Court File No.: CV-17-11758-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF PAYLESS HOLDINGS LLC, PAYLESS SHOESOURCE CANADA INC., PAYLESS SHOESOURCE CANADA GP INC. AND THOSE OTHER ENTITIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF PAYLESS HOLDINGS LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AFFIDAVIT OF MICHAEL SCHWINDLE
(Sworn July 25, 2017)

I, Michael Schwindle, of the City of Lawrence, in the State of Kansas, United States of America, MAKE OATH AND SAY:

1. I am the Senior Vice President and Chief Financial Officer of Payless Holdings LLC ("**Payless Holdings**" or the "**Foreign Representative**"), which is the ultimate parent company of 28 affiliated debtors and debtors in possession that have filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code (collectively with Payless Holdings, the "**Chapter 11 Debtors**"), which includes Payless ShoeSource Canada Inc., Payless ShoeSource Canada GP Inc., and Payless ShoeSource Canada LP (the "**Payless Canada Group**"). As such, I have personal knowledge of the matters to which I hereinafter depose in this Affidavit. Where I do not possess personal knowledge, I have stated the source of my information and, in all such cases, believe it to be true.

2. I swear this Affidavit in support of the motion by Payless Holdings in its capacity as the Foreign Representative of itself as well as the other Chapter 11 Debtors for an Order recognizing

and enforcing the terms of an Order to be entered by the United States Bankruptcy Court for the Eastern District of Missouri (the "**U.S. Court**") in the proceedings commenced in that Court by the Chapter 11 Debtors which, *inter alia*, will give final confirmation to the *Fifth Amended Joint Plan of Reorganization of Payless Holdings LLC and its Debtor affiliates pursuant to Chapter 11 of the Bankruptcy Code* dated July 21, 2017, and the Plan Supplement dated July 10, 2017, as amended, modified or supplemented (as so amended, the "**Plan Supplement**"), under Chapter 11 of the Bankruptcy Code.

3. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the plan of reorganization proposed by the Chapter 11 Debtors (as amended, the "**Plan**") or the meanings given to them in my affidavits sworn April 6 and June 19, 2017 in these proceedings (the "**Initial Affidavit**" and the "**Second Schwindle Affidavit**", respectively), copies of which are attached, without exhibits, as **Exhibits "A"** and **"B"** to this Affidavit. All dollar references in this Affidavit are in U.S. dollars unless specified otherwise.

A. Background on Proceedings

4. On April 4, 2017, each of the Chapter 11 Debtors filed voluntary petitions for relief pursuant to Chapter 11 of the Bankruptcy Code with the U.S. Court (the "**Chapter 11 Proceedings**").

5. On April 7, 2017, Regional Senior Justice Morawetz of the Ontario Superior Court of Justice (the "**Ontario Court**") granted an Order recognizing the Chapter 11 Proceedings as a Foreign Main Proceedings, recognizing the appointment of the Foreign Representative, and establishing related stays of proceedings in favour of the Chapter 11 Debtors (the "**Initial Recognition Order**").

6. On April 12, 2017, Regional Senior Justice Morawetz granted an Order recognizing and enforcing the Foreign Representative Order, the Joint Administration Order and certain First Day Orders granted by the U.S. Court in the Foreign Main Proceedings, and appointed Alvarez & Marsal Canada Inc. as the Information Officer in these CCAA Recognition Proceedings (the "**Supplemental Order**").

7. On June 21, 2017, Regional Senior Justice Morawetz granted an Order recognizing and enforcing certain final orders of the U.S. Court which granted the relief requested in the Chapter 11 Debtors' First Day Motions on a final basis.

B. Background to the Plan

8. When the Chapter 11 Debtors commenced the Chapter 11 Proceedings on April 4, 2017, they did so with a restructuring support agreement supported by approximately two-thirds of their first and second lien term loan holders. The restructuring support agreement contemplated a restructuring of approximately $850 million of debt. Since April 4, 2017, the Chapter 11 Debtors have moved expeditiously through the Chapter 11 Proceedings and have obtained support from the overwhelming majority of voting creditors. The Plan will allow the Chapter 11 Debtors to emerge from the Chapter 11 Proceedings and CCAA protection with a simplified and sustainable capital structure that consists of approximately 50% less debt that existed on April 4, 2017.

9. On April 25, 2017, the Chapter 11 Debtors filed the *Debtors' Motion for Entry of an Order (I) Approving the Adequacy of the Disclosure Statement; (II) Fixing Dates and Deadlines Related to Confirmation of the Plan; (III) Approving Certain Procedures for Soliciting and Tabulating the Votes on, and for Objecting to, the Plan; (IV) Approving the Procedures Related to the Rights Offering and Authorizing the Retention of Financial Balloting Group LLC In Connection*

Therewith; and (V) Approving the Manner and Form of the Various Notices and Documents Relating Thereto (the "**Disclosure Statement and Plan Solicitation Motion**").

10. The Plan and related disclosure statement (as amended, the "**Disclosure Statement**") were also filed on April 25, 2017. The Chapter 11 Debtors have filed amended versions of the Plan on five occasions since then to reflect negotiations with stakeholders.

11. On May 16, 2017, the U.S. Court granted the *Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof* (the "**Claims Bar Date Order**") which, among other things, (i) set bar dates for filing Proofs of Claim (the "**Claims Bar Date**"), (ii) approved procedures for filing Proofs of Claim, and (iii) approved notice of the Claims Bar Date. Holders of claims and interests against Payless ShoeSource Canada Inc., Payless ShoeSource Canada GP Inc. and Payless ShoeSource Canada LP were not subject to the deadlines and other requirements of the Claims Bar Date Order.

12. On June 15, 2017, the U.S. Court issued an Order *(I) Approving the Adequacy of the Debtors' Disclosure Statement, (II) Fixing Dates and Deadlines Related to Confirmation of the Plan, (III) Approving Certain Procedures for Soliciting and Tabulating the Votes on, and for Objecting to, the Plan, and (IV) Approving the Manner and Form of the Notices and Other Documents Related Thereto* (as amended, the "**Disclosure Statement Order**"). On June 23, 2017, the U.S. Court amended the Disclosure Statement Order to revise certain of the deadlines contained therein and reflect the terms of the Fourth Amended Plan.

13. The Disclosure Statement Order, among other things, (i) approved the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code; (ii) fixed June 14, 2017 as the Record Date for all Claims filed before such date,

or, for any Claims filed after such date, the Claims Bar Date; (iii) fixed July 18, 2017 at 4:00 p.m. prevailing Central Time, as the Plan Objection Deadline; (iv) fixed July 18, 2017 at 4:00 p.m. prevailing Central Time, as the Voting Deadline; (v) fixed July 24, 2017 at 10:00 a.m. prevailing Central Time, as the date and time for the commencement of the Confirmation Hearing; and (vi) approved the Debtors' solicitation and voting procedures for voting on the Plan (the "**Solicitation and Voting Procedures**"), and the Solicitation Packages and other materials relating to solicitation, including the Notices of Non-Voting Status sent to holders of claims and interests not entitled to vote on the Plan.

14. On June 23, 2017, the Debtors filed the *Fourth Amended Joint Plan of Reorganization of Payless Holdings LLC and its Debtor affiliates pursuant to Chapter 11 of the Bankruptcy Code* and the *Disclosure Statement for the Fourth Amended Joint Plan of Reorganization of Payless Holdings LLC and its Debtor affiliates pursuant to Chapter 11 of the Bankruptcy Code*. The Disclosure Statement for the Fourth Amended Joint Plan of Reorganization was used to solicit votes on the Plan. The subsequent amendments to the Plan (reflected in the Fifth Amended Plan) were minor technical modifications to clean up definitions and clarify certain matters and did not require any further solicitation. I understand that a copy of the Disclosure Statement is attached as Exhibit B to the Affidavit of Michael Shakra sworn July 24, 2017 (the "**Shakra Affidavit**").

15. On July 10, 2017, the Chapter 11 Debtors filed the Plan Supplement with the U.S. Court and served notice of such filing on the core service list for the Chapter 11 Proceedings and on all holders of claims and interests entitled to vote on the Plan. The Plan Supplement was amended on

July 17, 2017, July 22, 2017 and July 23, 2017. The documents contained in the Plan Supplement are integral to, part of, and incorporated by reference into the Plan.[1]

16. On July 21, 2017, the Chapter 11 Debtors filed the *Fifth Amended Joint Plan of Reorganization of Payless Holdings LLC and its Debtor affiliates pursuant to Chapter 11 of the Bankruptcy Code*. This document is the latest version of the Chapter 11 Debtors' Plan. As mentioned above, the difference between the Fourth and the Fifth Amended Joint Plan of the Debtors reflect minor technical amendments. I understand that a copy of the Plan is attached as Exhibit A to the Shakra Affidavit.

17. On July 24, 2017, the Plan Confirmation Hearing occurred and the Plan was confirmed.

C. Classification of Creditors and Voting on the Plan

18. Article III of the Plan classifies all Claims and Interests (other than certain specified claims that are unclassified Claims) into Classes for a number of purposes, including for voting on the Plan. Certain Classes of Claims and Interests were not entitled to vote on the Plan. This included classes whose Claims or Interests are either to be paid in full under the Plan or are to be unimpaired by the Plan (collectively referred to as "unimpaired") and who are therefore deemed to accept the Plan, as well as certain other Classes that will not receive any distribution or property or retain any claim against a debtor and who are therefore deemed to have rejected the Plan.

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[1] The Plan Supplement is over 1200 pages long and consists of (i) Second Amended and Restated Limited Liability Company Agreement of Payless Holdings LLC; (ii) the form of New First Lien Term Loan Credit Agreement, discussed below; (iii) the Commitment Letter and Term Sheet for New ABL Credit Agreement, discussed below; (iv) the Schedule of Assumed Executory Contracts and Unexpired Leases, discussed below and in Exhibit "F" to this Affidavit; (v) the Schedule of Rejected Executory Contracts and Unexpired Leases, discussed below and in Exhibit "G" to this Affidavit; (v) a schedule of the Chapter 11 Debtors' retained Causes of Action; (vi) the 2017 cash incentive plan; (vii) a description of the restructuring transaction; and (viii) disclosure regarding officers and directors of the Chapter 11 Debtors. The pertinent information related to the Payless Canada Group is contained in this Affidavit and the Exhibits attached hereto.

19. The remaining Classes whose legal, contractual, or equitable rights with respect to any Claim or Interest asserted against the Chapter 11 Debtors were altered, modified, or changed by treatment proposed under the Plan (referred to as "impaired") were entitled to vote in favor of or against the Plan (the "**Voting Classes**").

20. As noted above, in the Disclosure Statement Order, the U.S. Court established the Solicitation and Voting Procedures for soliciting and tabulating votes for or against the Plan. On July 21, 2017, the Chapter 11 Debtors filed a sworn declaration of Christina Pullo, Senior Director of Solicitation and Public Securities at Prime Clerk LLC, regarding the tabulation and analysis of ballots cast for accepting or rejecting the Plan in accordance with those procedures. The final tabulation of votes cast by timely and properly completed ballots is attached hereto as **Exhibit "C"** to this affidavit.

21. Every Voting Class has voted to accept the Plan, with over 99.2% in value and 96.1% in number of creditors who voted on the Plan voting to accept it.

D. Confirmation of Plan by the U.S. Court

22. On July 24, 2017, the Plan Confirmation Hearing occurred and the U.S. Court was asked to make the *Findings of Fact, Conclusions of Law and Order Confirming the Fifth Amended Joint Plan of Reorganization of Payless Holdings LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "**Confirmation Order**").

23. The key elements of the Confirmation Order are as follows:

(a) All requirements for the confirmation of the Plan had been satisfied, and the Plan was confirmed in its entirety pursuant to section 1129 of the Bankruptcy Code.

(b) The changes made to the Plan in the latest version as described in the Chapter 11 Debtors' Confirmation Brief constituted non-material or technical changes, and did not materially adversely affect or change the treatment of any Claims or Interests under the Plan. Therefore, the Chapter 11 Debtors were not required to provide additional disclosure or to re-solicit votes as a result of any of the amendments to the Plan.

(c) To the extent that any objections, reservations of rights, statements or joinders to Confirmation were not resolved, withdrawn, waived or settled prior to entry of the Confirmation Order or otherwise resolved as stated on the record at the Confirmation Hearing, they were overruled on their merits.

(d) Upon the occurrence of the Effective Date, the terms of the Plan shall be immediately effective and enforceable and deemed binding upon the Chapter 11 Debtors, and any and all Holders of Claims or Interests (irrespective of whether holders of such Claims or Interests are deemed to have accepted the Plan), all entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in the Plan or the Confirmation Order, each entity acquiring property under the Plan, and any and all non-debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

(e) The U.S. Court found as a fact that the Chapter 11 Debtors had complied with the Disclosure Statement Order and the Solicitation and Voting Procedures in all respects.

(f) The U.S. Court found that the Chapter 11 Debtors have been and will be acting in good faith if they proceed to (i) consummate the Plan and the agreements, settlements, transactions, and transfers contemplated therein; and (ii) take the actions authorized and directed by the Confirmation Order to reorganize their businesses.

(g) The Plan is fair, equitable and reasonable; and the Plan does not discriminate unfairly, and is fair and equitable to the Classes who did not vote in favor of the Plan.

(h) The U.S. Court found that the debtor release, third party releases, exculpations, injunctions and discharges set out in Article IX of the Plan were within the Court's jurisdiction; an essential means of implementing the Plan, and integral to and non-severable from the Plan; conferred a material benefit on the Chapter 11 Debtors, their Estates, and their creditors; and were fair, equitable and reasonable, and in exchange for good and valuable consideration.

E. Treatment of Canadian Creditors Under the Plan

24. All unsecured, non-priority claims against the Payless Canada Group (the "**Canadian General Unsecured Claims**") are an unimpaired Class under the Plan. As a result, they were deemed to vote in favour of the Plan, and were not entitled to cast votes in favour of or against the Plan.

25. In relation to the Canadian General Unsecured Claims, the Plan provides that each holder of a Canadian General Unsecured Claim will have its Claims reinstated on the Effective Date or as soon as reasonably practicable thereafter, except to the extent a holder of a Canadian General

Unsecured Claim has already been paid during the Chapter 11 Proceedings or to the extent a holder of a Canadian General Unsecured Claim (together with the Debtors and the Requisite Consenting Lenders) agrees to less favorable treatment.

26. Further, the Plan also specifies that nothing in the Plan shall affect any of the Chapter 11 Debtors' rights and defences, whether legal, equitable, or otherwise, in respect of any reinstated claim and all such rights and defences of all of the Chapter 11 Debtors (including any right of counterclaims or right of set off) shall continue following the Effective Date.

27. Certain issues were raised with respect to the cure amount specified for the assumption of a number of contracts where members of the Payless Canada Group are parties. The Chapter 11 Debtors are in the process of addressing these matters. In any event, Canadian General Unsecured Claims include any claims related to the assumption or rejection of an executory contract, including but not limited to the cure amount specified in the Plan Supplement. These claims are reinstated, along with all rights and defenses of the Payless Canada Group in connection with such claims.

F. The Plan Supplement

28. The Plan Supplement addressed, among other matters, exit financing for the Chapter 11 Debtors, and the assumption and rejection of contracts by the Chapter 11 Debtors.

(a) Exit Financing

29. The Chapter 11 Debtors have entered into agreements for two exit financing facilities.

30. First, the Chapter 11 Debtors have entered into a commitment letter dated July 13, 2017 in respect of a (i) $250 million senior secured revolving facility; and (ii) $10 million senior secured

first-in, last out term loan facility (the "**New ABL Facility**"). A copy of the commitment letter in respect of New ABL Facility that was included in the Plan Supplement is attached as **Exhibit "D"** to this Affidavit, which is proposed to mature 5 years after the Effective Date.

31. Second, the Chapter 11 Debtors have entered into an agreement for a term loan facility (the "**New First Lien Term Loan Facility**" and, with the New ABL Facility, the "**New Credit Facilities**") that consists of two tranches:

(a) **New First Lien Term Loan A-1 Tranche**: Certain of the Chapter 11 Debtors' Prepetition First Lien Lenders provided a Term DIP Facility of $80 million to finance the Chapter 11 Proceedings. The amounts outstanding under the Chapter 11 Debtors' DIP Term Loan Facilities will be converted to advances under the New First Lien Term Loan A-1 Tranche, and the A-1 Tranche shall be an amount equal to the outstanding balance of the Term DIP Facility on the Effective Date. The New First Lien Term Loan A-1 Tranche is proposed to mature 4.5 years after the Effective Date; and

(b) **New First Lien Term Loan A-2 Tranche**: Certain of the Chapter 11 Debtors' Prepetition First Lien Lenders provided a First Lien Term Loan with $506 million outstanding as of March 30, 2017. $200 million of the First Lien Term Loan will be converted to advances under the New First Lien Term Loan A-2 Tranche. The New First Lien Term Loan A-2 Tranche is proposed to mature 5 years after the Effective Date.

A copy of the draft New First Lien Term Loan Credit Agreement that was included in the Plan Supplement is attached as **Exhibit "E"** to this Affidavit.

32. Each member of the Payless Canada Group will be a guarantor under both the New ABL Facility and the New First Lien Term Loan Facility.

33. The U.S. Court authorized the Chapter 11 Debtors, including the members of the Payless Canada Group, to enter into the New Credit Facilities in the Confirmation Order, and found that the New Credit Facilities are an essential element of the Plan, in the best interests of the Chapter 11 Debtors and all holders of Claims and are necessary for the confirmation and consummation of the Plan. Among other things, the New Credit Facilities will provide the funds for the Chapter 11 Debtors' working capital and to pay the various claims assumed by them under the Plan.

34. The U.S. Court also found in the Confirmation Order that the terms and conditions of the New Credit Facilities are fair and reasonable, and that the New Credit Facilities had been negotiated at arm's length.

(b) Assumption and Rejection of Contracts of the Payless Canada Group

35. The Plan Supplement also addresses the contracts that will be assumed or rejected by the Chapter 11 Debtors, including the Payless Canada Group, after the Effective Date.

36. The vast majority of the contracts to which members of the Payless Canada Group are a party will be assumed and will continue after the Effective Date. The Plan provides that all contracts where any member of the Payless Canada Group is a counterparty will be assumed by the applicable Reorganized Debtor, unless the contract is expressly listed in the Plan Supplement's Exhibit E, Rejected Executory Contract and Unexpired Lease Schedule.

37. The Plan Supplement provides as follows:

> Notwithstanding Article V.A of the Plan or any other provision thereof or any provision of the Bankruptcy Code, all contracts where any Canadian Debtor is the

> counterparty other than those contracts expressly listed on Exhibit E, Rejected Executory Contract and Unexpired Lease Schedule, are hereby assumed by the applicable Reorganized Debtor whether or not such contract is listed in this Exhibit D and such contracts shall revest in and be fully enforceable by such Reorganized Debtor in accordance with its terms, unless otherwise agreed by such Reorganized Debtor and the counterparty and except as such terms are expressly modified by any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law, where such order is recognized by the applicable Canadian court. For greater certainty, only those contracts expressly listed on Exhibit E, Rejected Executory Contract and Unexpired Lease Schedule, shall be rejected by the Canadian Debtors and no contracts where any the Canadian Debtor is the counterparty shall be automatically rejected pursuant to the terms of the Plan or any provision of the Bankruptcy Code.

38. The Plan provides that the assumed contracts shall re-vest in and be fully enforceable by the Reorganized Debtor assuming them, in accordance with their terms, unless otherwise agreed by such Reorganized Debtor and the counterparty and except as such terms are expressly modified by any order of the U.S. Court authorizing and providing for its assumption under applicable federal law and where such order is recognized by the applicable Canadian court. A list of all of the contracts to which a member of the Payless Canada Group is a party and that are expressly assumed under the Plan is attached as **Exhibit "F"** to this Affidavit.

39. However, there are approximately 25 contracts to which a member of the Payless Canada Group is a party that are being rejected pursuant to the Plan. A list of these contracts is attached as **Exhibit "G"** to this Affidavit.

40. The contracts that are being rejected form a small proportion of the contracts to which members of the Payless Canada Group are a counterparty. In general, the contracts being rejected are already inactive or have been terminated on their own terms, and are being rejected as a cleanup exercise. The contracts being rejected include the following:

(a) Certain master service agreements and settlement agreements where Payless Canada is one of many Chapter 11 Debtor counterparties. These are being rejected

by the U.S. Chapter 11 Debtors and therefore must also be rejected by the Payless Canada Group.

(b) Three employment contracts with current employees of Payless Canada Group who are no longer employed in the specific role to which the contract applies or where the contract has been fulfilled. These contracts have been terminated in accordance with their terms, but rejection is desirable as clean up exercise and for greater certainty.

(c) Approximately 11 employment contracts with terminated former employees of the Payless Canada Group. These contracts have been terminated in accordance with their terms, but rejection is desirable as clean up and for greater certainty.

(d) Certain service contracts and similar agreements among Payless Canada Group entities and other counterparties. These include contracts with Avaya Canada Corp., Ernst & Young LLP, Matra Construction, Inc. and Smith Thimm & Associates, Ltd.

(e) Certain intercompany agreements.

G. Conclusion

41. The Foreign Representative is seeking an Order from the Ontario Court recognizing and enforcing the terms of the Confirmation Order. The Foreign Representative is of the view that it is appropriate for this Court to recognize the Confirmation Order, and that such recognition is necessary for the protection of the Chapter 11 Debtors' property and the interests of their creditors. The Chapter 11 Debtors negotiated and proposed the Plan in good faith, the requisite majority of

each of the Voting Classes voted in favour of the Plan, and the Plan has been confirmed by the U.S. Court. Accordingly, the Foreign Representative is requesting that the Ontario Court recognize and enforce the Final Orders pursuant to Section 49 and Section 50 of the CCAA.

42. I swear this affidavit in support of the motion of the Foreign Representative returnable on July 28, 2017, and for no other or improper purpose.

SWORN BEFORE ME at the City of Topeka, in the State of Kansas, on July 25, 2017.

State of Kansas)

County of Shawnee)

Notary Public

My Commission Expires 12/2/20

DEBORAH A. ORTEGA NOTARY PUBLIC STATE OF KANSAS

Michael Schwindle

THIS IS EXHIBIT "A" REFERRED TO IN THE AFFIDAVIT OF MICHAEL SCHWINDLE, SWORN BEFORE ME THIS 25th DAY OF JULY, 2017.

State of Kansas)

County of Shawnee)

Notary Public

My Commission Expires: 12/2/20

Court File No.

