Conduct,
- Regulation Fair Disclosure (FD)
- Prohibition on Disclosure of Confidential Corporate Information Policy
- Share Ownership Guidelines

4.0 DEFINITIONS

- **Designated Insiders:** Any V2X director, officer, including, Senior Vice President and Corporate Vice President and other specified employees whose job function places them in a position to be exposed to or possess Material Non-Public Information. Designated Insiders are notified of their status as such periodically.
- **Insider Trading:** Engaging in transactions in V2X securities while in possession of Material Non-Public information.
- **Material Non-Public Information:** Information, not previously disclosed to the public, that a reasonable investor would consider important in planning to buy or sell V2X securities.
  - "Material": It is difficult to describe exhaustively what constitutes "material" information, but any information, positive or negative, that might affect the price of securities of V2X or otherwise might be of significance to a reasonable investor in determining whether to purchase, sell or hold securities should be considered "material."
    Examples of Material information include:
    - Financial results of V2X
    - Projections/forecasts of financial results and whether V2X will meet, miss or exceed guidance
    - Mergers, acquisitions, tender offers, joint ventures and asset deals
    - Significant new products/R&D developments
    - Customer or supplier developments, e.g., new or terminated contracts, wins/losses of recompetes or protests
    - Dividends or share repurchase programs
    - Changes in senior management
    - Significant judicial or regulatory decisions or actions
    - Material cybersecurity incidents
  - "Non-Public": Information is considered non-public unless it has been publicly disseminated and sufficient time has passed for the securities markets to digest the information. Any person in possession of Material Non-Public Information should refrain from any trading activity in V2X securities until at least two trading days after Company disclosure.
  - Disclosure on a public website alone does NOT necessarily make the information sufficiently "public" for insider trading purposes. For example, information disclosed on other websites alone, e.g., DoD or Fed BizOpps, is not viewed as sufficient for the Securities and Exchange Commission's ("SEC") definition of publicly available information. Any person subject to this Policy should rely only on information that is communicated in a Company press release, SEC filing, publicly accessible investor call, or another Regulation FD compliant manner, as adequately disclosed.
- **Section 16 Insiders:** directors and officers subject to Section 16 of the Securities Exchange Act of 1934 (the "Exchange Act").

5.0 GENERAL – PROHIBITIONS WITH RESPECT TO INSIDER TRADING

All persons are prohibited from Insider Trading. Federal securities laws prohibit trading in securities of V2X or securities of other companies based on Material Non-Public Information. It is also the policy of the Company that the Company will not engage in transactions in Company securities while aware of

Material Non-Public Information relating to the Company or its securities. Any person subject to this Policy shall comply fully and in good faith with all laws and regulations, including disclosure laws, and with the highest ethical principles concerning the purchase and sale of the Company's securities.

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company securities while in possession of Material Non-Public Information. Each Covered Person is responsible for making sure that he or she complies with this Policy and that any Controlled Person also comply with this Policy.

- **Tipping**: Anyone subject to this Policy can have personal liability for "tipping" or providing information to anyone outside the Company (family, friends or anyone else) if the "tipped" person uses the information to trade in the stock of V2X. It is a violation of law even if the "tipper" does not actually make a profit or receive compensation with respect to the use of such information. In addition, V2X and its supervisory personnel can become liable for failing to prevent violations of this Policy.
- **Funds**: Transactions in securities issued by mutual funds, exchange-traded funds, index funds or other "broad basket" funds that own or hold Company securities as one of many investments are not subject to this Policy.
- **Timing**: It is V2X policy that a person who becomes aware of any Material Non-Public Information relating to V2X is strictly prohibited from buying or selling V2X securities or directly or indirectly disclosing such information to any other person who may trade in securities of V2X until at least two full trading days after Company's public disclosure of such Material Non-Public Information, so that investors outside the Company will have time to absorb and evaluate the disclosure.
    - **Other Companies**: The timing of transactions in securities of other companies with which V2X has initiated discussions or negotiations relating to acquisition, divestiture, or other important contractual relationships shall be ruled by the same considerations as the timing of transactions in V2X securities. Accordingly, Material Non-Public Information about such other companies should be treated as such until at least two full trading days after official public disclosure of that information.
- **Gifts**: Gifts of V2X securities may include gifts to trusts for estate planning purposes, as well as donations to a charitable organization. No one subject to this Policy may make a gift of V2X securities while in possession of Material Non-Public Information. Accordingly, Covered Persons should consult the Senior Vice President, General Counsel or the Corporate Secretary when contemplating a gift. Designated Insiders are required to obtain pre-approval before making a gift.

6.0 BLACKOUT PERIODS AND TRADING WINDOWS

All Designated Insiders are subject to periodic prohibitions on the trading of the Company's securities ("Blackout Periods") under the Company's blackout policy described herein. Designated Insiders may transact in V2X securities only when there is an open trading "window" and if they are not in possession of Material Non-Public Information.