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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF PAYLESS HOLDINGS LLC, PAYLESS SHOESOURCE CANADA INC., PAYLESS SHOESOURCE CANADA GP INC. AND THOSE OTHER ENTITIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF PAYLESS HOLDINGS LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AFFIDAVIT OF MICHAEL SCHWINDLE

(Sworn April 6, 2017)

I, Michael Schwindle, of the City of Lawrence, in the State of Kansas, United States of America, MAKE OATH AND SAY:

1. I am the Senior Vice President and Chief Financial Officer of Payless Holdings LLC ("**Payless Holdings**" or the "**Applicant**"), which is the ultimate parent company of 28 affiliated debtors and debtors in possession that recently filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code (collectively with Payless Holdings, the "**Chapter 11 Debtors**"). I have served in this role since May 2015 having previously served in similar financial leadership positions at other retail companies for over ten years. I also serve as the Vice President and Treasurer, and serve as a director, of each of the entities in the Payless Canada Group (defined below). As such, I have personal knowledge of the matters to which I hereinafter depose in this Affidavit. Where I do not possess personal knowledge, I have stated the source of my information and, in all such cases, believe it to be true.

2. I swear this Affidavit in support of an application by Payless Holdings in its capacity as foreign representative of itself as well as the other Chapter 11 Debtors for, *inter alia*:

(a) recognition of the Chapter 11 Cases (defined below) as foreign main proceedings pursuant to Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**");

(b) recognition of certain First Day Orders (defined below);

(c) the appointment of Alvarez & Marsal Canada Inc. ("**A&M**") as Information Officer;

(d) the granting of the DIP ABL Lenders' Charge (defined below);

(e) the granting of the Administration Charge (defined below); and

(f) the granting of the Canadian Unsecured Creditors' Charge (defined below).

3. All dollar references in this Affidavit are in U.S. dollars unless otherwise specified.

A. Background

4. On April 4, 2017 (the "**Petition Date**"), each of the Chapter 11 Debtors filed voluntary petitions for relief (the "**Petitions**") pursuant to Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Eastern District of Missouri (the "**U.S. Court**").

5. I am aware that copies of the Petitions will be attached to the affidavit of Francesca Del Rizzo (the "**Del Rizzo Affidavit**"), a legal assistant with the law firm Osler, Hoskin & Harcourt LLP ("**Osler**") – which is Canadian Counsel to the Chapter 11 Debtors – and will be provided to the Court at or before the hearing of this Application.

6. The cases commenced by the Chapter 11 Debtors in the U.S. Court are referred to in this Affidavit as the "**Chapter 11 Cases**".

7. The Chapter 11 Debtors have filed several motions with the U.S. Court and on April 5, 2017, the U.S. Court heard motions (the "**First Day Motions**") for various interim or final orders (collectively, the "**First Day Orders**"), including (all defined below):

(a) Foreign Representative Motion;

(b) Joint Administration Motion;

(c) Employee Wages Motion;

(d) Insurance Motion;

(e) Customer Programs Motion;

(f) Cash Management Motion;

(g) DIP Motion;

(h) Critical Vendors and Shippers Motion;

(i) Tax Motion; and

(j) Surety Bond Motion.

8. Capitalized terms in this Affidavit that are not otherwise defined have the meaning given to them in my declaration filed in support of the First Day Motions (defined below) attached without exhibits as **Exhibit "A"** (my "**First Day Declaration**").

9. I am aware that copies of the First Day Orders will be attached to the Del Rizzo Affidavit.

10. In support of the First Day Motions, I submitted my First Day Declaration to the U.S. Court. It provides a comprehensive overview of the Chapter 11 Debtors and their non-debtor affiliates (collectively, "**Payless**") and the events leading to the commencement of the Chapter 11

Cases. As such, this Affidavit provides a more general overview and focuses on giving this Court information to support the finding of the centre of main interest ("**COMI**") of each of the Chapter 11 Debtors and to support the request for recognition of the foreign main proceedings and the First Day Orders, and the granting of the Administration Charge, the Canadian Unsecured Creditors' Charge and the DIP ABL Lenders' Charge. I am not aware of any other foreign recognition insolvency proceedings regarding the Chapter 11 Debtors.

B. The Business

(a) Overview

11. Payless is an iconic American footwear retailer selling quality shoes at affordable prices in a self-select environment. Payless was founded in 1956 in Topeka, Kansas, where it is still headquartered today. Payless markets its brands through brick and mortar stores, shopping malls, and e-commerce internet sites. There are nearly 4,400 Payless stores in more than 30 countries around the globe and Payless employs approximately 22,000 people.

12. Payless had approximately $2.3 billion in net sales in fiscal year 2016 and $95 million of EBITDA. It is the largest specialty family footwear retailer in the Western hemisphere and the second largest footwear retailer by unit sales in the United States. If the Chapter 11 Debtors can restructure their balance sheet, they are well-positioned for continued success in the budget-conscious family footwear market.

13. Core to the Chapter 11 Debtors' business model is the customer loyalty generated by their core demographic. Payless is particularly popular in the women's and children's shoes market. To maintain its loyal consumer base, Payless's merchandising strategy necessitates having a wide selection of core products alongside the latest fashion styles at prices significantly below that of

most competitors. Payless's business model is highly dependent on identifying on-trend merchandise through its branding and merchandising partners. Payless utilizes a design team, agent partners and third-party consultants to monitor trends and provide input on each lot of shoes. The Chapter 11 Debtors have various branding relationships that assist them in bringing to market popular brands and designs to follow the trends of their core customer groups.

14. Payless has a competitive advantage because of its well-established global supply chain, as described below, which includes more than ninety manufacturing partners that produce over 110 million pairs of shoes annually. Payless exercises significant purchasing power with suppliers and distributors, allowing it to provide high quality, low cost merchandise to Payless customers, and to bring to market popular brands and designs through, *e.g.*, design partnerships and license agreements that grant Payless rights to use popular broadly-recognized brands such as Disney, DreamWorks, Star Wars and Marvel.

(b) The Chapter 11 Debtors

15. All of the Chapter 11 Debtors operate on an integrated basis. The Chapter 11 Debtors consist of Payless Holdings and 25 wholly-owned subsidiaries that are incorporated or established under the laws of the United States, as well as two wholly-owned subsidiary entities incorporated under the laws of Canada (Payless ShoeSource Canada Inc., Payless ShoeSource GP Inc.) and one limited partnership established under the laws of Ontario (Payless ShoeSource Canada LP). These three Canadian entities are collectively referred to in this Affidavit as the "**Payless Canada Group**". A copy of the Payless Organization Chart is attached as **Exhibit "B"**.

16. Although the limited partnership Payless ShoeSource Canada LP is not an Applicant in this proceeding, the Applicant seeks to have a stay of proceedings and other benefits of the relief sought

in this Application extended to Payless ShoeSource Canada LP. Payless ShoeSource Canada LP is integral to the business of the Payless Canada Group and is the principal vehicle through which the Payless Canada Group's business is conducted. Payless ShoeSource Canada LP is also a guarantor under the DIP ABL Agreement (defined and described below).

17. For the fiscal year ending 2016, Payless generated approximately $2,280.5 million in net revenues on a consolidated basis. Canadian sales accounted for about 7% of those net revenues; U.S. sales amounted to almost 75%.[1]

18. For the fiscal year ending 2016, Payless had assets per balance sheet with a book value of approximately $1,041.5 million and liabilities of $1,342.5 million on a consolidated basis.

(c) The Financial Position of the Payless Canada Group

19. As private companies, there are no stand-alone audited financial statements for the entities that comprise the Payless Canada Group. A copy of the unaudited, combined balance sheet for the Payless Canada Group dated February 25, 2017 is attached hereto as **Exhibit "C"**. A review of the information contained in the balance sheet follows:

(i) Assets

20. As of February 25, 2017, the Payless Canada Group had total assets of approximately $142,247,000. A significant proportion of these assets is represented by a note payable owing from Payless Financing Inc., reported on the balance sheet as a note receivable of approximately $101,351,000. As discussed in more detail below, Payless Canada Group agreed in 2014 to subordinate its right to repayment of this intercompany note receivable to the repayment of the

[1] This includes the U.S., Puerto Rico, Guam, Saipan and the Virgin Islands.

Senior Indebtedness, as defined in the ABL/Term Loan Intercreditor Agreement, which includes Payless's ABL Credit Facility obligations and its obligations under the First Lien Term Loan (all as described and defined below). Net of the intercompany note payable, the Payless Canada Group's total assets have a book value of approximately $40,896,000.

21. As of February 25, 2017, the Payless Canada Group's current assets (excluding the intercompany note receivable) represented $31,624,000 and consisted of:

(a) Cash and Cash Equivalents: $4,448,000;

(b) Third Party Accounts Receivable: $29,000;

(c) Inventory: $25,668,000;

(d) Prepaid Expenses: $543,000; and

(e) Other Current Assets: $907,000.

22. As of February 25, 2017, the Payless Canada Group's non-current assets represented $9,272,000 and consisted of:

(a) Property and Equipment: $8,673,000; and

(b) Other LT Assets: $599,000.

(ii) Liabilities

23. As of February 25, 2017, the Payless Canada Group's total liabilities were $80,398,903. These liabilities consisted of:

(a) Accounts Payable, Trade: $2,689,000;

(b) Accounts Payable, Other: $544,000;

(c) Income Tax Payable: $196,000;

(d) Accrued Salary Benefit: $846,000;

(e) Other Accrued Tax: $889,000;

(f) Other Accrued Expenses: $820,000;

(g) Other Long Term Liabilities: $4,266,000;

(h) Interunit LTD Payables: $70,149,000.

24. The Interunit LTD Payables consist of an intercompany note owed to a Payless entity that is not a Chapter 11 Debtor and intercompany trade payables owed to various Chapter 11 Debtors for inventory, royalties, service fees, expense reimbursements, merchandise planning and buying fees, store supplies and other matters. As of February 25, 2017, the Payless Canada Group owed approximately $9,050,000 to U.S. Chapter 11 Debtors, including approximately $6,236,000 to Payless ShoeSource Distribution, Inc. for inventory and approximately $2,279,000 to Payless ShoeSource Worldwide, Inc. for royalties, service fees and expense reimbursements. The Payless Canada Group acquires all of its inventory from other entities within Payless and is not liable to any third party creditors in respect of any of its inventory.

25. As of February 25, 2017, the Payless Canada Group also owed $61,098,992, consisting of principal and interest, to a Payless entity that is not a Chapter 11 Debtor. This debt is discussed in more detail below.

(d) Employees

26. A detailed description of Payless's employees, including information on wages and benefits of the Payless Canada Group, is set out in the Employee Wages Motion (defined below).

Payless has more than 22,000 employees, with the vast majority working in the United States. As of March 1, 2017, more than 750 employees worked out of the corporate headquarters in Topeka, Kansas.

27. As of March 1, 2017, the Payless Canada Group employed approximately 600 full-time employees and 1,500 part-time employees. Five of the full-time employees work at the regional office in Toronto, and another 15 work in field management functions throughout Canada. The rest of the employees work in the stores.

	Full-Time	Part-Time	Total
Regional Office	5		5
Field Management	15		15
Stores	579	1,483	2,062
Canada	**599**	**1,483**	**2,082**

28. Employees are typically paid wages or salary, and full-time employees also receive benefits (e.g., life insurance and extended health care), which vary depending on the employee's role. Payroll is processed in the U.S. through Payless's consolidated cash management system. The Payless Canada Group employees are paid from the Chapter 11 Debtors' head office in the United States on a biweekly basis, one week in arrears (approximately $810,000 after withholding obligations is paid on a biweekly basis in the aggregate).

29. The Payless Canada Group offers a Registered Retirement Savings Plan ("**RRSP**") and a Deferred Profit Sharing Plan ("**DPSP**") matching program to full-time employees. Employees can contribute up to 13% of their salary to the group RRSP program and the Payless Canada Group provides a DPSP match of 50% on the first 5% of employee contributions.

30. There is no union representation for any of the Canadian employees.

31. As described in more detail in the Employee Wages Motion, as it relates to the Canadian employees, the Chapter 11 Debtors are, for the time being, seeking relief to continue to pay and/or perform, as applicable, employee related obligations. The Payless Canada Group pays its priority payables in the ordinary course, including employee wages, vacation pay, employee source deductions and federal and provincial sales tax. The Payless Canada Group currently has a vacation pay liability of approximately $850,000. The Payless Canada Group also has approximately $260,000 in accrued but unpaid Canadian payroll taxes and related amounts. The Chapter 11 Debtors intend to honour vacation entitlements and remit payroll taxes and related deductions to the appropriate authorities in the ordinary course.

(e) Stores in Canada

32. Payless currently operates 258 stores in Canada, with almost half of them in Ontario:

Province	Number of Stores
Alberta	38
British Columbia	34
Manitoba	10
New Brunswick	5
Newfoundland	3
Nova Scotia	9
Ontario	121
Prince Edward Island	2
Quebec	27
Saskatchewan	9

33. These stores are leased from different landlords, including Smart Centres, RioCan, 20 Vic Management, Morguard, Cambridge, Primaris, Bentall, Cadillac Fairview and Oxford, among many others.

34. Approximately 56 of the Canadian store leases are subject to an indemnity with cross-default provisions such that an Event of Default under the lease will occur if the "Indemnifier" becomes bankrupt or insolvent, or takes the benefit of any statute for bankrupt or insolvent debtors. The "Indemnifier" in the applicable leases is Payless ShoeSource, Inc. (incorporated under the laws of Missouri), which is a Chapter 11 Debtor. The Payless Canada Group therefore requires a stay of proceedings to maintain the status *quo* and prevent landlords from exercising rights that they may have pursuant to these cross-default provisions.

35. The Chapter 11 Debtors made a business decision not to pay the April rent for U.S. operations. The April rent owing by the Payless Canada Group was not segregated from the rent owing for U.S. operations and so was also missed. At this time, payment of the April rent is stayed pursuant to the Chapter 11 Cases. However, the Chapter 11 Debtors intend to seek an order authorizing the payment of the April rent of the Payless Canada Group when the final orders in respect of the first day matters are sought in early May. It is anticipated that the April rent owing by the Payless Canada Group will be paid following the issuance of such final orders in the Chapter 11 Cases.

(f) Merchandise in Canada Sourced through U.S.

36. The Payless Canada Group's assets principally consist of merchandise, much of which is stored at Payless stores in Canada and other warehouses and distribution facilities across Canada.

37. The buying of merchandise and logistics functions for the Payless Canada Group are run out of the integrated operations in the U.S. head office. The Payless Canada Group does not independently design or source its own merchandise, nor does it maintain the licensing partnerships that allow the Chapter 11 Debtors to offer their partners' designs under the Payless name at much cheaper prices for the consumer. As described above, Payless is able to generate significant benefits for all of its operating subsidiaries by maximizing its purchasing power through an integrated supply chain managed out of Payless's head office.

38. Payless focuses on developing core products internally rather than retailing shoes developed by third parties, which dramatically reduces product costs, and allows Payless to sell products at value-positioned price points. Direct sourcing as a percentage of Payless's product lines has increased from 59% in 2011 to 70% in 2016. Payless has unique relationships with its vendors, primarily based out of China and Vietnam.

39. Payless's business model depends heavily on the Chapter 11 Debtors' well-established and seamless global supply chain, which in turn depends on the Chapter 11 Debtor's long-standing relationships with key supplier factories. The factories provide shoes made to Payless's specifications at the right volume and at the right price. The Chapter 11 Debtors' ability to deliver their products in a timely manner is critically important to their financial performance and depends on a seamless interaction with various third-party service provides who ship and store the Chapter 11 Debtors' products.

40. Payless's global sourcing networks include more than ninety manufacturing partners that produce over 110 million pairs of shoes annually. The Payless Canada Group, on its own, does not

have sufficient buying power to replicate these arrangements; it relies entirely on the buying power and sourcing relationships of the entire Payless enterprise.

41. As described in more detail below, the Payless Canada Group incurs various intercompany accounts payable, including in connection with merchandise planning and buying fees, supply, royalties and expense reimbursements.

(g) Payless Canada Group's Integrated Operations with U.S.

42. The Payless Canada Group's operations are fully integrated with Payless's U.S. operations. In particular:

(a) Canadian sales make up only about 7% of total Payless net revenues;

(b) Only one of the senior executives of the entities in the Payless Canada Group resides in Canada, the President of Payless ShoeSource Canada Inc. and Payless ShoeSource Canada GP Inc. All of the other senior executives reside in the U.S.;

(c) Only one of the directors of the entities in the Payless Canada Group resides in Canada. All of the other directors reside in the U.S.;

(d) All corporate, strategic, financial, inventory sourcing and other major decision-making occurs in the U.S.;

(e) The Payless Canada Group is entirely reliant on U.S. managerial functions for all overhead services including the accounting and finance, buying, logistics, marketing, strategic direction, IT and other functions;

(f) Each of the entities in the Payless Canada Group is a party to a Treasury Services and Loan Agreement with Payless Finance, Inc., one of the Chapter 11 Debtors, wherein Payless Finance, Inc. has agreed to provide certain treasury and banking related services, and make certain financial accommodations, to the borrowers under that agreement.

(g) The Payless Canada Group is entirely dependent on its U.S. counterparts for all of the licensing agreements, design partnerships and company-owned brands. All or substantially all of the trademarks and IP are owned by U.S. entities outside of the Payless Canada Group.

(h) Most of the data for the Canadian operations is housed within the same IT systems (located and operated out of the U.S.) that support both the Canadian and U.S. operations;

(i) The Payless Canada Group entities maintain 13 CAD and USD bank accounts (together, the "**Canada Operations Accounts**") with several of the major Canadian banks, primarily established to facilitate the Chapter 11 Debtors' retail operations in Canada. The Canada Operations Accounts largely operate as a self-contained cash management system within Payless's overall cash management system (the "**Cash Management System**") - an integrated, centralized cash management system which is operated by the Treasury team in the U.S., to collect, transfer, and disburse funds generated by their operations. The Cash Management System, which is described in more detail in my First Day Declaration and the Cash Management Motion (defined below), facilitates cash monitoring, forecasting, and

reporting and enables the Chapter 11 Debtors to maintain control over the administration of all of their bank accounts, including the Canada Operations Accounts. The Cash Management System reflects Payless's globally integrated business, and is vital to the Chapter 11 Debtors' ability to conduct business across the globe and is tailored to meet their operating needs;

(j) The Chapter 11 Debtors, including the Payless Canada Group, offer and engage in certain customer programs, including (a) customer gift card programs; (b) returns, exchanges and refunds; (c) promotional programs such as the "Payless Rewards" program; (d) warranty-related programs related to the Chapter 11 Debtors' products; (e) merchant credit card agreements; and (f) other similar programs. The Payless Canada Group is dependent on the Chapter 11 Debtors for the administration of these customer programs.

C. The Chapter 11 Debtors' Prepetition Capital Structure and Indebtedness

43. The Chapter 11 Debtors' pre-petition capital structure is described in more detail in my First Day Declaration. The following is a summary as of March 30, 2017, with further descriptions of each debt obligation provided below:

Debt Obligation	**Debt Facility Size**	**Approximate Amount Outstanding as of Petition Date**	**Maturity Date**
ABL Credit Facility	$300 million	$187 million	March 14, 2019
First Lien Term Loan	$520 million	$506 million	March 11, 2021
Second Lien Term Loan	$145 million	$145 million	March 11, 2022

(a) ABL Credit Facility

44. Payless, Inc., as the lead borrower, the other Chapter 11 Debtors party thereto as borrowers and guarantors, and Wells Fargo Bank, National Association ("**Wells Fargo**"), as administrative agent, entered into a revolving credit facility documented by a Credit Agreement dated as of October 9, 2012 (as amended, restated, modified, and/or supplemented, and as in effect immediately prior to the Petition Date, the "**ABL Credit Facility**"). Under the ABL Credit Facility which has two tranches bearing interest at different rates, the Chapter 11 Debtors may draw up to $300 million for general corporate purposes. The ABL Credit Facility is secured by a priority lien over substantially all tangible and intangible assets of the Chapter 11 Debtors including, among other things and subject to certain limitations, thresholds and exclusions, accounts, cash, inventory, and real property (such collateral package, the "**ABL Priority Collateral**"). The ABL Credit Facility is also secured by a junior lien on the remaining assets of the Chapter 11 Debtors including, among other things and subject to certain limitations, thresholds and exclusions, equipment, intellectual property and stock pledges (such collateral package, the "**Term Loan Priority Collateral**"). None of the Payless Canada Group entities is a borrower or guarantor under the ABL Credit Facility. As of the Petition Date, an aggregate balance of approximately $187 million remains outstanding under the ABL Credit Facility.

45. Due to the Chapter 11 Debtors' diminishing liquidity and decreasing borrowing base, and in an effort to prepare for the Chapter 11 Cases, the U.S. Chapter 11 Debtors recently agreed to enter into "cash dominion" with Wells Fargo. The U.S. Chapter 11 Debtors agreed, *inter alia*, to cause all funds in certain of their deposit accounts, subject to any nominal minimum balances required, to be swept daily into a "Concentration Account" owned by Wells Fargo. The Payless Canada Group is not subject to any cash dominion in respect of the ABL Credit Facilities.

(b) First Lien Term Loan

46. Payless, Inc., Payless Finance, Inc., Payless ShoeSource, Inc., and Payless ShoeSource Distribution, Inc., as borrowers, the other Chapter 11 Debtors party thereto as guarantors, Morgan Stanley Senior Funding, Inc., as administrative and collateral agent, and the lenders party thereto are parties to a First Lien Term Loan and Guarantee Agreement, dated as of March 11, 2014 (as amended, restated, modified, and/or supplemented and in effect immediately prior to the Petition Date, the "**First Lien Term Loan Agreement**"). The First Lien Term Loan Agreement provides a $520 million first lien term loan secured by a first priority lien in the Term Loan Priority Collateral and a second priority lien in the ABL Priority Collateral. As of the Petition Date, an aggregate amount of $506 million was outstanding under the First Lien Term Loan Agreement. None of the Payless Canada Group entities is a borrower or guarantor under the First Lien Term Loan Agreement.

(c) Second Lien Term Loan

47. Payless, Inc., Payless Finance, Inc., Payless ShoeSource, Inc., and Payless ShoeSource Distribution, Inc., as borrowers, the other Chapter 11 Debtors thereto as guarantors, Morgan Stanley Senior Funding, Inc., as administrative and collateral agent, and the lenders party thereto are parties to a Second Lien Term Loan and Guarantee Agreement, dated as of March 11, 2014 (as amended, restated, modified, and/or supplemented and in effect immediately prior to the Petition Date, the "**Second Lien Term Loan Agreement**" and together with the First Lien Term Loan Agreement, the "**Term Loan Agreements**"). The Second Lien Term Loan Agreement provides a $145 million second lien term loan secured by a second priority lien in the Term Loan Priority Collateral and a third priority lien in the ABL Priority Collateral. As of the Petition Date, an aggregate amount of $145 million was outstanding under the Second Lien Term Loan Agreement.

None of the Payless Canada Group entities is a borrower or guarantor under the Second Lien Term Loan Agreement.

(d) Swap Agreements

48. Pursuant to the Term Loan Agreements, Payless is permitted to enter into interest rate swap transactions to mitigate certain risks, including in connection with hedging the variable interest rates contemplated thereunder. Presently, Payless is party to three such swap transactions, one with respect to the First Lien Term Loan Agreement and two with respect to the Second Lien Term Loan Agreement, each with Morgan Stanley Capital Services LLC as counterparty.

(e) Intercreditor Agreements

49. The Chapter 11 Debtors' prepetition indebtedness is also subject to two different intercreditor agreements, generally referred to as the ABL/Term Loan Intercreditor Agreement and the Term Loan Intercreditor Agreement (together, the "**Intercreditor Agreements**"). The ABL/Term Loan Intercreditor Agreement governs the relative contractual rights of lenders under the ABL Credit Facility, the First Lien Term Loan Agreement and the Second Lien Term Loan Agreement. The Term Loan Intercreditor Agreement, in turn, governs the relative contractual rights of lenders under the First Lien Term Loan Agreement, on the one hand, and the lenders under the Second Lien Term Loan Agreement, on the other hand. None of the Payless Canada Group entities are party to the Intercreditor Agreements.

(f) Payless Canada Group Trade Debt

50. The Payless Canada Group estimates that, as of March 27, 2017, arms'-length trade creditors are owed approximately $2.6 million in unsecured trade debt. The largest arms'-length trade creditor, Kuehne & Nagel Ltd. ("**K&N**"), which provides logistics and freight operations, is

owed approximately $1.2 million. More than $400,000 is owed to various store maintenance contractors. It is anticipated that K&M will be paid in the ordinary course in accordance with the order granted pursuant to the Critical Vendors and Shippers Motion.

51. As mentioned above, as of February 25, 2017, the Payless Canada Group also owed approximately $9.05 million in payables to certain other Chapter 11 Debtors outside of the Payless Canada Group, including for merchandise (approximately $6.236 million to Payless ShoeSource Distribution, Inc.) and non-merchandise, such as royalties, service fees, expense reimbursement, merchandise planning and buying fees (approximately $2.7 million to Payless ShoeSource Worldwide, Inc. and Payless ShoeSource Merchandising, Inc.).

(g) Payless Canada Group Intercompany Debt

52. As described above, as of February 25, 2017, Payless ShoeSource Canada Inc., a member of the Payless Canada Group, was owed approximately $101 million, inclusive of accrued interest, from by Payless Finance, Inc., a Chapter 11 Debtor. A copy of the amended and restated promissory note due October 9, 2022 is attached hereto as **Exhibit "D"**. Payless Finance, Inc.'s obligation to Payless ShoeSource Canada Inc. in respect of this promissory note is unsecured. Moreover, pursuant to the Intercompany Promissory Note dated March 11, 2014, attached hereto as **Exhibit "E"**, Payless ShoeSource Canada Inc. has agreed to subordinate repayment of this debt to the payment by Payless Finance, Inc. of Senior Indebtedness.

53. As of February 25, 2017, Payless ShoeSource Canada Inc. owed approximately $61 million, inclusive of accrued interest, to Collective Brands II Cooperatief UA, a Netherlands Payless entity that is not a Chapter 11 Debtor. A copy of the amended and restated promissory note for CDN$59,034,006 due April 28, 2016 is attached hereto as **Exhibit "F"**. A copy of the

amended and restated promissory note for CDN$22,965,500 due July 14, 2016 is attached hereto as **Exhibit "G"**.

D. Payless Canada Group PPSA Searches

54. I have been advised by Mr. Patrick Riesterer, a lawyer at Osler, and believe that lien searches were conducted on March 27, 2017 against each of the Chapter 11 Debtors under the *Personal Property Security Act* (or equivalent legislation) in each Canadian province and territory (the "**PPSA Searches**"). I have been further advised by Mr. Riesterer of Osler and believe that the PPSA Searches indicate, *inter alia*, that three landlords in Quebec have registered moveable hypothecs against the universality of Payless ShoeSource GP Inc. property located on the premises of specific stores and that several equipment lessors have registered security interests against leased equipment and related assets. These equipment leases generally relate to motor vehicles. No creditor has perfected a general security agreement.

E. Recent Events

55. A detailed description of the events leading up to the Chapter 11 filing are set out in my First Day Declaration and is not repeated herein. Briefly, some of the recent events impacting the Chapter 11 Debtors are as follows.

56. Since early 2015, the Chapter 11 Debtors have experienced a top-line sales decline driven primarily by (a) a set of significant and detrimental non-recurring events, (b) foreign exchange rate volatility, and (c) challenging retail market conditions. These pressures led to the Chapter 11 Debtors' inability to both service their prepetition secured indebtedness and remain current with their trade obligations. Notwithstanding these pressures, the Chapter 11 Debtors' core business remains strong and operates in an underserved market.

57. In an effort to address their financial difficulties, the Chapter 11 Debtors have taken significant steps to evaluate and implement cost reduction initiatives in recent months. These initiatives have included (a) closing 128 brick-and-mortar stores, (b) terminating approximately 145 employees from their corporate offices and support organizations, (c) pursuing rent concessions across remaining stores, and (d) managing liquidity constraints by stretching payments to specialized third-party vendors and suppliers that are crucial to the Chapter 11 Debtors' operations.

(a) Plan Support Agreement and Debtor-in-Possession Financing

58. For the past several months, the Chapter 11 Debtors have been working closely with a steering committee of their secured term loan lenders to develop a comprehensive financing restructuring and recapitalization plan that will be implemented through the Chapter 11 Cases.

59. Specifically, the Chapter 11 Debtors have entered into a Plan Support Agreement (the "**PSA**") that has the support of parties who hold or control approximately 2/3 in amount of each of the Chapter 11 Debtors' first and second lien term loans. In addition, and as described in greater detail below under the heading "DIP Motion", the Chapter 11 Debtors have also secured access to up to $305 million in new money DIP ABL financing (the "**DIP ABL Credit Facilities**") and up to $80 million in new money DIP term financing (the "**DIP Term Loan Facility**" and together with the DIP ABL Credit Facilities, the "**DIP Facilities**"). A copy of the PSA is attached hereto as **Exhibit "H"**.

60. Together, the PSA and DIP Facilities enable the Chapter 11 Debtors to (a) obtain immediate and long-term financial support to address a distressed supply chain and otherwise execute on their strategic plan, (b) right-size their balance sheet by significantly reducing annual

debt service and total outstanding debt from $838 million to approximately $469 million (inclusive of assumed revolving loans), and (c) rationalize their store fleet to eliminate unprofitable store locations and renegotiate above-market leases.

61. At this time, it is not anticipated that any Canadian stores will be closed. The DIP ABL Agreement (defined below) requires that the Chapter 11 Debtors bring a motion for approval of the closure of 389 stores (the "**Initial Store Closure Sale**" as defined therein), plus an additional six hundred (600) stores to the extent contemplated by the Approved Budget, but specifically provides that no stores of the Payless Canada Group shall be required in the Initial Store Closure Sale. The Chapter 11 Debtors are not seeking recognition of the Order in respect of the Initial Store Closure Sale at this time.

62. As described below, the PSA and DIP Facilities provide for certain milestones designed to ensure that the Chapter 11 Debtors move expeditiously towards confirmation of a Plan. The PSA also contains certain conditions and covenants, including (a) achieving certain forecasted rent concessions, EBITDA targets, and inventory receipts, and (b) renegotiating terms of their existing joint venture agreements such that they are on market terms within 100 days of the Petition Date.

63. With the PSA and DIP Facilities now in place, Payless intends to pursue a reorganization plan consistent with the PSA and emerge expeditiously from chapter 11 as a stronger and well-capitalized company.

F. Urgent need for relief in Canada

64. The Payless Canada Group and the other Chapter 11 Debtors are in urgent need of a stay of proceedings and the recognition of the First Day Orders.

65. As discussed above, landlords could seek to terminate approximately 56 of the Canadian store leases due to the commencement of the Chapter 11 Cases. If the landlords seek to exercise rights and remedies under the leases as a result of the commencement of the Chapter 11 Cases, the Payless Canada Group's business could suffer severe and irreparable damage. Moreover, such action could give rise to an event of default under the DIP ABL Agreement (defined below), thereby placing Payless's global operations in jeopardy.

66. In addition, Payless urgently requires an injection of liquidity. The DIP ABL Lenders (defined below) have included a condition in the DIP ABL Agreement that requires the Chapter 11 Debtors to obtain an order of this Court recognizing and giving effect to the DIP Order within five (5) business days of the day that the DIP Order is issued by the U.S. Court. Further, the DIP ABL Lenders have refused to include any collateral of the Payless Canada Group in the Chapter 11 Debtors' borrowing base until such time as the DIP Order is recognized by this Court. The Chapter 11 Debtors need access to all of the funds available under the DIP ABL Facilities forthwith. As such, it is critical that the Applicant obtain recognition of the First Day Orders as soon as possible to permit the Chapter 11 Debtors to access the liquidity necessary for them to continue as a going concern and to implement the restructuring contemplated by the PSA.

67. If the restructuring contemplated by the PSA is implemented, it is anticipated that the Payless Canada Group will continue as a going concern, with limited changes to its existing business. It is anticipated that the transaction will result in continuing employment for approximately 2100 Canadian employees. In addition, it is anticipated that landlords, trade creditors and other third party stakeholders will benefit from the continued operation of the Payless Canada Group's business and that the majority of the stakeholders will be unaffected creditors who are anticipated to continue to be paid in the ordinary course.

68. If, however, the restructuring transaction contemplated by the PSA is not implemented, a sales process for the business and assets of the Chapter 11 Debtors will likely be conducted, which could result in the closure of Canadian stores or, in the worst case scenario, liquidation of the entire Payless Canada Group's business. The DIP ABL Agreement provides that if the Chapter 11 Debtors fail to file the PSA (which is required to be terms acceptable to the DIP ABL Lenders) by April 25, 2017, the Chapter 11 Debtors must, among other things, seek an order approving a sale or liquidation process for the Chapter 11 Debtor's assets, provided however that this Court's approval of any such sale or liquidation process shall be required in respect of the assets of the Payless Canada Group. In addition, should an event of default occur under the DIP ABL Agreement, the liquidation of the assets of the Payless Canada Group is a distinct possibility. As described above, the Payless Canada Group relies heavily on services, operations and supply provided by the U.S. Chapter 11 Debtors. Should the U.S. Chapter 11 Debtors cease operations, Payless Canada Group will not likely survive as a going concern.

69. In a liquidation, Payless Canada Group's creditors are likely to suffer a serious shortfall in the recoveries on their claims. Payless Canada Group's total assets are valued at approximately $40,896,430, net of an intercompany debt that is unlikely to be repaid. The Payless Canada Group currently has liabilities of approximately $80,398,903 and a large number of additional liabilities would be incurred if Payless Canada Group were to cease operations and liquidate its assets, including claims in respect of lease terminations, breach of contract and termination and severance pay for the Payless Canada Group's approximately 2100 employees. A going concern outcome is in the best interests of the Payless Canada Group and all of its stakeholders. A going concern outcome is only available if the relief sought is granted.

G. Relief Sought

(a) Recognition of Foreign Proceedings

70. The Chapter 11 Debtors seek recognition of the Chapter 11 Cases as "foreign main proceedings" pursuant to Part IV of the CCAA. Other than the three entities in the Payless Canada Group, all of the remaining 25 Chapter 11 Debtors are incorporated under U.S. law, have their registered head office and corporate headquarters in the U.S., carry out their business in the U.S., and have all or substantially all of their assets located in the U.S. The Payless Canada Group uses an office in Etobicoke, Ontario as its chief executive office, although as discussed above, only minimal administrative functions are carried out in Canada – the Payless Canada Group is for all intents and purposes, administered and managed out of the U.S. The Payless Canada Group also maintains books at records at Payless's head office in Topeka, Kansas.

71. As described above, Payless is managed on a consolidated basis and its Canadian operations are entirely dependent on and integrated with the U.S. operations. The Payless Canada Group would not be able to function as independent entities without the corporate functions performed by the U.S. Chapter 11 Debtors in the U.S.

(b) Recognition of the First Day Orders

72. By operation of the Bankruptcy Code, the Chapter 11 Debtors obtained the benefit of a stay upon filing the voluntary petitions with the U.S. Court. A stay of proceedings in Canada is essential to protect the efforts of Payless to proceed with the Chapter 11 Proceedings and to formulate a restructuring plan. A stay in Canada is also necessary due to the cross-default provisions in certain of the Canadian store leases.

73. On April 5, 2017, the U.S. Court held a hearing in respect of the First Day Motions and on the same day entered the orders requested. At this time, the Applicant is seeking recognition of ten (10) of the Orders granted by the U.S. Court.

74. The First Day Motions that the Chapter 11 Debtors seek to recognize can be summarized as follows:

(a) *Debtors' Motion Seeking Entry of an Order Authorizing Payless Holdings to serve as Foreign Representative on behalf of the Debtors' Estates* (the "**Foreign Representative Motion**"): Pursuant to this motion, Payless Holdings is authorized to act as the "foreign representative" in order to seek the relief sought in this Application.

(b) *Debtors' Motion Seeking Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief* (the "**Joint Administration Motion**"): this motion seeks an order authorizing the joint administration of the various chapter 11 cases filed by the Chapter 11 Debtors and related procedural relief

(c) *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, Other Compensation, and Reimbursable Expenses and (B) Continue Employee Benefits Programs, and (II) Granting Related Relief* ("**Employee Wages Motion**"): This motion describes and seeks the continuation of the Chapter 11 Debtors' prepetition employee obligations in the ordinary course of business, and authority to pay and honour certain prepetition claims relating to, among other things, wages, salaries and other

compensation. With respect to Canada in particular, the Chapter 11 Debtors are seeking authorization, among other things, to (i) pay all outstanding prepetition amounts on account of unpaid wage and salary obligations for the Payless Canada Group employees consistent with past practice, and to continue paying such wage and salary obligations in the ordinary course of business; (ii) pay in a manner consistent with historical practice any unpaid withholding obligations and to continue to honour withholding obligations in the ordinary course of business during the administration of the Chapter 11 Cases; (iii) to pay all outstanding prepetition amounts incurred by Payless Canada Group employees on account of reimburseable expenses, and continue to pay such reimburseable expenses on a postpetition basis; (iv) pay obligations to eligible employees under the Canada Non-Insider Annual Incentive Plan (as defined in the Employee Wages Motion) on a postpetition basis in the ordinary course of business; and (v) continue paying obligations under the Canada Store Leader Extreme Rewards Incentive Program and the Canada Group Leader Incentive Program (as both those terms are defined in the Employee Wages Motion) on a postpetition basis in the ordinary course of business and consistent with their prepetition practices upon entry of the Final Order.

(d) *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing The Debtors to (A) Continue Insurance Coverage Entered into Prepetition and Satisfy Prepetition Obligations Related Thereto and (B) Renew, Supplement, or Purchase Insurance Policies, and (II) Granting Related Relief* ("**Insurance Motion**"): This motion describes and seeks authorization to pay certain prepetition amounts owing

(policy audit fees, deductible fees and brokerage and insurance administrator fees) on account of the Chapter 11 Debtors' insurance programs, which includes a number of insurance programs which cover the Payless Canada Group.

(e) *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Honor Certain Prepetition Obligations to Customers and Partners and (B) Continue Certain Customer and Partner Programs in the Ordinary Course of Business and (II) Granting Related Relief* ("**Customer Programs Motion**"): This motion describes and seeks the continuation, in the discretion of the Chapter 11 Debtors, of various customer programs that Payless offers, including but not limited to: customer gift card programs; returns, exchanges, and refunds; warranty programs related to Payless's products, merchant credit card agreements, and other similar policies, programs and practices. It is essential that Payless maintain customer loyalty and goodwill by maintaining and honoring the programs.

(f) *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue Using the Cash Management System and (B) Maintain Existing Bank Accounts and Business Forms and Books And Records; (II) Authorizing Continued Intercompany Transactions; (III) Granting Administrative Expense Status to Post-Petition Intercompany Payments; and (IV) Granting Related Relief* ("**Cash Management Motion**"): The Cash Management Motion contains a detailed description of the Chapter 11 Debtors' cash management system, including the Canada Operations Accounts, and seeks authorization for the ongoing use of that system, including access to the Canada Operations Accounts. It also seeks relief to permit ongoing intercompany advances.

(g) *Debtors' Motion For Entry Of Interim And Final Orders (I) Authorizing Postpetition Financing, (II) Authorizing Use Of Cash Collateral, (III) Granting Liens And Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, (VI) Scheduling A Final Hearing, and (VII) Granting Related Relief* ("**DIP Motion**"). The DIP Motion is described below.

(h) *Debtors' Motion Seeking Entry of Interim and Final Orders (A) Authorizing the Debtors to Pay Certain Prepetition Claims of (I) Critical Vendors and (II) Carrier, Warehousemen, and Section 503(B)(9) Claimants and (B) Granting Related Relief* ("**Critical Vendors and Shippers Motion**"): This motion describes critical brokers that provide specific merchandise and critical carriers and warehousemen that transport and store that merchandise. The Chapter 11 Debtors seek authority to be able to pay certain pre-petition amounts to such critical third parties, including K&N, to maintain stability during the opening days of the Chapter 11 Cases and to avoid jeopardizing the Chapter 11 Debtors' ability to serve their customers going forward.

(i) *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Payment of Certain Prepetition Taxes and Fees and (II) Granting Related Relief* ("**Tax Motion**"): In the ordinary course of business, the Chapter 11 Debtors collect, withhold, and incur various taxes and fees, and remit them to various federal, state, local and foreign governments, including taxing authorities in Canada. The Chapter 11 Debtors seek, *inter alia*, authorization to pay certain taxes and fees accrued or

incurred prepetition but not paid prepetition, and to maintain certain tax payments to avoid disruption to business operations.

(j) *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to Continue and Renew the Surety Bond Program on an Uninterrupted Basis, and (II) Granting Related Relief* ("**Surety Bond Motion**"): In the ordinary course of business, certain third parties require the Chapter 11 Debtors to post surety bonds to secure their payment or performance of obligations, including customs and tax obligations. The Canada Customs and Revenue Agency is one such obligee. The Chapter 11 Debtors seek authorization to maintain the existing surety bond program, including paying premiums as they come due, and to remit certain prepetition premiums. Failure to maintain or replace the surety bonds may prevent the Chapter 11 Debtors from undertaking essential functions.

(c) DIP Motion

75. As described in more detail in the DIP Motion, the Chapter 11 Debtors (including the Payless Canada Group) sought authority from the U.S. Court to (I) enter into a debtor-in-possession ("**DIP**") senior secured ABL credit agreement (the "**DIP ABL Agreement**") with: (a) Wells Fargo as Collateral Agent, Administrative Agent and Swing Line Lender, (b) Bank of America, N.A. as Syndication Agent, (c) Wells Fargo, Merrill Lynch, Pierce, Fenner & Smith Incorporated as Joint Lead Arrangers and Joint Bookrunners, and (d) the lenders who from time to time are a party thereto (collectively, the "**DIP ABL Lenders**") with respect to a senior secured credit facility in an aggregate principal amount not to exceed $305 million (as above, the DIP ABL Facilities); and (II) enter into a DIP senior secured term loan agreement (the "**DIP Term Loan Agreement**") in the aggregate amount not to exceed $80 million (as above, the DIP Term Loan

Facility) with: (a) Cortland Products Corp. as administrative agent and collateral agent and (b) the financial institutions who from time to time are a party thereto (collectively, the "**DIP Term Loan Lenders**").

76. None of the entities in the Payless Canada Group are borrowers under the DIP ABL Agreement, but all of them are guarantors thereunder and the security interest will extend to substantially all of the Payless Canada Group's assets. The DIP ABL Agreement was the result of intense and difficult negotiations between the Chapter 11 Debtors and the DIP ABL Lenders and, as part of those negotiations, the DIP ABL Lenders required the granting of a security interest over substantially all of the Payless Canada Group's assets as a condition to providing the DIP ABL Facilities.

77. None of the entities in the Payless Canada Group are borrowers or guarantors under the DIP Term Loan Agreement. As such, no charge or other relief is being sought at this time with respect to the DIP Term Loan Agreement.

78. The DIP ABL Lenders will provide the DIP ABL Facilities in order to, *inter alia*, (a) repay specified pre-Petition obligations, including the $176 million outstanding in respect of the ABL Credit Facility, (b) fund the Chapter 11 Cases, (c) make certain other specified payments, and (d) provide working capital during the Chapter 11 Cases in accordance with the approved budget. To the extent that the Chapter 11 Debtors intend to pay pre-petition debt obligations, none of those debt obligations are obligations of the entities in the Payless Canada Group. (Moreover, none of the entities in the Payless Canada Group are borrowers, and none of them will receive any of the advances under the DIP Facility).

79. Details regarding the Chapter 11 Debtors' request for the DIP ABL Facilities and the DIP Term Loan Facility are set out in the DIP Motion and are not repeated herein. In addition, matters related to the granting of adequate protection in respect of the ABL Credit Facility Agreement, the First Lien Term Loan Agreement and the Second First Lien Term Loan Agreement are addressed, which are not relevant for the Payless Canada Group.

80. Briefly, some of the significant features of the DIP ABL Facilities (the critical facility from the perspective of the Payless Canada Group) include:

(a) *Lead Borrower*: Payless Inc.

(b) *Additional Borrowers*: Payless Finance, Inc.; Payless ShoeSource Distribution, Inc.; Payless ShoeSource, Inc.

(c) *Guarantors*: Certain of the Chapter 11 Debtors, including all of the entities in the Payless Canada Group.

(d) *Amount*: Up to $305 million, consisting of $245 million Tranche A financing made available following the granting of the DIP Order, subject to borrowing base constraints, and an additional $60 million Tranche A-1 financing to be made available following the issuance of a final order.

(e) *Security*: all the present and after acquired real and personal property of the Chapter 11 Debtors, subject to certain agreements regarding priority among the Chapter 11 Debtors, the DIP ABL Lenders and the DIP Term Loan Lenders, including pursuant to the Intercreditor Agreements.

(f) *Events of Default*: Various events of default as set out therein.

(g) *Remedies upon Default*: Upon default, the DIP Lenders, among other things, may terminate their obligations under the DIP Facility and demand immediate repayment of all or part of the borrowers' obligations without further notice.

81. The DIP ABL Facilities and PSA provide for certain milestones in the Chapter 11 Cases designed to ensure the Chapter 11 Debtors move expeditiously towards confirmation of a plan in the current distressed retail environment, including:

(a) entry of an interim order approving the DIP ABL Agreement and the DIP Term Loan Agreement not later than three (3) days following the Petition Date and entry of a final order approving such financing not later than 45 days following the Petition Date;

(b) filing a plan of reorganization and disclosure statement not later than 21 days following the Petition Date;

(c) entry of an order setting the date by which proofs of claims for general unsecured creditors must be filed (the "**Bar Date**") not later than 60 days after the Petition Date. The Bar Date shall have occurred on or before 65 days following the Petition Date; and

(d) obtaining approval of the disclosure statement not later than 62 days following the Petition Date; confirming the plan of reorganization not later than 114 days following the Petition Date; and reaching the Effective Date of the Plan not later than 128 days following the Petition Date.