For Designated Insiders, no trades or transactions shall be made in the Company's securities unless a pre-clearance request is submitted via email to V2X's Senior Vice President, General Counsel or the Corporate Secretary and after an affirmative, written response authorizing the transaction is received by the Designated Insider during an open trading window. There may be circumstances when the request is denied. A person who requests permission to trade and is denied will not be informed of the reason for the denial.

The following outlines the terms of the blackout policy applicable to Designated Insiders, which applies to all transactions in V2X securities including open market transactions and other purchases and sales, exercises of stock options (including cashless exercises, but subject to certain exceptions referred to

below) and gifts. Exceptions may include certain circumstances, such as the straight exercise for cash or a net exercise of an option under a V2X employee stock option plan.

- **Quarterly Blackout Periods.** The information contained in the V2X quarterly earnings announcements is considered Material Non-Public Information. To protect against potential Insider Trading based on access to such information, V2X has established four Quarterly Blackout Periods when transactions in V2X securities are prohibited for Designated Insiders during these Quarterly Blackout Periods.
  - For Designated Insiders, the trading window will generally be closed from the close of business on the 15th calendar day of the third month of every quarter until the second full trading day following an earnings release. For example, if the Company reports earnings prior to market open on a Tuesday, the trading window would not typically open until the market open on Thursday.
- **Special Blackouts.** A special blackout may be implemented at other times, such as during the pendency of certain transactions or when some other extraordinary company event is pending ("Special Blackout"). During a Special Blackout, transactions in V2X securities are prohibited for those subject to restrictions during a Special Blackout.
  - Persons Subject to a Special Blackout. Certain personnel will receive written notice when a Special Blackout is in effect. A Special Blackout will remain in effect until the Company provides notice that the Special Blackout has ended. In addition, V2X personnel with knowledge of the circumstances giving rise to the Special Blackout may be required to sign a confidentiality agreement, as described above.

7.0 RULE 10B5-1 PLANS

Rule 10b5-1 under the Exchange Act provides an affirmative defense from insider trading liability under Rule 10b-5. We permit our directors and Section 16 officers to enter into Rule 10b5-1 plans with their respective broker, provided that they comply with the requirements of this Policy. To be eligible to rely on this defense, directors and Section 16 officers must enter into a Rule 10b5-1 plan for transactions involving V2X securities that meets the conditions specified in the Rule (a "Rule 10b5-1 Plan") and this Policy. If the plan meets the requirements of Rule 10b5-1, V2X securities may be purchased or sold without regard to certain insider trading restrictions. A Rule 10b5-1 Plan must be entered into at a time when the person entering into the plan is not aware of Material Non-Public Information and is otherwise permitted under this Policy to trade in V2X securities. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded, or the date of the trade. The plan must either specify the amount, pricing and timing of transactions in advance or delegate discretion on these matters to an independent third party.

- Any Rule 10b5-1 Plan must be approved by the Senior Vice President, General Counsel or the Corporate Secretary and meet the requirements of Rule 10b5-1 and the following guidelines. Any Rule 10b5-1 Plan must be submitted for approval at least seven days prior to proposed entry into the Rule 10b5-1 Plan. In addition, prior approval is required for any amendment or early termination of an effective Rule 10b5-1 Plan. No further pre-approval of transactions conducted pursuant to the Rule 10b5-1 Plan will be required once the Rule 10b5-1 Plan is in effect.
- Anyone generally permitted to enter into Rule 10b5-1 Plans under the Policy, may not enter into or amend a Rule 10b5-1 Plan during a Blackout Period (if applicable) or while in possession of Material Non-Public Information. The waiting period from the time a plan is adopted until the time of the first trade under the plan must comply with requirements of Rule 10b5-1, either (i) 90 to 120 days for Section 16 Insiders, as applicable under Rule 10b5-1, or (ii) 30 days for all other individuals. Furthermore, any amendment relating to the amount, price or timing of the purchase or sale of securities will be subject to the same waiting periods as would be applicable to a new plan, as described above.
- A Rule 10b5-1 Plan may be terminated at any time upon advance approval of the Senior Vice President, General Counsel or the Corporate Secretary. However, terminating a Rule 10b5-1 Plan is strongly

discouraged because it may call into question whether the plan was entered into and operated in good faith and not as part of a plan or scheme to evade the insider trading rules, which could affect the availability of the Rule 10b5-1 affirmative defense.
    - If a Rule 10b5-1 Plan is terminated, directors and Section 16 officers must wait at least 30 days before trading outside of the Rule 10b5-1 Plan.
- Section 16 Insiders should be aware that the Company will be required to make quarterly disclosures regarding all Rule 10b5-1 Plans entered into, amended or terminated by Section 16 Insiders and to include the material terms of such plans, other than pricing information. Section 16 Insiders also should understand that the approval or adoption of a Rule 10b5-1 Plan in no way reduces or eliminates such person's obligations under Section 16 of the Exchange Act, including such person's disclosure and short-swing trading liabilities thereunder.
- If any questions arise, individuals should consult with their own counsel in implementing a Rule 10b5-1 Plan.