82. Immediate access to incremental liquidity pursuant to the DIP ABL Facilities and the DIP Term Loan Facility is critical to preserving the value of the Chapter 11 Debtors' estates and maximizing the likelihood of a going-concern reorganization. The DIP financing sends a strong message to customers, vendors, employees and stakeholders that their restructuring is both well-funded and well-positioned to succeed.

83. The ability of the Chapter 11 Debtors to maintain business relationships with their vendors, suppliers and customers, to pay their employees and otherwise finance their operations requires the availability of working capital from the DIP ABL Facilities and the DIP Term Loan Facility, the absence of either of which would immediately and irreparably harm the Chapter 11 Debtors and their stakeholders. The Chapter 11 Debtors do not have sufficient available sources of working capital and financing to operate their businesses or maintain their properties in the ordinary course of business without the DIP ABL Facilities and the DIP Term Loan Facility and the DIP ABL Lenders are unwilling to make the DIP ABL Credit Facilities available to the Chapter 11 Debtors unless the Payless Canada Group provide a secured guarantee of all amounts made available in respect of such DIP ABL Credit Facilities.

84. The Chapter 11 Debtors were unable to develop an alternative source of financing with terms better than those of the DIP ABL Facilities and DIP Term Loan Facility. As described in the DIP Motion, the marketing process used to determine the most viable postpetition financing facility included soliciting a wide array of potential lenders. The Chapter 11 Debtors, with the assistance of Guggenheim Securities, LLC, solicited indications of interest from twelve parties including the prepetition lenders, members of an ad hoc group of first lien lenders, and ten other potential third-party lenders. After conducting due diligence, five parties provided preliminary proposals for DIP financing. Based on the Chapter 11 Debtors' immediate liquidity needs, the

constraints posed by Payless's existing capital structure, and time constraints, it was determined that the proposals that became the DIP Facilities were the best viable options to allow the Chapter 11 Debtors to reorganize. Each of the other proposals was not viable for one or more of following reasons: (i) the proposal could not be executed within the Chapter 11 Debtors' timeline; (ii) the proposal did not provide the Chapter 11 Debtors with sufficient liquidity; and/or (iii) the proposal could not be implemented without obtaining significant consents or ensuring meaningful participation from the lenders in the Chapter 11 Debtors' existing capital structure.

85. I believe that the relief requested in the DIP Motion represents the best available option for the Chapter 11 Debtors (including the Payless Canada Group) and will benefit all parties in interest. Without immediate access to the DIP ABL Facilities, the U.S. Chapter 11 Debtors would be unable to operate their business and maintain business relationships with their vendors, suppliers and customers, pay their employees or otherwise finance their operations, and their ability to preserve and maximize the value of their assets and operations would be irreparably harmed. Among other problems, Payless would be unable to improve its distressed supply chain, with the probable result that some suppliers will stop shipping merchandise or severely restrict credit terms – and some suppliers that rely entirely or heavily on Payless's business may be forced out of business.

86. Should the above occur, it would have disastrous effects on the Payless Canada Group. To survive as a going concern, the Payless Canada Group requires the Chapter 11 Debtors in the U.S. to remain as a going concern. The Payless Canada Group depends on its U.S. counterparts to source and obtain high quality, low cost products from Payless's manufacturing partners, and to access Payless's licensing agreements, design partnerships and company-owned brands, and other trademarks and IP (all of which are owned or controlled by U.S. entities outside of the Payless Canada Group). The Payless Canada Group also depends on the U.S. head office for all or nearly

all of its accounting, finance, cash management, logistics, marketing, IT and other back office functions.

87. The DIP ABL Lenders required that the Payless Canada Group's assets be employed as collateral for the indebtedness under the DIP ABL Facilities, even though the Payless Canada Group is not a borrower under the current ABL Credit Facility and its assets are currently unencumbered (except in the limited cases described above). Given that the viability of the Payless Canada Group depends on the viability of Payless, as a whole, the Applicant believes that it is reasonable and appropriate in the circumstances for the Payless Canada Group to agree to the DIP ABL Lenders' requirement in order to "keep the lights on" in Canada and preserve approximately 2100 jobs and avoid significant store closures. The Applicant and the entities in the Payless Canada Group believe that maintaining Payless as a going concern is in the best interest of Payless Canada Group's many stakeholders, including its employees, landlords, merchandise suppliers, and other trade creditors worldwide.

88. The amount actually borrowed by the Chapter 11 Debtors under the DIP ABL Facilities is proposed to be secured by, among other things, a Court-ordered charge on the Payless Canada Group's property (the "**DIP ABL Lender's Charge**") that ranks in priority to all unsecured claims, but is subordinate to the proposed Administration Charge (defined below), a charge in the amount of $1.4 million which will be set aside for the Canadian pre-filing unsecured trade creditors, aside from K&N[2] (the "**Canadian Unsecured Creditors' Charge**"), and to secured creditors with existing perfected security interests.

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[2] As noted above, the Critical Vendors and Shippers Motion seeks authorization to pay pre-petition amounts owing to K&N.

89. The Canadian Unsecured Creditors' Charge would rank in priority to the DIP ABL Lender's Charge, but would be subordinate to the Administration Charge. The effect of the Canadian Unsecured Creditors' Charge would be to ensure that Canadian unsecured creditors will be provided with recovery in these proceedings. The amount of the proposed Canadian Unsecured Creditors' Charge has been determined by the Applicant, in consultation with its financial advisors, as an estimate of the unsecured trade debt of the Payless Canada Group existing as of the date hereof that may be impacted by these proceedings.

H. U.S. Court Hearing

90. On April 5, 2017, the U.S. Court heard and approved the First Day Motions. As part of these motions, the U.S. Court approved the DIP Order providing interim financing in the amount of up to $245 million pending a further hearing on the issue to be scheduled. A copy of the DIP Order is attached as **Exhibit "I"**.

I. Appointment of Information Officer

91. As part of its application, the Applicant is seeking to appoint A&M as the information officer (the "**Information Officer**"). A&M is a certified trustee in bankruptcy in Canada and its principals have acted as an information officer in several previous ancillary proceedings (both under Part IV of the CCAA as well as the former section 18.6 of the CCAA).

92. A&M has consented to acting as Information Officer in this proceeding.

93. Alvarez & Marsal North America, LLC ("**A&M NA**") currently acts as the financial advisor to the Chapter 11 Debtors in the United States. I am aware that the report to be filed by the proposed information officer will provide further details on the legal relationship between A&M and A&M NA.

94. The Chapter 11 Debtors propose to grant the proposed Information Officer and its legal counsel an administration charge with respect to their fees and disbursements in the maximum amount of $500,000 (the "**Administration Charge**"). I am advised by Mr. Marc Wasserman of Osler and believe that the granting of such a charge is common in these circumstances. I believe the amount of the charge to be reasonable in the circumstances, having regard to the size and complexity of these proceedings and the role that will be required of the proposed Information Officer and its legal counsel.

J. Proposed Next Hearing

95. As set out above, Payless Holdings, as the Foreign Representative, is seeking recognition of the above-noted "interim orders" including the DIP Order.

96. Payless Holdings intends to seek a further hearing for recognition of any corresponding "final orders" if and when issued by the U.S. Court and would expect to address any other matters at that time. As noted above, Payless Holdings also intends to seek a further hearing for recognition of the Final DIP Order (as defined in the First Day Declaration) if and when issued by the U.S. Court.

K. Notice

97. This application has been brought on notice to the DIP ABL Lenders and the proposed Information Officer. The major stakeholders of the Chapter 11 Debtors are located in the U.S. and notice will be given to them within the Chapter 11 Cases.

98. It is expected that information regarding these proceedings will be provided to the Payless Canada Group's stakeholders by and through the Information Officer. If the Orders sought are

granted, Payless Holdings proposes that a notice of the recognition orders be published once a week for two consecutive weeks, in the Globe and Mail (National Edition) pursuant to the CCAA.

SWORN BEFORE ME in the State of Kansas, County of Shawnee on April 6, 2017.

Notary Public

My Commission Expires: 12-2-20

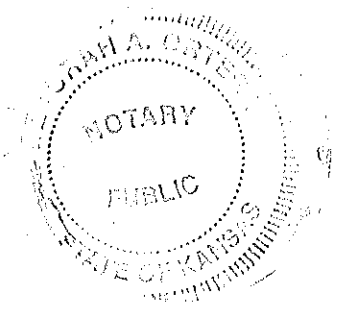
DEBORAH A. ORTEGA NOTARY PUBLIC STATE OF KANSAS

Michael Schwindle

THIS IS EXHIBIT "B" REFERRED TO IN THE AFFIDAVIT OF MICHAEL SCHWINDLE, SWORN BEFORE ME THIS 25th DAY OF JULY, 2017.

State of Kansas)

County of Shawnee)



Notary Public

My Commission Expires: 12/2/20

Court File No.: CV-17-11758-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF PAYLESS HOLDINGS LLC, PAYLESS SHOESOURCE CANADA INC., PAYLESS SHOESOURCE CANADA GP INC. AND THOSE OTHER ENTITIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF PAYLESS HOLDINGS LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AFFIDAVIT OF MICHAEL SCHWINDLE
(Sworn June 19, 2017)

I, Michael Schwindle, of the City of Lawrence, in the State of Kansas, United States of America, MAKE OATH AND SAY:

1. I am the Senior Vice President and Chief Financial Officer of Payless Holdings LLC ("**Payless Holdings**" or the "**Foreign Representative**"), which is the ultimate parent company of 28 affiliated debtors and debtors in possession, including Payless ShoeSource Canada Inc., Payless ShoeSource Canada GP Inc., and Payless ShoeSource Canada LP (the "**Payless Canada Group**"), that have filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code (collectively with Payless Holdings, the "**Chapter 11 Debtors**"). As such, I have personal knowledge of the matters to which I hereinafter depose in this Affidavit. Where I do not possess personal knowledge, I have stated the source of my information and, in all such cases, believe it to be true.

2. I swear this Affidavit in support of the motion by Payless Holdings in its capacity as foreign representative of itself as well as the other Chapter 11 Debtors for an Order recognizing and

enforcing the terms of the Final Orders (as defined below) entered by the United States Bankruptcy Court for the Eastern District of Missouri (the "**U.S. Court**").

3. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in my affidavit, sworn April 6, 2017 in these proceedings (the "**Initial Affidavit**"). All dollar references in this Affidavit are in U.S. dollars unless otherwise specified.

A. Background

4. On April 4, 2017, each of the Chapter 11 Debtors filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code with the U.S. Court (the "**Chapter 11 Proceedings**").

5. The U.S. Debtors also filed several motions with the U.S. Court and, on April 5, 2017, the U.S. Court heard motions (the "**First Day Motions**") for various interim or final orders (the "**First Day Orders**"). The U.S. Court granted certain First Day Orders, a number of which were granted on an interim basis.

6. By Order dated April 7, 2017, Regional Senior Justice Morawetz of the Ontario Superior Court of Justice (the "**Ontario Court**") recognized the Chapter 11 Proceedings as Foreign Main Proceedings and recognized the appointment of the Foreign Representative, and established related stays of proceedings in favour of the Chapter 11 Debtors (the "**Initial Recognition Order**").

7. By Order dated April 12, 2017, Regional Senior Justice Morawetz recognized and enforced the Foreign Representative Order, the Joint Administration Order and certain of the First Day Orders granted by the U.S. Court in the Foreign Main Proceedings, and appointed Alvarez &

Marsal Canada Inc. as the Information Officer in respect of the CCAA Recognition Proceedings (the "**Supplemental Order**").

B. Update on the Chapter 11 Cases

8. Since the Initial Affidavit, the Chapter 11 Debtors have continued to advance their restructuring objectives and have continued to operate in the ordinary course as contemplated in the Chapter 11 Proceedings.

Plan and Disclosure Statement

9. On April 25, 2017, the Chapter 11 Debtors filed the *Debtors' Motion for Entry of an Order (I) Approving the Adequacy of the Disclosure Statement; (II) Fixing Dates and Deadlines Related to Confirmation of the Plan; (III) Approving Certain Procedures for Soliciting and Tabulating the Votes on, and for Objecting to, the Plan; (IV) Approving the Procedures Related to the Rights Offering and Authorizing the Retention of Financial Balloting Group LLC In Connection Therewith; and (V) Approving the Manner and Form of the Various Notices and Documents Relating Thereto* (the "**Disclosure Statement and Plan Solicitation Motion**").

10. The plan of reorganization proposed by the Chapter 11 Debtors (as amended, the "**Plan**") and related disclosure statement (as amended, the "**Disclosure Statement**") were filed on the same date. The Disclosure Statement and Plan Solicitation Motion was adjourned by the US Court on May 29, 2017 until June 14, 2017 at 10:00 a.m. C.S.T. On June 14, 2017, the Disclosure Statement and Plan Solicitation Motion was granted.

11. On June 5, 2017, June 13, 2017, and June 15, 2017, the Chapter 11 Debtors filed amended versions of the Plan and Disclosure Statement.

12. The U.S. Court entered the order approving the Disclosure Statement and setting a schedule for solicitation of votes on, and confirmation of, the Plan on June 15, 2017. Solicitation on votes to accept or reject the Plan will begin on June 21, 2017. The hearing on confirmation of the Chapter 11 Debtors' Plan is set to begin on July 24, 2017.

13. The Plan provides that the claims of the unsecured creditors of Payless Canada Group are unaffected and will be reinstated following the effective date of the Plan. The Plan also preserves all of the Chapter 11 Debtors' defenses in respect of claims of the unsecured creditors of Payless Canada Group.

14. The Plan Motion seeks to establish a procedure and timetable for voting on the Plan. Key aspects of the Plan are discussed in more detail in the First Report of the Information Officer dated June 7, 2017 (the "**First Report**"). The following is the schedule of certain key dates for the approval of the Plan:

Event/Deadline	**Date**
Record Date	June 14, 2017 for all Claims filed before such date, or, for any Claims filed after such date, the Claims Bar Date
Solicitation Deadline	June 21, 2017
Deadline to Publish the Confirmation Hearing Notice	June 21, 2017
Plan Supplement Filing Date	July 10, 2017
Voting Resolution Deadline	July 12, 2017 at 4:00 p.m. (prevailing Central Time)

Event/Deadline	Date
Voting Deadline	July 17, 2017 at 4:00 p.m. (prevailing Central Time)
Plan Objection Deadline	July 17, 2017 at 4:00 p.m. (prevailing Central Time)
Deadline to Reply to Confirmation Objections	July 21, 2017 at 10:00 a.m. (prevailing Central Time)
Deadline to file Voting Report	July 21, 2017 at 10:00 a.m. (prevailing Central Time)
Confirmation Hearing	July 24, 2017 at 10:00 a.m.

Status of the DIP Order

15. On May 15, 2017, the US Court granted the *Final Order (i) Authorizing the Debtors to Obtain Postpetition Financing, (ii) Authorizing the Debtors to use Cash Collateral, (iii) Granting Liens and Providing Superpriority Administrative Expense Status, (iv) Granting Adequate Protection to the Prepetition Lenders, (v) Modifying the Automatic Stay, and (vi) Granting Related Relief* (the "**Final DIP Order**").

16. The Final DIP Order was entered by the U.S. Court on May 17, 2017.

17. The Final DIP Order authorizes the Chapter 11 Debtors to borrow up to $305 million under the DIP ABL Facilities and $80 million under the DIP Term Loan Facility. Detailed descriptions of the DIP ABL Facilities and the DIP Term Loan Facility are contained in the Report of the Proposed Information Officer dated April 7, 2017 and the Initial Affidavit.

18. The Final DIP Order provides that the Foreign Representative may seek recognition of the Final DIP Order from the Ontario Court on such additional terms and conditions related solely to

the property of the Payless Canada Group as the Chapter 11 Debtors may determine are necessary and desirable in respect of the creditors of the Payless Canada Group to obtain the Ontario Court's recognition of the Final DIP Order.

19. As described in the First Report, the Chapter 11 Debtors have entered into a series of extension agreements with the DIP ABL Lenders (the "**Extension Agreements**") extending the milestones under the DIP ABL Agreement by which the foreign representative is required to seek recognition of the Interim DIP Order and the Final DIP Order from the Ontario Court. Until the Final DIP Order is recognized by the Ontario Court, the assets of the Payless Canada Group are not counted toward the borrowing base for the DIP ABL Facilities.

20. Pursuant to a recent amendment to the DIP ABL Facility, the requirement of the Foreign Representative to seek recognition of the Interim DIP Order and Final DIP Order has been reserved. As a result, the Foreign Representative is not seeking recognition by the Ontario Court of the Interim DIP Order or the Final DIP Order as part of its motion for recognition of the Final Orders.

US Claims Bar Order

21. On May 15, 2017, the U.S. Court granted the *Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof* (the "**Claims Bar Order**"). The Claims Bar Order establishes dates by which proofs of claim must be filed against the Chapter 11 Debtors, other than the Payless Canada Group.

22. Pursuant to paragraph 23 of the Claims Bar Order, creditors of the Payless Canada Group are not required to file proofs of claim and are not subject to the General Bar Date or the Governmental Bar Date (as such terms are defined in the Claims Bar Order).

23. Pursuant to paragraph 24 of the Claims Bar Order, entry of the Claims Bar Order is without prejudice to the rights of the Chapter 11 Debtors to seek a further order of U.S. Court fixing a date by which creditors of the Payless Canada Group must file proofs of claim. I understand that a copy of the Claims Bar Order is attached to the affidavit of Michael Shakra, an associate at Osler, Hoskin & Harcourt LLP ("**Shakra Affidavit**").

Other Matters

24. Pursuant to the Extension Agreements, the US-domiciled Chapter 11 Debtors agreed not to sell, transfer or otherwise dispose of any assets to the Payless Canada Group, except inventory if sold on "cash-on-delivery" terms.

25. On or around April 18, 2017 the Chapter 11 Debtors temporarily ceased inventory shipments to the Payless Canada Group as a result of certain complications with converting the Chapter 11 Debtors' intercompany payment mechanisms to cash-on-delivery. The Chapter 11 Debtors subsequently modified their internal systems to allow for cash-on delivery payments and as of May 8, 2017, weekly inventory shipments to Canada have resumed.

26. As a result of the move to cash-on-delivery terms, the Payless Canada Group can no longer rely on the U.S.-domiciled Chapter 11 Debtors for short-term financing or credit on inventory purchasers. While the decision to move to cash-on-delivery terms has had an impact on the overall liquidity position of the Payless Canada Group, at this time, the Payless Canada Group expects to

remain cash flow positive and should have sufficient cash available to continue to replenish inventory as necessary.

C. The Final Orders of the U.S. Court

27. As discussed in greater detail in the Initial Affidavit, the U.S. Debtors filed a number of First Day Motions seeking a variety of interim and final orders in the Foreign Main Proceedings. On April 5, 2017, the U.S. Court held a hearing in respect of the First Day Motions and entered a number of the orders requested on an interim basis.

28. Subsequently, the Chapter 11 Debtors obtained final orders approving the relief granted in the interim orders on a final basis. As discussed in more detail below, the Foreign Representative is seeking recognition of the following final orders issued by the U.S. Court (collectively, the "**Final Orders**"), which may be summarized as follows:

(a) *Final Order (I) Authorizing the Debtors to (A) Honor Certain Prepetition Obligations to Customers and Partners and (B) Continue Certain Customer and Partner Programs in the Ordinary Course of Business and (II) Granting Related Relief* (the "**Final Customer and Partner Order**"): This Order authorizes the Chapter 11 Debtors to honour and continue various customer programs that Payless offers, including but not limited to the following: customer gift card programs; returns, exchanges, and refunds; warranty programs related to Payless' products, merchant credit card agreements, and other similar policies, programs and practices. It is essential that Payless maintain customer loyalty and goodwill by maintaining and honouring these programs.

(b) *Final Order (I) Authorizing The Debtors to (A) Continue Insurance Coverage Entered into Prepetition and Satisfy Prepetition Obligations Related Thereto and (B) Renew, Supplement, or Purchase Insurance Policies, and (II) Granting Related Relief* (the "**Final Insurance Order**"): This Order authorizes the Chapter 11 Debtors to pay certain prepetition amounts owing (policy audit fees, deductible fees and brokerage and insurance administrator fees) on account of the Chapter 11 Debtors' insurance programs, which include a number of insurance programs that cover the Payless Canada Group. The Final Insurance Order also authorizes the Chapter 11 Debtors to continue the Insurance Policies (as defined in the Insurance Motion), and to renew, supplement, modify or purchase Insurance Policies to the extent that the Chapter 11 Debtors determine that such action is in the best interest of their estates.

(c) *Final Order (A) Authorizing the Debtors to Pay Certain Prepetition Claims of (I) Critical Vendors and (II) Carrier, Warehousemen, and Section 503(B)(9) Claimants and (B) Granting Related Relief* (the "**Final Critical Vendors Order**"): This Order relates to critical brokers that provide specific merchandise, and critical carriers and warehousemen that transport and store that merchandise. The Order authorizes the Chapter 11 Debtors to pay certain pre-petition amounts, up to a maximum of $113 million, owed to such critical third parties to avoid jeopardizing the Chapter 11 Debtors' ability to serve their customers going forward.

(d) *Final Order (I) Authorizing the Debtors to (A) Continue Using the Cash Management System and (B) Maintain Existing Bank Accounts and Business Forms; (II) Authorizing Continued Intercompany Transactions; (III) Granting*

Superiority Administrative Expense Status to Post-Petition Intercompany Payments; and (IV) Granting Related Relief (the "**Final Cash Management Order**"): This Order authorizes, among other things, the Chapter 11 Debtors to continue using their cash management system, including the Canada Operations Accounts, and permits ongoing intercompany advances.

(e) *Final Order (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, Other Compensation, and Reimbursable Expenses and (B) Continue Employee Benefits Programs, and (II) Granting Related Relief* (the "**Final Prepetition Wages and Benefits Order**"): This Order authorizes the continuation of the Chapter 11 Debtors' prepetition employee obligations in the ordinary course of business, and permits them to pay and honour certain prepetition claims relating to, among other things, wages, salaries and other compensation. With respect to Canada in particular, the Chapter 11 Debtors are authorized, among other things, to (i) pay all outstanding prepetition amounts on account of unpaid wage and salary obligations for the employees of the Payless Canada Group consistent with past practice, and to continue paying such wage and salary obligations in the ordinary course of business; (ii) pay in a manner consistent with historical practice any unpaid withholding obligations and to continue to honour withholding obligations in the ordinary course of business during the administration of the Chapter 11 Proceedings; (iii) to pay all outstanding prepetition amounts incurred by Payless Canada Group employees on account of reimbursable expenses, and continue to pay such reimbursable expenses on a postpetition basis; and (iv) continue paying obligations under the Canada Store Leader Extreme Rewards Incentive Program

and the Canada Group Leader Incentive Program (as both those terms are defined in the Employee Wages Motion) on a postpetition basis in the ordinary course of business and consistent with their prepetition practices.

(f) *Final Order (I) Authorizing the Debtors to Continue and Renew the Surety Bond Program on an Uninterrupted Basis, and (II) Granting Related Relief* (the "**Final Surety Bond Order**"): In the ordinary course of business, certain third parties require the Chapter 11 Debtors to post surety bonds to secure their payment or performance of obligations, including customs and tax obligations. The Canada Customs and Revenue Agency is one such obligee. The Final Surety Bond Order authorizes the Chapter 11 Debtors to maintain the existing surety bond program, including paying premiums as they come due, and to remit certain prepetition premiums. Failure to maintain or replace the surety bonds may prevent the Chapter 11 Debtors from undertaking essential functions.

(g) *Final Order (I) Authorizing the Payment of Certain Prepetition Taxes and Fees and (II) Granting Related Relief* (the "**Final Prepetition Taxes and Fees Order**"): In the ordinary course of business, the Chapter 11 Debtors collect, withhold, and incur various taxes and fees, and remit them to various federal, state, local and foreign governments, including taxing authorities in Canada. This Order authorizes the Chapter 11 Debtors, among other things, to pay certain taxes and fees accrued or incurred prepetition but not paid prepetition, and to maintain certain tax payments to avoid disruption to business operations.

(h) *Final Order (I) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Utility Services, (II) Determining Adequate Assurance of Payment for Future Utility Service, (III) Establishing Procedures for Determining Adequate Assurance of Payment, and (IV) Granting Related Relief* (the "**Final Utilities Order**"): This Order, among other things, (i) prohibits all Utility Providers from altering, refusing, or discontinuing service on account of any unpaid prepetition charges, the commencement of the Chapter 11 Proceedings, or any perceived inadequacy of the Proposed Adequate Assurance; (ii) authorizes the Chapter 11 Debtors to pay any prepetition or postpetition obligations related to Utility Agent Fees in accordance with their prepetition practices; and (iii) approves certain Adequate Assurance Procedures for future utility services (all capitalized terms not defined here as defined in the Motion for Continuation of Utility Service filed by the Chapter 11 Debtors).

I understand that copies of the Final Orders will be attached as exhibits to the Shakra Affidavit.

29. Except for the Final Utilities Order, the Ontario Court previously recognized and enforced the interim versions of each of the Final Orders in the Supplemental Order. The Payless Canada Group has been addressing a number of inquiries from Canadian utility providers and has determined that recognition of the Final Utilities Order is necessary to allow the Payless Canada Group and the other Chapter 11 Debtors to adopt a coordinated approach to addressing utility matters. Payless Holdings, the Payless Canada Group and the other Chapter 11 Debtors require the recognition of the Final Orders in order to maintain the status quo and protect the assets of the Chapter 11 Debtors, while permitting the Payless Canada Group to continue operating its business as usual in Canada during the Chapter 11 Proceedings.

30. Recognition of the Final Orders by the Ontario Court is necessary for the protection of the Chapter 11 Debtors' property and the interests of their creditors. Accordingly, the Foreign Representative is requesting that the Ontario Court recognize and enforce the Final Orders pursuant to Section 49 of the CCAA.

SWORN BEFORE ME at the City of Topeka, in the State of Kansas, on June 19, 2017.

Deborah A. Ortega

Notary Public

My Commission Expires: 12-2-20

DEBORAH A. ORTEGA NOTARY PUBLIC STATE OF KANSAS

Michael Schwindle

SCHEDULE "A"

LIST OF ADDITIONAL CHAPTER 11 DEBTORS

Payless Holdings LLC
Payless Intermediate Holdings LLC
WBG PSS Holdings LLC
Payless Inc.
Payless Finance, Inc.
Collective Brands Services, Inc.
PSS Delaware Company 4, Inc.
Shoe Sourcing, Inc
Payless ShoeSource, Inc
Eastborough, Inc.
Payless Purchasing Services, Inc.
Payless ShoeSource Merchandising, Inc.
Payless Gold Value CO, Inc.
Payless ShoeSource Distribution, Inc.
Payless ShoeSource LP
Payless ShoeSource Worldwide, Inc.
Payless NYC, Inc.
Payless ShoeSource of Puerto Rico, Inc.
Payless Collective GP, LLC
Collective Licensing, LP
Collective Licensing International LLC
Clinch, LLC
Collective Brands Franchising Services, LLC
Payless International Franchising, LLC
Collective Brands Logistics, Limited
Dynamic Assets Limited
PSS Canada, Inc.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF PAYLESS HOLDINGS LLC, PAYLESS SHOESOURCE CANADA INC., PAYLESS SHOESOURCE CANADA GP INC. AND THOSE OTHER ENTITIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF PAYLESS HOLDINGS LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Applicant

Court File No: CV-17-11758-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF MICHAEL SCHWINDLE
(Sworn June 19, 2017)

OSLER, HOSKIN & HARCOURT LLP
P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Marc Wasserman (LSUC# 44066M)
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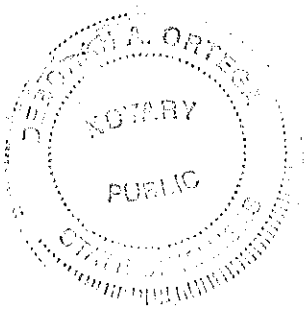
Shawn Irving (LSUC# 50035U)
Tel: 416.862.4733
Email: sirving@osler.com

Lawyers for the Applicant

THIS IS EXHIBIT "C" REFERRED TO IN THE AFFIDAVIT OF MICHAEL SCHWINDLE, SWORN BEFORE ME THIS 25th DAY OF JULY, 2017.

State of Kansas)

County of Shawnee)



Notary Public

My Commission Expires: 12/2/20

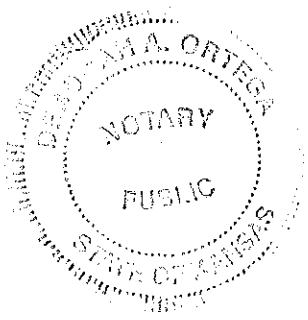
Payless Holdings LLC, et al.
Exhibit A - Tabulation Summary

Class	Class Description	Number Accepting	Percentage of Number Accepting	Amount Accepting	Percentage of Amount Accepting	Number Rejecting	Percentage of Number Rejecting	Amount Rejecting	Percentage of Amount Rejecting	Class Voting Result
3	Prepetition First Lien Credit Agreement Claims (All Debtor Guarantors)	107	100%	$421,988,655.47	100%	0	0%	$0.00	0%	**Accepts**
4	Prepetition Second Lien Credit Agreement Claims (All Debtor Guarantors)	29	100%	$74,966,505.50	100%	0	0%	$0.00	0%	**Accepts**
5A-1	Other General Unsecured Claims (Payless Holdings LLC)	152	94.41%	$21,144,639.33	99.70%	9	5.59%	$63,909.67	0.30%	**Accepts**
5A-2	Other General Unsecured Claims (Payless Intermediate Holdings LLC)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-3	Other General Unsecured Claims (WBG-PSS Holdings LLC)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-4	Other General Unsecured Claims (Payless Inc.)	126	100%	$35,077,149.84	100%	0	0%	$0.00	0%	**Accepts**
5A-5	Other General Unsecured Claims (Payless Finance, Inc.)	4	100%	$4,318,763.55	100%	0	0%	$0.00	0%	**Accepts**
5A-6	Other General Unsecured Claims (Collective Brands Services, Inc.)	4	100%	$4,510,222.55	100%	0	0%	$0.00	0%	**Accepts**
5A-7	Other General Unsecured Claims (PSS Delaware Company 4, Inc.)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-8	Other General Unsecured Claims (Shoe Sourcing, Inc.)	5	100%	$4,321,661.84	100%	0	0%	$0.00	0%	**Accepts**
5A-9	Other General Unsecured Claims (Payless ShoeSource, Inc.)	413	95.16%	$46,531,083.69	99.72%	21	4.84%	$129,369.75	0.28%	**Accepts**
5A-10	Other General Unsecured Claims (Eastborough, Inc.)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-11	Other General Unsecured Claims (Payless Purchasing Services, Inc.)	12	100%	$4,490,052.03	100%	0	0%	$0.00	0%	**Accepts**
5A-12	Other General Unsecured Claims (Payless ShoeSource Merchandising, Inc.)	13	100%	$4,318,853.49	100%	0	0%	$0.00	0%	**Accepts**
5A-13	Other General Unsecured Claims (Payless Gold Value CO, Inc.)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-14	Other General Unsecured Claims (Payless ShoeSource Distribution, Inc.)	11	91.67%	$4,357,266.23	99.48%	1	8.33%	$22,701.23	0.52%	**Accepts**
5A-15	Other General Unsecured Claims (Payless NYC, Inc.)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-16	Other General Unsecured Claims (Payless ShoeSource of Puerto Rico, Inc.)	7	100%	$4,372,913.60	100%	0	0%	$0.00	0%	**Accepts**
5A-17	Other General Unsecured Claims (Payless Collective GP, LLC)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-18	Other General Unsecured Claims (Collective Licensing, LP)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-19	Other General Unsecured Claims (Collective Licensing International, LLC)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-20	Other General Unsecured Claims (Clinch, LLC)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-21	Other General Unsecured Claims (Collective Brands Franchising Services, LLC)	4	100%	$4,324,282.55	100%	0	0%	$0.00	0%	**Accepts**
5A-22	Other General Unsecured Claims (Payless International Franchising, LLC)	3	100%	$4,318,762.55	100%	0	0%	$0.00	0%	**Accepts**
5A-23	Other General Unsecured Claims (Collective Brands Logistics, Limited)	6	85.71%	$5,406,679.39	93.12%	1	14.29%	$399,757.78	6.88%	**Accepts**
5A-24	Other General Unsecured Claims (Dynamic Assets Limited)	23	92.00%	$8,698,451.95	98.13%	2	8.00%	$166,074.24	1.87%	**Accepts**
5A-25	Other General Unsecured Claims (PSS Canada, Inc.)	4	100%	$4,334,685.01	100%	0	0%	$0.00	0%	**Accepts**
5B	Worldwide General Unsecured Claims	94	92.16%	$73,021,316.86	93.53%	8	7.84%	$5,053,987.86	6.47%	**Accepts**

THIS IS EXHIBIT "D" REFERRED TO IN THE AFFIDAVIT OF MICHAEL SCHWINDLE, SWORN BEFORE ME THIS 25th DAY OF JULY, 2017.

State of Kansas)

County of Shawnee)



Notary Public

My Commission Expires: 12/2/20

July 13, 2017

Payless Inc.
3231 Se 6th Ave
Topeka, KS 66607

$260,000,000 Senior Secured Exit Facility

Ladies and Gentlemen:

Whereas Payless Inc. ("***you***" or the "***Lead Borrower***") and certain of your affiliates commenced cases under Chapter 11 of the Bankruptcy Court, 11 U.S.C. 101 et seq. (the "***Bankruptcy Code***"), on April 4, 2017 case number 17-42267 (the "***Chapter 11 Case***") with the United States Bankruptcy Court for the Eastern District of Missouri (the "***Bankruptcy Court***"), and we understand that you are seeking exit financing in connection with a proposed plan of reorganization (the "***Chapter 11 Plan***").

Wells Fargo Bank, National Association ("***Wells Fargo***") is pleased to offer to be the sole administrative agent and sole collateral agent (in such capacities, the "***Agent***") for a $260,000,000 senior secured exit facility ("***Exit Facility***") to the Lead Borrower, consisting of a $250,000,000 senior secured revolving facility (the "***Revolver***"), and a $10,000,000 senior secured first-in, last out term loan facility (the "***FILO***"). Wells Fargo is pleased to offer its commitment to lend $172,500,000 of the Exit Facility (comprised of $162,500,000 of the Revolver and $10,000,000 of the FILO), Bank of America, N.A. ("***BoA***") is pleased to offer its commitment to lend $62,500,000 of the Revolver, and CIT Bank, N.A. ("***CIT***" and together with Wells Fargo and BoA, collectively, the "***Commitment Parties***", "***we***" or "***us***", and each, individually, a "***Commitment Party***") is pleased to offer its commitment to lend $25,000,000 of the Revolver, in all cases, upon and subject to the terms and conditions set forth in this letter (this "***Commitment Letter***"), in the Summary of Terms and Conditions attached as Exhibit A hereto and incorporated herein by this reference (the "***Summary of Terms***"), and in the fee letter among the Lead Borrower and Wells Fargo of even date herewith (the "***Fee Letter***"), and such other terms and conditions as mutually agreed.

Wells Fargo will act as sole Agent for the Exit Facility. Wells Fargo Bank, National Association and Merrill Lynch, Pierce, Fenner & Smith Incorporated will act as joint lead arrangers and joint bookrunners. No additional agents, co-agents or arrangers will be appointed and no other titles will be awarded without Wells Fargo's prior written approval after consultation with you.

The commitments of the Commitment Parties (and any of their affiliates) to extend credit hereunder and any undertaking of the Commitment Parties to provide the services described herein are subject solely to the satisfaction or waiver of each of the following conditions precedent (a) the accuracy and completeness in all material respects of all representations made by you and your affiliates in the definitive documentation for the Exit Facility consistent with the Summary of Terms and otherwise reasonably satisfactory to Wells Fargo; (b) the payment of the fees required by the Fee Letter that are due and payable; and (c) the other conditions set forth under the "Conditions Precedent to Closing" and "Conditions Precedent to All Extensions of Credit" headings in the Summary of Terms.

Wells Fargo intends to commence syndication of the Exit Facility to a group of banks, financial institutions and other institutional investors reasonably acceptable to Wells Fargo, in consultation with you, promptly upon your acceptance of this Commitment Letter and the Fee Letter. You agree to actively assist Wells Fargo in achieving a syndication of the Exit Facility that is satisfactory to Wells Fargo and you. Such assistance shall include your (a) providing and causing your advisors to provide Wells Fargo,

the other Commitment Parties and the other Lenders upon request with all information customarily provided for syndication of similar debt facilities and reasonably deemed necessary by Wells Fargo to complete syndication, including, but not limited to, information and evaluations prepared by you and your advisors, or on your behalf, relating to the transactions contemplated hereby (including the Projections (as hereinafter defined), the "***Information***"); provided for the avoidance of doubt, you will not be required to provide any information to the extent that the provision thereof would violate any law, rule or regulation, or any obligation of confidentiality binding upon, or waive any attorney client privilege of you or any of your subsidiaries or affiliates, (b) assisting in the preparation of information memoranda and other customary marketing materials to be used in connection with the syndication of the Exit Facility (collectively with the Summary of Terms, the "***Information Materials***"), (c) using your commercially reasonable efforts to ensure that the syndication efforts of Wells Fargo benefit materially from your existing banking relationships, (d) using your commercially reasonable efforts to permit the Agent to obtain a net orderly liquidation appraisal of the inventory and a collateral audit and field examination, (e) your ensuring that there is no competing offering, placement, arrangement or issuance of indebtedness for borrowed money or debt securities by or on behalf of the Lead Borrower or its subsidiaries (other than (i) the Exit Facility, (ii) indebtedness with respect to one or more term loan exit facilities, in such amounts as set forth in clause (xiii) in "Conditions Precedent to Closing" in the Summary of Terms and which shall be upon usual and customary market terms for financing of such type (collectively, the "***Term Loan Facilities***"), and (iii) any indebtedness in the ordinary course of business) except as agreed by Wells Fargo, in each case that could reasonably be expected to materially impair the primary syndication of the Exit Facility (it being understood that any indebtedness constituting ordinary course capital leases, foreign working capital financing in the ordinary course, purchase money and equipment financings and letters of credit will not materially impair the primary syndication of the Exit Facility for purposes of this clause (e)) and (f) otherwise assisting Wells Fargo in its syndication efforts, including by making your officers and advisors available from time to time to attend and make presentations regarding the business and prospects of the Lead Borrower and its subsidiaries, as appropriate, at one or more meetings of prospective Lenders.

It is understood and agreed that Wells Fargo will manage and control all aspects of the syndication in consultation with you, including decisions as to the selection of prospective Lenders and any titles offered to proposed Lenders, when commitments will be accepted and the final allocations of the commitments among the Lenders. It is understood that no Lender participating in the Exit Facility will receive compensation from you in order to obtain its commitment, except on the terms contained herein, in the Fee Letter and in the Summary of Terms. It is also understood and agreed that the amount and distribution of the fees among the Lenders will be at the sole and absolute discretion of Wells Fargo.

Notwithstanding Wells Fargo's right to syndicate the Exit Facility and receive commitments with respect thereto, Wells Fargo will not be relieved of all or any portion of its commitments hereunder prior to the initial funding under the Exit Facility.

You represent and warrant that (a) all financial projections, estimates, budgets and other forward looking information concerning Lead Borrower and its subsidiaries and certain affiliates that have been or are hereafter made available to Wells Fargo, the other Commitment Parties or the Lenders by you or any of your representatives (or on your or their behalf) (the "***Projections***") have been or will be prepared in good faith based upon assumptions believed by the Borrowers to be reasonable at the time delivered (it being understood and agreed that such Projections are as to future events and are not to be viewed as facts, are subject to uncertainties and contingencies, many of which are out of the Borrowers' control, that no assurance can be given that any particular projections will be realized and that actual results during the period or periods covered by any Projections may differ materially from the projected results, and no assurance can be given that the Projections will be realized), and (b) all Information, other than Projections and information of a general economic or industry specific nature, which has been or is

hereafter made available to Wells Fargo, the other Commitment Parties or the Lenders by you or any of your representatives (or on your or their behalf) in connection with any aspect of the transactions contemplated hereby, as and when furnished, is and will be complete and correct in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading in light of the circumstances under which such statements are made (and giving effect to all supplements thereto). You agree to furnish us with further and supplemental information from time to time until the date of the initial borrowing under the Exit Facility (the "***Closing Date***") so that the representation and warranty in the immediately preceding sentence are complete and correct in all material respects on the Closing Date as if the Information were being furnished, and such representation, warranty and covenant were being made, on such date; provided that any such supplementation shall cure any breach of such representations. In issuing this commitment and in arranging and syndicating the Exit Facility, Wells Fargo is and will be using and relying on the Information without independent verification thereof.

You acknowledge that (a) Wells Fargo will make available Information Materials to the proposed syndicate of Lenders on your behalf by posting the Information Materials on IntraLinks or another similar electronic system and (b) certain prospective Lenders (such Lenders, "***Public Lenders***"; all other Lenders, "***Private Lenders"***) may have personnel that do not wish to receive material non-public information (within the meaning of the United States federal securities laws, ***"MNPI"***) with respect to you or your 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 entities' securities. If requested, you will assist us in preparing an additional version of the Information Materials not containing MNPI (the "***Public Information Materials***") to be distributed to prospective Public Lenders.

Before distribution of any Information Materials (a) to prospective Private Lenders, you shall provide us with a customary letter authorizing the dissemination of the Information Materials and (b) to prospective Public Lenders, you shall provide us with a customary letter authorizing the dissemination of the Public Information Materials and confirming the absence of MNPI therefrom. In addition, at our request, you shall identify Public Information Materials by clearly and conspicuously marking the same as "PUBLIC".

You agree that Wells Fargo may distribute the following documents on your behalf to all prospective Lenders, unless you advise Wells Fargo in writing (including by email) within a reasonable time prior to their intended distributions that such material should only be distributed to prospective Private Lenders: (a) administrative materials for prospective Lenders such as lender meeting invitations and funding and closing memoranda, (b) notifications of changes to Exit Facility's terms and (c) other materials intended for prospective Lenders after the initial distribution of the Information Materials, including drafts and final versions of definitive documents with respect to the Exit Facility. If you advise us that any of the foregoing items should be distributed only to Private Lenders, then Wells Fargo will not distribute such materials to Public Lenders without further discussions with you. You agree (whether or not any Information Materials are marked "PUBLIC") that Information Materials made available to prospective Public Lenders in accordance with this Commitment Letter shall not contain MNPI.

By executing this Commitment Letter, you agree, whether or not the Exit Facility closes, to reimburse Wells Fargo from time to time on demand for all reasonable and documented out-of-pocket fees, costs, and expenses (including, and limited in the case of counsel to, (a) the reasonable fees, disbursements and other charges of Choate, Hall & Stewart LLP, as counsel to the Agent, and of one specialty counsel and one local counsel to the Lenders in each material relevant jurisdiction retained by the Agent and which shall include reasonable and documented allocated costs of in-house counsel, and (b) due diligence costs and expenses) incurred in connection with the Exit Facility (including, without limitation, this Commitment Letter), the syndication thereof, the preparation, negotiation, and approval of the definitive documentation therefor, and the other transactions contemplated hereby. You also agree to jointly and

severally pay all reasonable and documented out-of-pocket costs and expenses of the Agent (including, and limited in the case of counsel to, reasonable and documented out-of-pocket fees and disbursements of one primary counsel, and one specialty counsel and one local counsel to the Lenders in each material relevant jurisdiction and which shall include reasonable and documented allocated costs of in-house counsel) incurred in connection with the enforcement of any of its rights and remedies hereunder. For the avoidance of doubt, the Borrowers shall remain fully liable for all obligations under this Commitment Letter, even if the Bankruptcy Court does not authorize the Borrowers to enter into the Commitment Letter or the Exit Facility.

You agree to indemnify and hold harmless Wells Fargo, each Commitment Party and each Lender and each of their respective affiliates and their respective officers, directors, employees, agents, advisors and other representatives (each, an "***Indemnified Party***") from and against (and will reimburse each Indemnified Party as the same are incurred for) any and all claims, damages, losses, liabilities and expenses (including, and limited in the case of counsel to, reasonable and documented out-of-pocket fees and disbursements of one primary counsel, and one specialty counsel and one local counsel to the Lenders in each material relevant jurisdiction and which shall include reasonable and documented allocated costs of in-house counsel) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (including, without limitation, in connection with any investigation, litigation or proceeding or preparation of a defense in connection therewith) (a) any matters contemplated by this Commitment Letter or any related transaction or (b) the Exit Facility and any other financings, or any use made or proposed to be made with the proceeds thereof except to the extent such claim, damage, loss, liability or expense is found in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct or from such Indemnified Party's breach in bad faith of its obligations under this Commitment Letter. In the case of an investigation, litigation or proceeding to which the indemnity in this paragraph applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by you, your equityholders or creditors or an Indemnified Party, whether or not an Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated. You also agree that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to you or your subsidiaries or affiliates or to your or their respective equity holders or creditors arising out of, related to or in connection with any aspect of the transactions contemplated hereby, except to the extent of direct, as opposed to special, indirect, consequential or punitive, damages determined in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct or from such Indemnified Party's breach in bad faith of its obligations under this Commitment Letter. Notwithstanding any other provision of this Commitment Letter, no Indemnified Party shall be liable for any damages arising from the use by others of information or other materials obtained through electronic telecommunications or other information transmission systems, other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnified Party as determined by a final and nonappealable judgment of a court of competent jurisdiction or from such Indemnified Party's breach in bad faith of its obligations under this Commitment Letter.