8.0 WAIVERS AND MODIFICATION

Waivers or exceptions to this Policy may be made only by the written approval of the Senior Vice President, General Counsel. The Senior Vice President, General Counsel or the Corporate Secretary shall maintain all documentation related to waivers or exceptions to this Policy in accordance with applicable document retention policies. The Company reserves the right to amend or rescind this Policy or any portion of it at any time and to adopt different or additional policies and practices at any time. The Board of Directors of the Company shall approve any material amendments to this Policy.

---End of Document---

SUBSIDIARIES OF THE REGISTRANT

Set forth below are the names of subsidiaries of V2X, Inc. and the respective jurisdiction in which each was organized.

NAME	JURISDICTION OF ORGANIZATION
Advantor Systems Corporation	Florida
Advantor Systems, LLC	Delaware
Al-Shabaka for Protection Products Marketing and General Support Services LLC	Luxembourg
Andor Merger Sub LLC	Delaware
Army Sustainment LLC	Delaware
Delex Systems, Incorporated	Virginia
Flight International Aviation LLC	Delaware
Higgins, Hermansen, Banikus, LLC	Nevada
MARCOS Vermogensverwaltung GmbH	Germany
Professional Training Services de Mexico S. de R.L. de C.V.	Mexico
Vertex Professional Services Company S.A.	Spain
VPS Filial Sverige	Sweden
V2X Asia Global Pte.	Singapore
Vector International Aviation LLC	Delaware
Vectrus Facility Services GmbH	Germany
Vectrus Federal Services GmbH	Germany
Vectrus Federal Services International, Ltd.	Cayman Islands
Vectrus Global Support Services LLP	India
Vectrus International LLC	Colorado
Vectrus Mission Systems Ltd.	United Kingdom
Vectrus Overseas Ventures LLC	Virginia
Vectrus Saudi Arabia for Commercial Services	Saudi Arabia
Vectrus Services (Thailand) Co., LTD	Thailand
Vectrus Services A/S	Denmark
Vectrus Services Australia Pty. Ltd.	Australia
Vectrus Services Djibouti SARL	Djibouti
Vectrus Services Greenland ApS	Greenland
Vectrus Services Japan Godo Kaisha	Japan
Vectrus Services Korea Limited	Korea
Vectrus Services Muscat LLC	Oman
Vectrus Services Niger S.A.R.L.U.	Niger
Vectrus Services Philippines, Inc.	Philippines
Vectrus Services PTE. LTD	Singapore
Vectrus Subic Corporation	Philippines
Vectrus Systems Corporation	Delaware
Vectrus Systems Corporation (Jordan)	Jordan
Vertex Aerospace Intermediate LLC	Delaware
Vertex Aerospace LLC	Delaware

Vertex Aerospace Services Corp.	Delaware
Vertex Aircraft Integration and Sustainment LLC	Delaware
Vertex Company Germany GmbH	Germany
Vertex Company UK 1 Limited	United Kingdom
Vertex Modernization and Sustainment LLC	Delaware
Vertex Professional Services LLC	Delaware
Vertex Systems Israel Company	Delaware
Vertex Technical Services International Company	Delaware
Vertex Technologies Canada Inc.	Canada
VMSC Afghanistan LLC	Delaware

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement No. 333-267223 on Form S-3 and Registration Statements No. 333-198895, No. 333-266022 and No. 333-268173 on Forms S-8 of V2X, Inc. of our reports dated February 24, 2025, relating to the consolidated financial statements and the effectiveness of internal control over financial reporting of V2X, Inc., appearing in this Annual Report on Form 10-K of V2X, Inc. for the year ended December 31, 2024.

/s/ RSM US LLP

McLean, Virginia
February 24, 2025

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Jeremy C. Wensinger, certify that:

1. I have reviewed this annual report on Form 10-K of V2X, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2025

/s/ Jeremy C. Wensinger

Jeremy C. Wensinger
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Shawn M. Mural, certify that:

1. I have reviewed this annual report on Form 10-K of V2X, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2025

/s/ Shawn M. Mural

Shawn M. Mural
Senior Vice President and Chief Financial Officer

Exhibit 32.1

Certification of President and Chief Executive Officer

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the Annual Report on Form 10-K of V2X, Inc. (the "Company") for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 24, 2025

/s/ Jeremy C. Wensinger
Jeremy C. Wensinger
President and Chief Executive Officer

Exhibit 32.2

Certification of Senior Vice President and Chief Financial Officer

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the Annual Report on Form 10-K of V2X, Inc. (the "Company") for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 24, 2025

/s/ Shawn M. Mural

Shawn M. Mural
Senior Vice President and Chief Financial Officer