This Commitment Letter and the Fee Letter and the contents hereof and thereof are confidential and may not be disclosed in whole or in part to any person or entity without the prior written consent of the Commitment Parties, except for disclosure hereof or thereof (a) to your parent company and its subsidiaries, any prospective investors and to your and their respective directors, officers, employees, affiliates, members, partners, stockholders, attorneys, accountants, independent auditors, agents and other advisors on a confidential basis, (b) as otherwise required by law, (c) to enforce rights hereunder, or (d) to any committees or groups of secured or unsecured creditors (including the steering group of lenders under the Lead Borrower's prepetition term loan credit agreement) and their representatives and advisors; provided, however, that it is understood and agreed that after your acceptance of this Commitment Letter,

(i) you may disclose this Commitment Letter (including the Summary of Terms) and the contents hereof and thereof (but not the fees provided for therein) in filings with the Bankruptcy Court in the Chapter 11 Case and to parties in interest in such Chapter 11 Case, (ii) you may make a generic disclosure regarding aggregate fees and expenses (but without disclosing any specific fees) payable in connection with the Exit Facility, and (iii) you may disclose the existence of the Commitment Letter (and the commitments hereunder).

Each Commitment Party agrees that, until one (1) year from the date hereof, this Commitment Letter and the Fee Letter and the contents hereof and thereof are confidential and shall use such letters and all confidential information provided to it by or on behalf of you hereunder solely for the purpose of providing the services which are the subject of this letter and shall treat confidentially all such information; provided, however, that nothing herein shall prevent any Commitment Party from disclosing any such information (i) with your consent, (ii) pursuant to the order of any court or administrative agency or in any pending legal or administrative proceeding, or otherwise as required by applicable law or compulsory legal process (in which case such Commitment Party agrees to inform you promptly thereof prior to such disclosure to the extent not prohibited by law, rule or regulation), (iii) upon the request or demand of any regulatory authority having jurisdiction over any Commitment Party or any of its affiliates, (iv) to the extent that such information becomes publicly available other than by reason of disclosure in violation of this agreement by any Commitment Party, (v) to any Commitment Party's affiliates, and its and such affiliates' respective employees, directors, officers, legal counsel, independent auditors, professionals, advisors and other experts or agents who need to know such information in connection with the transactions contemplated hereunder and are informed of the confidential nature of such information, (vi) for purposes of establishing a "due diligence" defense, (vii) to the extent that such information is or was received by any Commitment Party from a third party that is not to such Commitment Party's knowledge subject to confidentiality obligations to you, (viii) to the extent that such information is independently developed by any Commitment Party, (ix) to potential Lenders, participants assignees or potential counterparties to any swap or derivative transaction relating to the Borrowers or any of their subsidiaries, in each case, who agree to be bound by the terms of this paragraph (or language substantially similar to this paragraph or as otherwise reasonably acceptable to you and any Commitment Party), or (x) in enforcing its rights with respect to this Commitment Letter or the Fee Letter.

You acknowledge that the Commitment Parties or their respective affiliates may be providing financing or other services to parties whose interests may conflict with your interest. Each Commitment Party agrees that it will not furnish confidential information obtained from you to any of its other customers and that it will treat confidential information relating to you and your affiliates with the same degree of care as its treats its own confidential information. Each Commitment Party further advises you that it will not make available to you confidential information that it has obtained or may obtain from any other customer. In connection with the services and transactions contemplated hereby, you agree that each Commitment Party is permitted to access, use and share with any of its bank or non-bank affiliates, agents, advisors (legal or otherwise) or representatives any information concerning you or any of your affiliates that is or may come into the possession of such Commitment Party or any of its affiliates.

In connection with all aspects of each transaction contemplated by this Commitment Letter, you acknowledge and agree, and acknowledge your affiliates' understanding, that: (a) (i) the arranging and other services described herein regarding the Exit Facility are arm's-length commercial transactions between you and your affiliates and the Commitment Parties, (ii) you have each consulted your own legal, accounting, regulatory and tax advisors to the extent you have deemed appropriate, and (iii) you are capable of evaluating, and understand and accept, the terms, risks and conditions of the transaction contemplated hereby; (b) (i) each Commitment Party has been, is, and will be acting solely as a principal and, except as otherwise 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 you any of your affiliates or any other person or entity

and (ii) no Commitment Party has any obligation to you or your affiliates with respect to the transaction contemplated hereby except those obligations expressly set forth herein; and (c) each Commitment Party and its respective affiliates may be engaged in a broad range of transactions that involve interests that differ from yours and those of your affiliates, and no Commitment Party has any obligation to disclose any of such interests to you or your affiliates. To the fullest extent permitted by law, you hereby waive and release any claims that you may have against any Commitment Party with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated by this Commitment Letter.

The provisions of the immediately preceding five paragraphs shall remain in full force and effect regardless of whether any definitive documentation for the Exit Facility shall be executed and delivered, and notwithstanding the termination of this Commitment Letter or any commitment or undertaking of the Commitment Parties hereunder.

This Commitment Letter and the Fee Letter may be executed in counterparts which, taken together, shall constitute an original. Delivery of an executed counterpart of this Commitment Letter or the Fee Letter by telecopier, facsimile or .pdf shall be effective as delivery of a manually executed counterpart thereof.

This Commitment Letter (including the Summary of Terms) and the Fee Letter shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to conflicts of law principles thereof, but including Section 5-1401 of the New York General Obligations Law. Each of you and the Commitment Parties hereby irrevocably waives any and all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Commitment Letter (including the Summary of Terms), the Fee Letter, the transactions contemplated hereby and thereby or the actions of the Commitment Parties in the negotiation, performance or enforcement hereof.

This Commitment Letter (including the Summary of Terms) and the Fee Letter embody the entire agreement and understanding among the Commitment Parties and you and your affiliates with respect to the Exit Facility and supersedes all prior agreements and understandings relating to the specific matters hereof. However, please note that the terms (other than the conditions) of the commitments of the Commitment Parties and the undertaking of the Commitment Parties hereunder are not limited to those set forth herein or in the Summary of Terms. Those matters that are not covered or made clear herein or in the Summary of Terms or the Fee Letter are subject to mutual agreement of the parties. No party has been authorized by any Commitment Party to make any oral or written statements that are inconsistent with this Commitment Letter. Other than as set forth in this paragraph, this Commitment Letter is not assignable by any party hereto without the prior written consent of the other parties hereto (and any purported assignment without such consent shall be null and void) and is intended to be solely for the benefit of the parties hereto and the Indemnified Parties. Each of the Commitment Parties may assign their respective commitments hereunder (subject to the provisions set forth in this Commitment Letter) to one or more prospective Lenders, provided that such Commitment Party shall not be released from the portion of its commitment hereunder so assigned to the extent such assignee fails to fund the portion of the commitment assigned to it on the Closing Date notwithstanding the satisfaction of the conditions to such funding set forth herein. Unless you otherwise agree in writing, the Commitment Parties shall retain exclusive control over all rights and obligations with respect to their respective commitments in respect of the Exit Facility, including all rights with respect to consents, modifications, supplements, waivers and amendments, until the Closing Date has occurred. Each of the parties hereto agrees that this Commitment Letter is a binding and enforceable agreement with respect to the subject matter contained herein, including an agreement to negotiate in good faith the Exit Facility by the parties hereto in a manner consistent with this Commitment Letter, it being acknowledged and agreed that the commitments

provided hereunder are subject to conditions precedent as provided in Exhibit A under the heading "CONDITIONS PRECEDENT TO CLOSING".

Each Commitment Party hereby notifies you that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "***PATRIOT Act***"), it may be required to obtain, verify and record information that identifies the Borrowers and Guarantors (as defined in the Summary of Terms), which information includes the name, address, tax identification number and other information regarding the Borrowers and Guarantors that will allow each Commitment Party to identify the Borrowers and Guarantors in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act. You shall provide each Commitment Party, prior to the Closing Date (as defined in the Summary of Terms), with all documentation and other information required by bank regulatory authorities under "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act.

This Commitment Letter and all commitments and undertakings of the Commitment Parties hereunder will expire at 5:00 p.m. (eastern time) on July 13, 2017 unless you execute this Commitment Letter and the Fee Letter and return them to us prior to that time (which may be by electronic transmission), whereupon this Commitment Letter (including the Summary of Terms) and the Fee Letter (each of which may be signed in one or more counterparts) shall become binding agreements. Thereafter, all commitments and undertakings of the Commitment Parties hereunder will expire on September 9, 2017, unless definitive documentation for the Exit Facility is executed and delivered prior to such date.

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We are pleased to have the opportunity to work with you in connection with this important financing.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: Joseph Burt
Title: Director

BANK OF AMERICA, N.A.

By: _____
Name:
Title:

CIT FINANCE, LLC

By: _____
Name:
Title:

We are pleased to have the opportunity to work with you in connection with this important financing.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name:
Title:

BANK OF AMERICA, N.A.

By: _____
Name: Brian Lindblom
Title: Director

CIT FINANCE, LLC

By: _____
Name:
Title:

We are pleased to have the opportunity to work with you in connection with this important financing.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name:
Title:

BANK OF AMERICA, N.A.

By: _____
Name:
Title:

CIT BANK, N.A.

By: _____
Name: Christopher J. Esposito
Title: Managing Director

ACCEPTED AND AGREED TO
AS OF THE DATE FIRST ABOVE WRITTEN:

PAYLESS INC.,
a Delaware corporation

By: _____
Name: W. Paul Jones
Title: Chief Executive Officer and President

EXHIBIT A

PAYLESS INC.
SUMMARY OF TERMS AND CONDITIONS
FOR A $260,000,000 SENIOR SECURED CREDIT FACILITY

July 13, 2017

BORROWERS:	Payless Inc. ("***Lead Borrower***") and certain of its domestic subsidiaries to be mutually agreed (the "***Borrowers***"). The Borrowers shall be jointly and severally liable for all obligations.
GUARANTORS:	(A) WBG – PSS HOLDINGS LLC ("***Parent***"), (B) each future direct and indirect domestic subsidiary of Parent (other than (i) a subsidiary that has no material assets other than capital stock and/or indebtedness of one or more CFCs (as defined below) or (ii) a subsidiary of a CFC), (C) each existing and future direct and indirect Canadian (other than Lifestyle Brands Corporation), and Puerto Rican subsidiary of the Borrowers, and (D) to the extent (i) such subsidiary is not a "controlled foreign corporation" ("***CFC***") within the meaning of Section 957 of the Internal Revenue Code of 1986, as amended or a subsidiary thereof and (ii) no material adverse tax consequences would result in the good faith judgment of the Lead Borrower, any other foreign subsidiary of the Borrowers (other than, in each case set forth above, certain existing and future immaterial subsidiaries to be agreed upon in the definitive documentation for the Exit Facility) (collectively, the "***Guarantors***"; together with the Borrowers, the "***Loan Parties***"); provided, that, at the election of the Lead Borrower (so long as at the time of such election (x) no default or event of default exists or would arise therefrom, (y) Excess Availability immediately following such release and as projected by the Lead Borrower on a pro forma basis for the twelve (12) months following and giving effect to such release will be at least twenty-five (25%) percent of the Combined Borrowing Base, and (z) the subsidiaries that are the subject of such release shall be released under the exit term loan facilities substantially contemporaneously with the release under the Exit Facility), any of the Canadian and Puerto Rican subsidiaries may be released from all of its obligations under the definitive documentation , in which case all assets of such subsidiary shall cease to be Collateral and no assets of such released subsidiary shall be included in the calculation of the Borrowing Base. All guarantees will be guarantees of payment and not of collection. The Guarantors shall be jointly and severally liable for all guaranteed obligations.
ADMINISTRATIVE AGENT:	Wells Fargo Bank, National Association (the "***Administrative Agent***").
COLLATERAL AGENT:	Wells Fargo Bank, National Association (the "***Collateral Agent***" and together with the Administrative Agent, the "***Agent***").
JOINT LEAD ARRANGERS	Wells Fargo Bank, National Association ("***Wells Fargo***") and Merrill

AND JOINT BOOKRUNNERS:	Lynch, Pierce, Fenner & Smith Incorporated will act as joint lead arrangers and joint bookrunners
LENDERS:	(i) Wells Fargo and a syndicate of financial institutions reasonably acceptable to the Administrative Agent after consultation with the Borrowers (a) who become lenders under the FILO Loan (defined below) (the "***FILO Lenders***") and (b) who become revolving lenders providing the Revolving Loans (as defined below) (the "***Revolving Lenders***", and together with the FILO Lenders, the "***Lenders***").
ISSUING BANK:	Wells Fargo
SENIOR REVOLVING EXIT FACILITY:	A $260,000,000 senior secured exit credit facility (as the same may be increased as provided herein, the "***Exit Facility***"), consisting of: (i) a $250,000,000 senior secured revolving exit credit facility (as such amount may be increased or decreased in accordance with the terms therein, the commitments thereunder, the "***Revolving Commitments***" and the loans thereunder, the "***Revolving Loans***"), which will include: (A) a $50,000,000 sublimit for the issuance of standby and documentary letters of credit (each a "***Letter of Credit***"); and (B) and a $25,000,000 sublimit for swingline loans (each a "***Swing Line Loan***"); and (ii) a $10,000,000 senior exit first in, last out term loan (the "***FILO Loan***", and together with the Revolving Loans, the "***Loans***").
PRE-PETITION CREDIT FACILITY:	The pre-petition credit facility (the "***Pre-Petition Credit Facility***") consisting of a $300,000,000 senior secured revolving credit facility and evidenced by that certain Credit Agreement (as amended and in effect, the "***Pre-Petition Credit Agreement***") dated as of October 9, 2012, by, among others, certain of the Loan Parties, the Lenders party thereto, and the Agent.
DEBTOR-IN-POSSESSION CREDIT FACILITY:	The DIP credit facility (the "***DIP Credit Facility***" and, collectively with the Pre-Petition Credit Facility, the "***Existing Credit Facilities***") consisting of a $305,000,000 senior secured superpriority revolving credit facility and evidenced by that certain Debtor-In-Possession Credit Agreement (as amended and in effect, the "***DIP Credit Agreement***" and, collectively with the Pre-Petition Credit Agreement, the "***Existing Credit Agreements***") dated as of April 5, 2017, by, among others, certain of the Loan Parties, the Lenders party thereto, and the Agent.
DOCUMENTATION PRINCIPLES:	For purposes of this Summary of Terms and Conditions, any references herein to provisions, terms or conditions of the Exit Facility being "*substantially consistent with*" or "*similar to*" to the Pre-Petition Credit Agreement (or words of similar effect), shall be deemed to mean usual and customary provisions, terms or conditions for transactions of this kind, reflecting terms substantially consistent with the Pre-Petition

Credit Agreement modified (i) to reflect the commencement of the Chapter 11 Cases and the emergence purposes of the Exit Facility, (ii) to reflect additions and modifications to address the Canadian Loan Parties and their assets, operations, and liabilities, and (iii) to include other mutually agreed upon changes.

UNCOMMITTED INCREASE OPTION: Provided that there is no default or event of default then existing or that would arise therefrom, the Borrowers, at their option, may request that the Revolving Commitments be increased by an aggregate principal amount not to exceed $50,000,000. Any or all of the existing Lenders shall initially have a right of first refusal (but not the obligation) to increase their respective commitments to satisfy the Borrowers' requested increase of the Revolving Commitments. If the Lenders are unwilling to increase their commitments by an amount equal to the requested increase, the Agent, in consultation with the Borrowers, will use its reasonable efforts to obtain one or more financial institutions which are not then Lenders (which financial institutions may be suggested by the Borrowers) to become party to the loan documentation and to provide a commitment to the extent necessary to satisfy the Borrowers' requested increase in the Revolving Commitments, provided that any such additional lender(s) shall be reasonably satisfactory to the Agent and the Borrowers.

PURPOSE: The proceeds of the Exit Facility shall be used to pay the outstanding amount of the Existing Credit Facilities in full, to finance certain payments due under the Chapter 11 Plan, and for working capital, capital expenditures, and other lawful corporate purposes.

CLOSING DATE: The execution of definitive loan documentation and satisfaction or waiver of all conditions precedent to closing, to occur on or before September 9, 2017 (the "***Closing Date***").

INTEREST RATES: As set forth in Addendum I.

MATURITY: The Exit Facility shall terminate and all amounts outstanding thereunder shall be due and payable in full the earlier of: (a) five (5) years after the Closing Date, and (b) three (3) months prior to the maturity of the term loan exit facilities.

AVAILABILITY: Revolving Loans and Letters of Credit (subject to the Letter of Credit sublimit set forth above) under the Exit Facility may be made to the Borrowers on a revolving basis up to the lesser of (i) Revolving Commitments and (ii) the Borrowing Base (the lesser of (i) and (ii) being hereafter referred to as the "***Revolving Loan Cap***").

The "***Borrowing Base***" shall be equal to the sum, at the time of calculation of (a) 90% of the face amount of eligible credit card receivables of the Loan Parties; plus (b) 90% of the appraised net orderly liquidation value of eligible inventory (including eligible in-transit inventory) of the Loan Parties, net of inventory reserves; plus (c) the lesser of (x) $10,000,000; and (y) 50% of the appraised fair market

value of eligible owned real estate of the Loan Parties, minus (d) the FILO Reserve, minus (e) other reserves established by the Agent in its permitted discretion.

> As used herein, "***FILO Reserve***" shall mean an amount, at any time of calculation, equal to the excess of the then outstanding amount of the FILO Loan over the FILO Borrowing Base as reflected in the most recent Borrowing Base certificate furnished by the Borrowers.

The "***FILO Borrowing Base***" shall mean (a) 5% of the face amount of eligible credit card receivables of the Loan Parties; plus (b) 5% of the appraised net orderly liquidation value of eligible inventory (excluding in-transit inventory) of the Loan Parties, net of inventory reserves.

The "***Combined Borrowing Base***" shall mean the sum of the Borrowing Base plus FILO Borrowing Base.

The definitions of "Eligible Inventory," "Eligible Credit Card Receivables", and "Eligible Real Estate" shall be substantially the same as those definitions set forth in the Pre-Petition Credit Agreement.

The Agent shall be entitled to establish and/or modify reserves, as well as to modify eligibility standards and establish and modify reserves against Borrowing Base and FILO Borrowing Base availability, in each case, substantially consistent with the DIP Credit Agreement.

Assets owned by the Canadian Loan Parties and Puerto Rican Loan Parties will be included in the Borrowing Base and FILO Borrowing Base, as applicable, upon satisfaction of eligibility requirements.

MANDATORY PREPAYMENTS:

If at any time the aggregate amount of the Revolving Loans and Letters of Credit exceeds the Revolving Loan Cap, as of such date of determination, then the Borrowers will immediately repay outstanding Revolving Loans and, if necessary thereafter, cash collateralize Letters of Credit in an aggregate amount equal to such excess.

After the occurrence of a Cash Dominion Event (as defined below), all amounts deposited in the Collection Account (as defined below) will be promptly applied by the Agent to repay outstanding Revolving Loans under the Exit Facility, and, if an Event of Default exists to cash collateralize outstanding Letters of Credit and repay outstanding FILO Loans.

No mandatory prepayment of the Revolving Loans shall reduce the Revolving Commitments and such loans may be repaid and reborrowed as provided herein. Once repaid, no portion of the FILO Loan may be reborrowed.

OPTIONAL PREPAYMENTS AND COMMITMENT

The Borrowers may prepay the Revolving Loans in whole or in part at any time without premium or penalty, subject to reimbursement of

REDUCTIONS: breakage and redeployment costs in the case of prepayment of LIBOR borrowings. After the Revolving Loans have been paid in full and the Revolving Commitments terminated, the Borrowers may prepay the FILO Loans under the Exit Facility in whole or in part at any time without premium or penalty, subject to reimbursement of the Lenders' breakage and redeployment costs in the case of prepayment of LIBOR. The commitments under the Exit Facility may be irrevocably reduced or terminated by the Borrowers at any time without premium or penalty.

SECURITY: As security for the Exit Facility, the Borrowers and the Guarantors shall grant the Agent and the Lenders a valid and perfected security interest in all of the Borrowers' and Guarantors' respective assets, both tangible and intangible, real and personal, and all proceeds and products thereof (the "***Collateral***"), including but not limited to:

(a) a valid and perfected first priority lien and security interest in the "*ABL Priority Collateral*" (as such term is defined in the Existing Intercreditor Agreement, as defined below), and

(b) a second priority lien and security interest in *the "Term Priority Collateral*" (as such term is defined in the Existing Intercreditor Agreement, as defined below).

As used herein, "***Existing Intercreditor Agreement***" shall mean that certain "Intercreditor Agreement" (as such term is defined in the Pre-Petition Credit Agreement).

The priority of such liens, together with other inter-lender matters, shall be subject to the terms of an intercreditor agreement to be entered into between the Agent and the agent or agents for the term loan exit facilities (as such agreement may be modified or otherwise amended, the "***Intercreditor Agreement***"), which Intercreditor Agreement shall be in form and substance reasonably satisfactory to the Agent and shall be substantially the same as the Existing Intercreditor Agreement (and acknowledged and agreed to by all Loan Parties).

The Security shall also secure the Borrowers' and Guarantors' obligations in respect of the Exit Facility and any cash management obligations, hedging arrangements and other bank products (including, without limitation, factoring and supply chain financing) entered into with or furnished by any Lender or its affiliates.

CONDITIONS PRECEDENT TO CLOSING: The closing and the initial extension of credit under the Exit Facility will be subject to satisfaction or waiver of the following conditions precedent and shall occur on or after the Effective Date (as defined below) of the Chapter 11 Plan:

(i) The negotiation, execution and delivery of definitive documentation (including the Intercreditor Agreement and other customary intercreditor agreements and subordination agreements, if applicable) with respect to the Exit Facility, and receipt of fully

executed loan documentation with respect to the exit term loan facilities, in each case, consistent with the terms and conditions set forth herein and in form and substance reasonably satisfactory to the Agent, and the Lenders and the Borrowers.

(ii) The Agent shall have received the results of customary lien searches with respect to the Borrowers and Guarantors and all filings and recordations necessary or desirable (as reasonably determined by the Agent) in connection with the liens and security interests to reflect the valid and perfected liens and security interests referred to above and, with the priority specified above, under Security shall have been duly made; all filing and recording fees and taxes shall have been duly paid to the extent due and owing prior to the Closing Date, and Borrowers and Guarantors shall use commercially reasonable efforts to obtain any landlord waivers and other or control access letters reasonably requested by the Agent within sixty (60) days of the Closing Date, provided that absent delivery of an acceptable landlord waiver or collateral access agreement the Agent may implement reserves. The Agent shall be reasonably satisfied with the amount, types and terms and conditions of all insurance maintained by the Borrowers (it being agreed that the insurance maintained on the date hereof is reasonably satisfactory); and the Agent shall have received, within sixty (60) days of the Closing Date, endorsements naming the Agent as an additional insured or loss payee, as the case may be, under all insurance policies to be maintained with respect to the properties of the Borrower and the Guarantors forming part of the Collateral set forth above.

(iii) (1) evidence that all other actions that the Agent may deem reasonably necessary or desirable in order to create valid first and subsisting liens (subject only to certain permitted encumbrances to be agreed) on the property described in the mortgages has been taken; (2) an appraisal of each of the properties described in the mortgages complying with the requirements of FIRREA by a third party appraiser reasonably acceptable to the Agent and otherwise in form and substance reasonably satisfactory to the Agent; (3) flood certificates with respect to each of the properties described in the mortgages certifying that such properties are not in a flood zone otherwise the Agent shall be named as loss payee and additional insured on flood insurance reasonably acceptable to the Agent with respect to such properties, and (4) delivery of such other information and documents with respect to such properties as may be reasonably requested by the Agent in its permitted discretion.

(iv) All material governmental consents and approvals, and all third party consents, reasonably required for the Borrowers to consummate the financing shall have been obtained by the Borrowers.

(v) Compliance with all applicable laws and regulations in all material respects (including compliance with "know your customer" and

anti-money laundering rules and regulations, including without limitation the Patriot Act, MSB and HRC requirements and any Canadian equivalents (including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada))); provided, that all information required by the Agent or the Lenders pursuant to such rules and regulations shall have been requested at least five (5) days prior to the Closing Date.

(vi) The Agent shall have received (A) customary opinions of counsel to the Borrowers and the Guarantors (which shall cover, among other things, authority, legality, validity, binding effect and enforceability of the documents for the Exit Facility) from Kirkland and Ellis LLP, and appropriate local counsel (including, without limitation, Canadian and Puerto Rican counsel) for material relevant jurisdictions and (B) such customary corporate resolutions, certificates and other documents as the Agent shall reasonably require.

(vii) The absence of any Bankruptcy Court or Canadian Bankruptcy Court order or any action, suit, investigation or proceeding pending or, to the knowledge of the Borrowers or Guarantors, threatened in any court or before any arbitrator or governmental authority that could reasonably be expected to have a material adverse effect on the Borrowers and their subsidiaries, taken as a whole, or to prevent or restrain the consummation of the Exit Facility.

(viii) No changes or developments shall have occurred, and no new or additional information, shall have been received or discovered by the Agent regarding the Borrowers or the Guarantors or the transactions contemplated hereby after the date of the Commitment Letter (including, without limitation, any litigation) that either individually or in the aggregate, could reasonably be expected to have a material adverse effect (it being agreed that the commencement of the Chapter 11 Cases shall not be deemed to be a material adverse effect) on the Loan Parties, taken as a whole.

(ix) The Bankruptcy Court shall have approved the payment of all accrued fees and expenses of the Agent (including the fees and expenses of counsel (including any local counsel) for the Agent) and all such fees and expenses shall have been paid or will be paid substantially simultaneously with the consummation of the Exit Facility.

(x) The Agent shall have received, in form and substance reasonably satisfactory to it, such other reports, audits, collateral examinations, background checks, or certifications as it may reasonably request.

(xi) The capital structure of the Borrowers and Guarantors shall be reasonably acceptable to the Agent at closing; provided, that the Agent agrees that the structure contemplated by the Chapter 11 Plan

is reasonably acceptable.

(xii) Receipt by the Agent of such historical financial statements, post-emergence projections, and business plan with respect to the Borrowers and Guarantors as the Agent deems appropriate, including, without limitation, final projections for the next eighteen (18) month period (including balance sheet, P&L, cash flows and availability model), which projections (a) are consistent with the preliminary plan submitted to the Agent in June, 2017, (b) are reasonably acceptable to the Agent in its sole discretion, and (c) evidence consistent levels of leverage (senior and total fund debt to proforma EBITDA), profitability, and excess availability; provided, that the Agent agrees that all items required by this clause (xii) have been received on or prior to the date hereof.

(xiii) No later than July 27, 2017, the Borrowers and Guarantors shall have obtained from the Bankruptcy Court an order (the "***Confirmation Order***"), in form and substance reasonably acceptable to the Agent, confirming the Chapter 11 Plan and approving the consummation of the restructuring transactions on the effective date of the Chapter 11 Plan (the "***Effective Date***"), which Confirmation Order shall be recognized and enforced by the Canadian Bankruptcy Court (as such term is defined in the DIP Credit Agreement) in a an order within seven (7) business days thereafter (the "***Canadian Order***"). As of the Effective Date, Confirmation Order and Canadian Order shall each be final, and neither shall be subject to a stay or injunction (or similar prohibition) in effect with respect thereto, nor shall have been reversed, vacated, amended supplemented or otherwise modified in any manner that could reasonably be expected to adversely affect the rights of the Agent or Lenders. The Effective Date shall occur no later than the deadline for the effective date of the Chapter 11 Plan set forth in the Restructuring Support Agreement (as such deadline may be and actually is extended pursuant to the terms and conditions thereof) and shall be conditioned, in any event, upon, inter alia, (i) payment in full in cash of all obligations under the Existing Credit Agreements, (ii) with respect to the Term Loan Agreements and the DIP Term Loan Facility (as such terms are defined in the DIP Credit Agreement), (A) the "Final DIP Draw" under the "Term DIP Facility" shall have been made (as such terms are defined in the Restructuring Support Agreement) and all indebtedness under the "Term DIP Facility", consisting of $80 million in gross proceeds in the aggregate, shall have been converted into an exit term loan facility, (B) up to $200 million of such indebtedness shall have been converted into an exit term loan facility, and (C) the balance of such indebtedness shall have been converted into equity of the Loan Parties, (iii) consummation of such exit transactions on terms consistent with those outlined in the Chapter 11 Plan and otherwise on terms and conditions, and pursuant to documentation in form and substance, reasonably

acceptable to the Agent.

(xiv) The entry of all orders described or referred to herein or in the body of the Commitment Letter shall have been upon proper notice as may be required by the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the CCAA, and any applicable bankruptcy rules.

(xv) All of the conditions precedent set forth in the Restructuring Support Agreement and the Chapter 11 Plan shall have been satisfied, as determined by the Agent in its reasonable discretion.

(xvi) The Chapter 11 Plan sponsor shall be the Consenting Lenders (as such term is defined in the Restructuring Support Agreement) and/or one or more of their affiliates or another party reasonably acceptable to the Agent.

(xvii) The Agent shall have received a payoff letter (or other evidence reasonably satisfactory to Agent) with respect to each of the Existing Credit Agreements, as well as the Term Loan Agreements (as such term is defined in the DIP Credit Agreement) (A) evidencing that, upon the making of the initial extension of credit on the Closing Date and the application of such funds in accordance with such payoff letter, all obligations under such facility will have been paid and satisfied in full, and all commitments thereunder will terminate, and (B) confirming that all liens securing such existing indebtedness will be, contemporaneously with the initial funding under the Exit Facility, released.

(xviii) After giving effect to the first funding of any Loans under the Exit Facility, the issuance all Letters of Credit to be issued at, or immediately subsequent to, the establishment of the Exit Facility and the transaction contemplated on the Closing Date, the excess of (x) Excess Availability (as defined below) over (y) the amount of Excess Availability required to be maintained pursuant to the Financial Covenant set forth below, in each case, as of the Closing Date, shall be not less than $30,000,000 (or such lesser amount as may be agreed to by the Agent and Lenders).

(xix) The Agent shall have received a borrowing base certificate dated as of the Closing Date, executed by a financial officer of the Borrowers, which shall be in form and substance reasonably acceptable to the Agent.

(xx) The Agent shall have received, (x) ten (10) business days prior to the Closing Date, an updated list of the ultimate beneficial equity holders of the Parent holding more than 10% of such equity; and (y) on the Closing Date, an updated list of the ultimate beneficial equity holders of the Parent.

CONDITIONS PRECEDENT Shall include the following: (i) all of the representations and warranties

TO ALL EXTENSIONS OF CREDIT:	in the loan documentation shall be true and correct in all material respects (or in the case of any representation or warranty qualified by materiality, in all respects) as of the date of such extension of credit; (ii) no default that has not been waived in writing or cured and no event of default that has not been waived in writing shall have occurred under the Exit Facility, or would result from such extension of credit; and (iii) in the case of any extension of credit under the Exit Facility, the aggregate principal amount of all outstanding Revolving Loans and the aggregate undrawn amount of all Letters of Credit outstanding on such date, after giving effect to the applicable borrowing or issuance or renewal of a Letter of Credit, shall not exceed the Revolving Loan Cap.
REPRESENTATIONS AND WARRANTIES:	Usual and customary for transactions of this type and shall include, without limitation, representations and warranties substantially consistent with those in the Pre-Petition Credit Agreement and the following representations and warranties: (i) compliance with all applicable Bankruptcy Code and CCAA provisions, and (ii) Confirmation Order not procured by fraud.
COVENANTS:	Usual and customary for transactions of this type and shall include, without limitation, the following covenants: *Affirmative Covenants*: covenants substantially consistent with those in the Pre-Petition Credit Agreement. *Negative Covenants*: covenants substantially consistent with those in the Pre-Petition Credit Agreement. *Restricted Payments/Payment Conditions*. The Borrowers shall be permitted to make certain ordinary course restricted payments, investments and prepay certain indebtedness subject to usual and customary restrictions. The Borrowers shall also have the ability to make restricted payments, investments and payments after the first anniversary of the Closing Date, so long as no Default or Event of Default then exists or would arise as a result of the making of such payment, upon satisfaction of the following: either (a) the Borrowers have demonstrated to the reasonable satisfaction of the Agent that (i) Excess Availability, immediately following the making of such transaction, investment or payment and as projected on a pro forma basis for the twelve (12) months following and after giving effect to such payment, will be at least equal to the greater of (x) fifteen percent (15%) of the Combined Borrowing Base, and (y) $30,000,000, and (ii) after giving pro forma effect to such transaction, investment or payment, the consolidated fixed charge coverage ratio is greater than or equal to 1.0:1.0, or (b) the Borrowers have demonstrated to the reasonable satisfaction of the Agent that Excess Availability, immediately following the making of such transaction, investment or payment and as projected on a pro forma basis for the twelve (12) months following and after giving effect to such transaction, investment or payment, will be at least equal to the greater of (x) twenty-five percent (25%) of the

Combined Borrowing Base, and (y) $50,000,000.

Financial Covenant: Excess Availability shall not, at any time, be less than the greater of (x) $15,000,000; or (y) 10% of the Combined Borrowing Base.

> "***Excess Availability***" shall mean an amount equal to (a) the Revolving Loan Cap minus (b) the amount of Revolving Loans and Letters of Credit outstanding under the Exit Facility.

CASH DOMINION: The Borrowers and Guarantors will implement cash management procedures customary for facilities of this type and reasonably satisfactory to the Agent, including, but not limited to, customary lockbox arrangements and blocked account agreements, which will provide for the Agent to have control of all deposit and securities accounts as required by the Agent (subject to exceptions substantially consistent with the Pre-Petition Credit Agreement) within forty-five (45) days after the Closing Date. If, at any time (i) Excess Availability is less than the greater of (A) $30,000,000 or (B) fifteen percent (15%) of the Combined Borrowing Base or (ii) an event of default exists ("***Cash Dominion Event***"), cash receipts shall be forwarded to a deposit account ("***Collection Account***") which is in the name of the Agent and such receipts shall be applied daily in reduction of the obligations under the Exit Facility. A Cash Dominion Event shall continue in the Agent's discretion unless and until the event of default is waived and Excess Availability exceeds the greater of (i) $30,000,000; or (ii) fifteen percent (15%) of the Combined Borrowing Base for (30) thirty consecutive days; provided, that in the Agent's discretion a Cash Dominion Event shall be deemed continuing at all times after a Cash Dominion Event has occurred and been discontinued on two occasions in any twelve (12) month period or on four occasions after the Closing Date.

COLLATERAL & FINANCIAL REPORTING: The Borrowers shall provide collateral reporting usual and customary for transactions of this type, including, without limitation, certain collateral reporting requirements which shall be tied to the Borrowers' Excess Availability levels. Borrowing Base certificates and supporting documentation shall be delivered monthly ten (10) business days after the end of each month; provided, that at anytime a Cash Dominion Event exist, Borrowing Base certificates will be delivered weekly on Wednesday of each week for the immediately preceding Saturday.

FINANCIAL REPORTING: The Borrowers shall provide financial reporting usual and customary for transactions of this type and substantially consistent with the Pre-Petition Credit Agreement, including, without limitation: (i) usual and customary financial reporting, including, without limitation, monthly deliveries in all events, and (ii) supplemental financial reporting concerning the Borrowers' obligations under the Chapter 11 Plan. Other requirements shall include forecasts and projections, compliance certificates, reports to shareholders and debtholders, management letters, notices of default, litigation and other material events, updates to the budget and other information customarily supplied in a transactions of

this type.

COLLATERAL MONITORING:	The Agent may conduct two (2) field examinations and two (2) inventory appraisal in the first twelve (12) months following the Closing Date at the expense of the Borrowers. Following the first anniversary of the Closing Date, the Agent may conduct one (1) field examination and one (1) inventory appraisal per year at the expense of the Borrowers; provided that if Excess Availability is less than $50,000,000 at any time, the Agent shall conduct two (2) field examinations and two (2) inventory appraisals per year at the expense of the Borrowers; provided further, if Excess Availability is less than $37,500,000 at any time, the Agent may conduct three (3) field examinations and three (3) inventory appraisals per year at the expense of the Borrowers. The Agent may conduct one (1) real estate appraisal per year at the expense of the Borrowers. The Agent may conduct such other field examinations and appraisals at the expense of the Lenders, provided that if an default or event of default exists such field examinations and appraisals shall be at the expense of the Borrowers.
EVENTS OF DEFAULT:	Usual and customary in transactions of this type and consistent with the terms of the Existing Credit Agreements.
ASSIGNMENTS AND PARTICIPATIONS:	Substantially consistent with the Pre-Petition Credit Agreement.
WAIVERS AND AMENDMENTS:	Usual and customary for transactions of this type and substantially consistent with the terms of the Pre-Petition Credit Agreement, which shall include provisions that certain amendments, waivers, and/or exercise of certain rights will require consent of Agent, Lenders holding a majority of the Exit Facility or unanimous consent of all Lenders, as applicable.
INDEMNIFICATION:	The Borrowers will indemnify and hold harmless the Agent, the Lenders and their respective affiliates, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and expenses arising out of or relating to the Exit Facility, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement costs (subject to customary exceptions and limitations substantially consistent with the Pre-Petition Credit Agreement). This indemnification shall survive and continue for the benefit of all such persons or entities.
GOVERNING LAW:	New York
PRICING/FEES/EXPENSES:	As set forth in Addendum I.
COUNSEL TO AGENT:	Choate, Hall & Stewart , LLP.

OTHER:	Each of the parties shall (i) waive its right to a trial by jury and (ii) submit to New York jurisdiction. The loan documentation will contain customary increased cost, withholding tax, capital adequacy and yield protection provisions.

ADDENDUM I
PRICING, FEES AND EXPENSES

INTEREST RATES: The interest rates per annum applicable to the Revolving Loans will be (i) (a) the greater of (1) LIBOR and (2) zero percent (0%) per annum, plus (b) the Applicable Margin (as hereinafter defined) or, at the option of the Borrowers, (ii) (a) the Base Rate (to be defined as the highest of (w) the Wells Fargo Bank, National Association's prime rate, (x) the Federal Funds rate plus 0.50%, (y) LIBOR for an interest period of one month plus 1.00%, or (z) zero percent (0%) per annum) plus (b) the Applicable Margin. "***Applicable Margin***" means a percentage per annum to be determined in accordance with the applicable pricing grid set forth below, based on Excess Availability.

The interest rate per annum applicable to the FILO Loan will be LIBOR plus 3.50%.

The Borrowers may select interest periods of one, two, three or six months for LIBOR loans, subject to availability. Interest on LIBOR loans shall be payable at the end of the selected interest period, but no less frequently than quarterly. Interest on Base Rate loans shall be payable on the first day of each calendar month.

At the option of the Agent or at the written direction of the required revolving Lenders with respect to the Revolving Loans and the required FILO Lenders with respect to the FILO Loans during the continuance of any event of default under the loan documentation (and automatically upon an insolvency event of default), the Applicable Margin on obligations under the loan documentation shall increase by 2% per annum.

COMMITMENT FEE: Commencing on the Closing Date, a commitment fee (the "***Commitment Fee***") shall be payable on the average daily unused portions of the Revolving Loans under the Exit Facility at the rate of 0.25% per annum. The Commitment Fee shall be payable quarterly in arrears, commencing on the first quarterly payment date to occur after the Closing Date.

LETTER OF CREDIT FEES: Letter of Credit fees shall be payable on the maximum amount available to be drawn under each outstanding Letter of Credit at a rate per annum equal to (a) with respect to standby Letters of Credit, the Applicable Margin from time to time applicable to LIBOR loans, and (b) with respect to documentary Letters of Credit, the Applicable Margin from time to time applicable to LIBOR loans less 0.50%. Such fees will be payable quarterly in arrears, commencing on the first quarterly payment date to occur after the Closing Date.

CLOSING FEES: Per Fee Letter.

PRICING GRID
REVOLVING FACILITY

(a) From and after the Closing Date until the end of the first full fiscal quarter ending after the Closing Date, the percentages set forth in Level II of the pricing grid below; and

(b) at all times after the end of the first full fiscal quarter ending after the Closing Date, the applicable percentages set forth in the pricing grid below based on Average Excess Availability:

Level	Average Excess Availability	Applicable Margin for LIBOR Loans	Applicable Margin for Base Rate Loans
I	Greater than 50% of the Revolving Loan Cap	1.75%	0.75%
II	Equal to or Less than 50% of the Revolving Loan Cap	2.00%	1.00%

CALCULATION OF INTEREST AND FEES: All calculations of interest and fees shall be made on the basis of actual number of days elapsed in a 360 day year, and changes to the pricing grid level shall be based on average daily Excess Availability for the preceding fiscal month for which the calculation is being made. *Interest Act* (Canada) provisions shall apply.

COST AND YIELD PROTECTION: Customary for transactions and facilities of this type, including, without limitation, in respect of breakage or redeployment costs incurred in connection with prepayments, changes in capital adequacy and capital requirements or their interpretation, illegality, unavailability, reserves without proration or offset and payments free and clear of withholding or other taxes.

EXPENSES: The Borrowers will pay all reasonable and documented out-of-pocket costs and expenses associated with the preparation, due diligence, administration, and closing of all loan documentation, including, without limitation, the reasonable and documented out-of-pocket fees for appraisers, field examiners, and counsel to the Agent (which shall be limited to one primary counsel, one local counsel in each reasonably necessary and relevant jurisdiction and one specialty counsel for each reasonably necessary and relevant specialty in each applicable jurisdiction and which shall include reasonable and documented allocated costs of in-house counsel), regardless of whether or not the Exit Facility is closed. The Borrowers will also pay the reasonable and documented out-of-pocket expenses of the Agent in connection with the enforcement of any of the loan documentation.

Schedule 2

Redline of Exhibit C:
Commitment Letter and Term Sheet for the New ABL Credit Agreement

July ~~[10]~~13, 2017

Payless Inc.
3231 Se 6th Ave
Topeka, KS 66607

$260,000,000 Senior Secured Exit Facility

Ladies and Gentlemen:

Whereas Payless Inc. ("***you***" or the "***Lead Borrower***") and certain of your affiliates commenced cases under Chapter 11 of the Bankruptcy Court, 11 U.S.C. 101 et seq. (the "***Bankruptcy Code***"), on April 4, 2017 case number 17-42267 (the "***Chapter 11 Case***") with the United States Bankruptcy Court for the Eastern District of Missouri (the "***Bankruptcy Court***"), and we understand that you are seeking exit financing in connection with a proposed plan of reorganization (the "***Chapter 11 Plan***").

Wells Fargo Bank, National Association ("***Wells Fargo***") is pleased to offer to be the sole administrative agent and sole collateral agent (in such capacities, the "***Agent***") for a $260,000,000 senior secured exit facility ("***Exit Facility***") to the Lead Borrower, consisting of a $250,000,000 senior secured revolving facility (the "***Revolver***"), and a $10,000,000 senior secured first-in, last out term loan facility (the "***FILO***"). Wells Fargo is pleased to offer its commitment to lend $172,500,000 of the Exit Facility (comprised of $162,500,000 of the Revolver and $10,000,000 of the FILO), Bank of America, N.A. ("***BoA***") is pleased to offer its commitment to lend $62,500,000 of the Revolver, and CIT Bank, N.A. ("***CIT***" and together with Wells Fargo and BoA, collectively, the "***Commitment Parties***", "***we***" or "***us***", and each, individually, a "***Commitment Party***") is pleased to offer its commitment to lend $25,000,000 of the Revolver, in all cases, upon and subject to the terms and conditions set forth in this letter (this "***Commitment Letter***"), in the Summary of Terms and Conditions attached as Exhibit A hereto and incorporated herein by this reference (the "***Summary of Terms***"), and in the fee letter among the Lead Borrower and Wells Fargo of even date herewith (the "***Fee Letter***"), and such other terms and conditions as mutually agreed.

Wells Fargo will act as sole Agent for the Exit Facility. Wells Fargo Bank, National Association and Merrill Lynch, Pierce, Fenner & Smith Incorporated will act as joint lead arrangers and joint bookrunners. No additional agents, co-agents or arrangers will be appointed and no other titles will be awarded without Wells Fargo's prior written approval after consultation with you.

The commitments of the Commitment Parties (and any of their affiliates) to extend credit hereunder and any undertaking of the Commitment Parties to provide the services described herein are subject solely to the satisfaction or waiver of each of the following conditions precedent (a) the accuracy and completeness in all material respects of all representations made by you and your affiliates in the definitive documentation for the Exit Facility consistent with the Summary of Terms and otherwise reasonably satisfactory to Wells Fargo; (b) the payment of the fees required by the Fee Letter that are due and payable; and (c) the other conditions set forth under the "Conditions Precedent to Closing" and "Conditions Precedent to All Extensions of Credit" headings in the Summary of Terms.

Wells Fargo intends to commence syndication of the Exit Facility to a group of banks, financial institutions and other institutional investors reasonably acceptable to Wells Fargo, in consultation with you, promptly upon your acceptance of this Commitment Letter and the Fee Letter. You agree to actively assist Wells Fargo in achieving a syndication of the Exit Facility that is satisfactory to Wells Fargo and you. Such assistance shall include your (a) providing and causing your advisors to provide Wells Fargo,

the other Commitment Parties and the other Lenders upon request with all information customarily provided for syndication of similar debt facilities and reasonably deemed necessary by Wells Fargo to complete syndication, including, but not limited to, information and evaluations prepared by you and your advisors, or on your behalf, relating to the transactions contemplated hereby (including the Projections (as hereinafter defined), the "***Information***"); provided for the avoidance of doubt, you will not be required to provide any information to the extent that the provision thereof would violate any law, rule or regulation, or any obligation of confidentiality binding upon, or waive any attorney client privilege of you or any of your subsidiaries or affiliates, (b) assisting in the preparation of information memoranda and other customary marketing materials to be used in connection with the syndication of the Exit Facility (collectively with the Summary of Terms, the "***Information Materials***"), (c) using your commercially reasonable efforts to ensure that the syndication efforts of Wells Fargo benefit materially from your existing banking relationships, (d) using your commercially reasonable efforts to permit the Agent to obtain a net orderly liquidation appraisal of the inventory and a collateral audit and field examination, (e) your ensuring that there is no competing offering, placement, arrangement or issuance of indebtedness for borrowed money or debt securities by or on behalf of the Lead Borrower or its subsidiaries (other than (i) the Exit Facility, (ii) indebtedness with respect to one or more term loan exit facilities, in such amounts as set forth in clause (xiii) in "Conditions Precedent to Closing" in the Summary of Terms and which shall be upon usual and customary market terms for financing of such type (collectively, the "***Term Loan Facilities***"), and (iii) any indebtedness in the ordinary course of business) except as agreed by Wells Fargo, in each case that could reasonably be expected to materially impair the primary syndication of the Exit Facility (it being understood that any indebtedness constituting ordinary course capital leases, foreign working capital financing in the ordinary course, purchase money and equipment financings and letters of credit will not materially impair the primary syndication of the Exit Facility for purposes of this clause (e)) and (f) otherwise assisting Wells Fargo in its syndication efforts, including by making your officers and advisors available from time to time to attend and make presentations regarding the business and prospects of the Lead Borrower and its subsidiaries, as appropriate, at one or more meetings of prospective Lenders.

It is understood and agreed that Wells Fargo will manage and control all aspects of the syndication in consultation with you, including decisions as to the selection of prospective Lenders and any titles offered to proposed Lenders, when commitments will be accepted and the final allocations of the commitments among the Lenders. It is understood that no Lender participating in the Exit Facility will receive compensation from you in order to obtain its commitment, except on the terms contained herein, in the Fee Letter and in the Summary of Terms. It is also understood and agreed that the amount and distribution of the fees among the Lenders will be at the sole and absolute discretion of Wells Fargo.

Notwithstanding Wells Fargo's right to syndicate the Exit Facility and receive commitments with respect thereto, Wells Fargo will not be relieved of all or any portion of its commitments hereunder prior to the initial funding under the Exit Facility.

You represent and warrant that (a) all financial projections, estimates, budgets and other forward looking information concerning Lead Borrower and its subsidiaries and certain affiliates that have been or are hereafter made available to Wells Fargo, the other Commitment Parties or the Lenders by you or any of your representatives (or on your or their behalf) (the "***Projections"***) have been or will be prepared in good faith based upon assumptions believed by the Borrowers to be reasonable at the time delivered (it being understood and agreed that such Projections are as to future events and are not to be viewed as facts, are subject to uncertainties and contingencies, many of which are out of the Borrowers' control, that no assurance can be given that any particular projections will be realized and that actual results during the period or periods covered by any Projections may differ materially from the projected results, and no assurance can be given that the Projections will be realized), and (b) all Information, other than Projections and information of a general economic or industry specific nature, which has been or is

hereafter made available to Wells Fargo, the other Commitment Parties or the Lenders by you or any of your representatives (or on your or their behalf) in connection with any aspect of the transactions contemplated hereby, as and when furnished, is and will be complete and correct in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading in light of the circumstances under which such statements are made (and giving effect to all supplements thereto). You agree to furnish us with further and supplemental information from time to time until the date of the initial borrowing under the Exit Facility (the "***Closing Date***") so that the representation and warranty in the immediately preceding sentence are complete and correct in all material respects on the Closing Date as if the Information were being furnished, and such representation, warranty and covenant were being made, on such date; provided that any such supplementation shall cure any breach of such representations. In issuing this commitment and in arranging and syndicating the Exit Facility, Wells Fargo is and will be using and relying on the Information without independent verification thereof.

You acknowledge that (a) Wells Fargo will make available Information Materials to the proposed syndicate of Lenders on your behalf by posting the Information Materials on IntraLinks or another similar electronic system and (b) certain prospective Lenders (such Lenders, "***Public Lenders***"; all other Lenders, "***Private Lenders"***) may have personnel that do not wish to receive material non-public information (within the meaning of the United States federal securities laws, ***"MNPI"***) with respect to you or your 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 entities' securities. If requested, you will assist us in preparing an additional version of the Information Materials not containing MNPI (the "***Public Information Materials***") to be distributed to prospective Public Lenders.

Before distribution of any Information Materials (a) to prospective Private Lenders, you shall provide us with a customary letter authorizing the dissemination of the Information Materials and (b) to prospective Public Lenders, you shall provide us with a customary letter authorizing the dissemination of the Public Information Materials and confirming the absence of MNPI therefrom. In addition, at our request, you shall identify Public Information Materials by clearly and conspicuously marking the same as "PUBLIC".

You agree that Wells Fargo may distribute the following documents on your behalf to all prospective Lenders, unless you advise Wells Fargo in writing (including by email) within a reasonable time prior to their intended distributions that such material should only be distributed to prospective Private Lenders: (a) administrative materials for prospective Lenders such as lender meeting invitations and funding and closing memoranda, (b) notifications of changes to Exit Facility's terms and (c) other materials intended for prospective Lenders after the initial distribution of the Information Materials, including drafts and final versions of definitive documents with respect to the Exit Facility. If you advise us that any of the foregoing items should be distributed only to Private Lenders, then Wells Fargo will not distribute such materials to Public Lenders without further discussions with you. You agree (whether or not any Information Materials are marked "PUBLIC") that Information Materials made available to prospective Public Lenders in accordance with this Commitment Letter shall not contain MNPI.

By executing this Commitment Letter, you agree, whether or not the Exit Facility closes, to reimburse Wells Fargo from time to time on demand for all reasonable and documented out-of-pocket fees, costs, and expenses (including, and limited in the case of counsel to, (a) the reasonable fees, disbursements and other charges of Choate, Hall & Stewart LLP, as counsel to the Agent, and of one specialty counsel and one local counsel to the Lenders in each material relevant jurisdiction retained by the Agent and which shall include reasonable and documented allocated costs of in-house counsel, and (b) due diligence costs and expenses) incurred in connection with the Exit Facility (including, without limitation, this Commitment Letter), the syndication thereof, the preparation, negotiation, and approval of the definitive documentation therefor, and the other transactions contemplated hereby. You also agree to jointly and

severally pay all reasonable and documented out-of-pocket costs and expenses of the Agent (including, and limited in the case of counsel to, reasonable and documented out-of-pocket fees and disbursements of one primary counsel, and one specialty counsel and one local counsel to the Lenders in each material relevant jurisdiction and which shall include reasonable and documented allocated costs of in-house counsel) incurred in connection with the enforcement of any of its rights and remedies hereunder. For the avoidance of doubt, the Borrowers shall remain fully liable for all obligations under this Commitment Letter, even if the Bankruptcy Court does not authorize the Borrowers to enter into the Commitment Letter or the Exit Facility.

You agree to indemnify and hold harmless Wells Fargo, each Commitment Party and each Lender and each of their respective affiliates and their respective officers, directors, employees, agents, advisors and other representatives (each, an "***Indemnified Party***") from and against (and will reimburse each Indemnified Party as the same are incurred for) any and all claims, damages, losses, liabilities and expenses (including, and limited in the case of counsel to, reasonable and documented out-of-pocket fees and disbursements of one primary counsel, and one specialty counsel and one local counsel to the Lenders in each material relevant jurisdiction and which shall include reasonable and documented allocated costs of in-house counsel) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (including, without limitation, in connection with any investigation, litigation or proceeding or preparation of a defense in connection therewith) (a) any matters contemplated by this Commitment Letter or any related transaction or (b) the Exit Facility and any other financings, or any use made or proposed to be made with the proceeds thereof except to the extent such claim, damage, loss, liability or expense is found in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct or from such Indemnified Party's breach in bad faith of its obligations under this Commitment Letter. In the case of an investigation, litigation or proceeding to which the indemnity in this paragraph applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by you, your equityholders or creditors or an Indemnified Party, whether or not an Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated. You also agree that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to you or your subsidiaries or affiliates or to your or their respective equity holders or creditors arising out of, related to or in connection with any aspect of the transactions contemplated hereby, except to the extent of direct, as opposed to special, indirect, consequential or punitive, damages determined in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct or from such Indemnified Party's breach in bad faith of its obligations under this Commitment Letter. Notwithstanding any other provision of this Commitment Letter, no Indemnified Party shall be liable for any damages arising from the use by others of information or other materials obtained through electronic telecommunications or other information transmission systems, other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnified Party as determined by a final and nonappealable judgment of a court of competent jurisdiction or from such Indemnified Party's breach in bad faith of its obligations under this Commitment Letter.

This Commitment Letter and the Fee Letter and the contents hereof and thereof are confidential and may not be disclosed in whole or in part to any person or entity without the prior written consent of the Commitment Parties, except for disclosure hereof or thereof (a) to your parent company and its subsidiaries, any prospective investors and to your and their respective directors, officers, employees, affiliates, members, partners, stockholders, attorneys, accountants, independent auditors, agents and other advisors on a confidential basis, (b) as otherwise required by law, (c) to enforce rights hereunder, or (d) to any committees or groups of secured or unsecured creditors (including the steering group of lenders under the Lead Borrower's prepetition term loan credit agreement) and their representatives and advisors; provided, however, that it is understood and agreed that after your acceptance of this Commitment Letter,

(i) you may disclose this Commitment Letter (including the Summary of Terms) and the contents hereof and thereof (but not the fees provided for therein) in filings with the Bankruptcy Court in the Chapter 11 Case and to parties in interest in such Chapter 11 Case, (ii) you may make a generic disclosure regarding aggregate fees and expenses (but without disclosing any specific fees) payable in connection with the Exit Facility, and (iii) you may disclose the existence of the Commitment Letter (and the commitments hereunder).

Each Commitment Party agrees that, until one (1) year from the date hereof, this Commitment Letter and the Fee Letter and the contents hereof and thereof are confidential and shall use such letters and all confidential information provided to it by or on behalf of you hereunder solely for the purpose of providing the services which are the subject of this letter and shall treat confidentially all such information; provided, however, that nothing herein shall prevent any Commitment Party from disclosing any such information (i) with your consent, (ii) pursuant to the order of any court or administrative agency or in any pending legal or administrative proceeding, or otherwise as required by applicable law or compulsory legal process (in which case such Commitment Party agrees to inform you promptly thereof prior to such disclosure to the extent not prohibited by law, rule or regulation), (iii) upon the request or demand of any regulatory authority having jurisdiction over any Commitment Party or any of its affiliates, (iv) to the extent that such information becomes publicly available other than by reason of disclosure in violation of this agreement by any Commitment Party, (v) to any Commitment Party's affiliates, and its and such affiliates' respective employees, directors, officers, legal counsel, independent auditors, professionals, advisors and other experts or agents who need to know such information in connection with the transactions contemplated hereunder and are informed of the confidential nature of such information, (vi) for purposes of establishing a "due diligence" defense, (vii) to the extent that such information is or was received by any Commitment Party from a third party that is not to such Commitment Party's knowledge subject to confidentiality obligations to you, (viii) to the extent that such information is independently developed by any Commitment Party, (ix) to potential Lenders, participants assignees or potential counterparties to any swap or derivative transaction relating to the Borrowers or any of their subsidiaries, in each case, who agree to be bound by the terms of this paragraph (or language substantially similar to this paragraph or as otherwise reasonably acceptable to you and any Commitment Party), or (x) in enforcing its rights with respect to this Commitment Letter or the Fee Letter.

You acknowledge that the Commitment Parties or their respective affiliates may be providing financing or other services to parties whose interests may conflict with your interest. Each Commitment Party agrees that it will not furnish confidential information obtained from you to any of its other customers and that it will treat confidential information relating to you and your affiliates with the same degree of care as its treats its own confidential information. Each Commitment Party further advises you that it will not make available to you confidential information that it has obtained or may obtain from any other customer. In connection with the services and transactions contemplated hereby, you agree that each Commitment Party is permitted to access, use and share with any of its bank or non-bank affiliates, agents, advisors (legal or otherwise) or representatives any information concerning you or any of your affiliates that is or may come into the possession of such Commitment Party or any of its affiliates.

In connection with all aspects of each transaction contemplated by this Commitment Letter, you acknowledge and agree, and acknowledge your affiliates' understanding, that: (a) (i) the arranging and other services described herein regarding the Exit Facility are arm's-length commercial transactions between you and your affiliates and the Commitment Parties, (ii) you have each consulted your own legal, accounting, regulatory and tax advisors to the extent you have deemed appropriate, and (iii) you are capable of evaluating, and understand and accept, the terms, risks and conditions of the transaction contemplated hereby; (b) (i) each Commitment Party has been, is, and will be acting solely as a principal and, except as otherwise 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 you any of your affiliates or any other person or entity

and (ii) no Commitment Party has any obligation to you or your affiliates with respect to the transaction contemplated hereby except those obligations expressly set forth herein; and (c) each Commitment Party and its respective affiliates may be engaged in a broad range of transactions that involve interests that differ from yours and those of your affiliates, and no Commitment Party has any obligation to disclose any of such interests to you or your affiliates. To the fullest extent permitted by law, you hereby waive and release any claims that you may have against any Commitment Party with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated by this Commitment Letter.

The provisions of the immediately preceding five paragraphs shall remain in full force and effect regardless of whether any definitive documentation for the Exit Facility shall be executed and delivered, and notwithstanding the termination of this Commitment Letter or any commitment or undertaking of the Commitment Parties hereunder.

This Commitment Letter and the Fee Letter may be executed in counterparts which, taken together, shall constitute an original. Delivery of an executed counterpart of this Commitment Letter or the Fee Letter by telecopier, facsimile or .pdf shall be effective as delivery of a manually executed counterpart thereof.

This Commitment Letter (including the Summary of Terms) and the Fee Letter shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to conflicts of law principles thereof, but including Section 5-1401 of the New York General Obligations Law. Each of you and the Commitment Parties hereby irrevocably waives any and all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Commitment Letter (including the Summary of Terms), the Fee Letter, the transactions contemplated hereby and thereby or the actions of the Commitment Parties in the negotiation, performance or enforcement hereof.

This Commitment Letter (including the Summary of Terms) and the Fee Letter embody the entire agreement and understanding among the Commitment Parties and you and your affiliates with respect to the Exit Facility and supersedes all prior agreements and understandings relating to the specific matters hereof. However, please note that the terms (other than the conditions) of the commitments of the Commitment Parties and the undertaking of the Commitment Parties hereunder are not limited to those set forth herein or in the Summary of Terms. Those matters that are not covered or made clear herein or in the Summary of Terms or the Fee Letter are subject to mutual agreement of the parties. No party has been authorized by any Commitment Party to make any oral or written statements that are inconsistent with this Commitment Letter. Other than as set forth in this paragraph, this Commitment Letter is not assignable by any party hereto without the prior written consent of the other parties hereto (and any purported assignment without such consent shall be null and void) and is intended to be solely for the benefit of the parties hereto and the Indemnified Parties. ~~The~~Each of the Commitment Parties may assign ~~its~~their respective commitments hereunder (subject to the provisions set forth in this Commitment Letter) to one or more prospective Lenders, provided that such Commitment Party shall not be released from the portion of its commitment hereunder so assigned to the extent such assignee fails to fund the portion of the commitment assigned to it on the Closing Date notwithstanding the satisfaction of the conditions to such funding set forth herein. Unless you otherwise agree in writing, the Commitment Parties shall retain exclusive control over all rights and obligations with respect to their respective commitments in respect of the Exit Facility, including all rights with respect to consents, modifications, supplements, waivers and amendments, until the Closing Date has occurred. Each of the parties hereto agrees that this Commitment Letter is a binding and enforceable agreement with respect to the subject matter contained herein, including an agreement to negotiate in good faith the Exit Facility by the parties hereto in a manner consistent with this Commitment Letter, it being acknowledged and agreed that the commitments

provided hereunder are subject to conditions precedent as provided in Exhibit A under the heading "CONDITIONS PRECEDENT TO CLOSING".

Each Commitment Party hereby notifies you that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "***PATRIOT Act***"), it may be required to obtain, verify and record information that identifies the Borrowers and Guarantors (as defined in the Summary of Terms), which information includes the name, address, tax identification number and other information regarding the Borrowers and Guarantors that will allow each Commitment Party to identify the Borrowers and Guarantors in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act. You shall provide each Commitment Party, prior to the Closing Date (as defined in the Summary of Terms), with all documentation and other information required by bank regulatory authorities under "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act.

This Commitment Letter and all commitments and undertakings of the Commitment Parties hereunder will expire at 5:00 p.m. (eastern time) on July ~~[~~10~~]~~13, 2017 unless you execute this Commitment Letter and the Fee Letter and return them to us prior to that time (which may be by electronic transmission), whereupon this Commitment Letter (including the Summary of Terms) and the Fee Letter (each of which may be signed in one or more counterparts) shall become binding agreements. Thereafter, all commitments and undertakings of the Commitment Parties hereunder will expire on September 9, 2017, unless definitive documentation for the Exit Facility is executed and delivered prior to such date.

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We are pleased to have the opportunity to work with you in connection with this important financing.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name:
Title:

BANK OF AMERICA, N.A.

By: _____
Name:
Title:

CIT BANK, N.A.

By: _____
Name:
Title:

ACCEPTED AND AGREED TO
AS OF THE DATE FIRST ABOVE WRITTEN:

PAYLESS INC.,
a Delaware corporation

By: _____
Name:
Title:

EXHIBIT A

PAYLESS INC.
SUMMARY OF TERMS AND CONDITIONS
FOR A $260,000,000 SENIOR SECURED CREDIT FACILITY

July ~~[~~1~~0]~~3, 2017

BORROWERS: Payless Inc. ("***Lead Borrower***") and certain of its domestic~~, Canadian (other than Lifestyle Brands Corporation) and Puerto Rican~~ subsidiaries to be mutually agreed (the ~~"~~***"Borrowers"***~~");~~ ~~provided, that, at the election of the Lead Borrower ((i) provided no default or event of default exist or would arise therefrom; (ii) Excess Availability immediately following such release and as projected on a pro forma basis for the twelve (12) months following and giving effect to such release will be at least [thirty five (35%)] percent of the Combined Borrowing Base; and (iii) the simultaneous release under the exit term loan facilities), the Canadian and Puerto Rican subsidiaries may be released from all their obligations under the definitive documentation with respect to the Loans, in which case all assets of such entities shall cease to be Collateral and no assets of such released entities shall be included in the calculation of the Borrowing Base.~~"). The Borrowers shall be jointly and severally liable for all obligations.

GUARANTORS: (A) WBG – PSS HOLDINGS LLC ("***Parent***"), ~~and~~(B) each future direct and indirect domestic subsidiary of Parent (other than (i) a subsidiary that has no material assets other than capital stock and/or indebtedness of one or more CFCs (as defined below) or (ii) a subsidiary of a CFC), ~~and, subject to the proviso under "Borrowers" above,~~(C) each existing and future direct and indirect Canadian (other than Lifestyle Brands Corporation), and Puerto Rican subsidiary of the Borrowers, and~~,~~ (D) to the extent (i) such subsidiary is not a "controlled foreign corporation" ("***CFC***") within the meaning of Section 957 of the Internal Revenue Code of 1986, as amended or a subsidiary thereof and (ii) no material adverse tax consequences would result in the good faith judgment of the Lead Borrower, any other foreign subsidiary of the Borrowers~~,~~ (other than, in each case set forth above, certain existing and future immaterial subsidiaries to be agreed upon in the definitive documentation for the Exit Facility ~~(collectively, the "***Guarantors***"; together with the Borrowers, the "***Loan Parties***").~~) (collectively, the "***Guarantors***"; together with the Borrowers, the "***Loan Parties***"); provided, that, at the election of the Lead Borrower (so long as at the time of such election (x) no default or event of default exists or would arise therefrom, (y) Excess Availability immediately following such release and as projected by the Lead Borrower on a pro forma basis for the twelve (12) months following and giving effect to such release will be at least twenty-five (25%) percent of the Combined Borrowing Base, and (z) the subsidiaries that are the subject of such release shall be released under the exit term loan facilities substantially contemporaneously with the release under the Exit Facility), any of the

	Canadian and Puerto Rican subsidiaries may be released from all of its obligations under the definitive documentation , in which case all assets of such subsidiary shall cease to be Collateral and no assets of such released subsidiary shall be included in the calculation of the Borrowing Base. All guarantees will be guarantees of payment and not of collection. The Guarantors shall be jointly and severally liable for all guaranteed obligations.
ADMINISTRATIVE AGENT:	Wells Fargo Bank, National Association (the "***Administrative Agent***").
COLLATERAL AGENT:	Wells Fargo Bank, National Association (the "***Collateral Agent***" and together with the Administrative Agent, the "***Agent***").
JOINT LEAD ARRANGERS AND JOINT BOOKRUNNERS:	Wells Fargo Bank, National Association ("***Wells Fargo***") and Merrill Lynch, Pierce, Fenner & Smith Incorporated will act as joint lead arrangers and joint bookrunners
LENDERS:	(i) Wells Fargo and a syndicate of financial institutions reasonably acceptable to the Administrative Agent after consultation with the Borrowers (a) who become lenders under the FILO Loan (defined below) (the "***FILO Lenders***") and (b) who become revolving lenders providing the Revolving Loans (as defined below) (the "***Revolving Lenders***", and together with the FILO Lenders, the "***Lenders***").
ISSUING BANK:	Wells Fargo
SENIOR REVOLVING EXIT FACILITY:	A $260,000,000 senior secured exit credit facility (as the same may be increased as provided herein, the "***Exit Facility***"), consisting of: (i) a $250,000,000 senior secured revolving exit credit facility (as such amount may be increased or decreased in accordance with the terms therein, the commitments thereunder, the "***Revolving Commitments***" and the loans thereunder, the "***Revolving Loans***"), which will include: (A) a $50,000,000 sublimit for the issuance of standby and documentary letters of credit (each a "***Letter of Credit***"); and (B) and a $25,000,000 sublimit for swingline loans (each a "***Swing Line Loan***"); and (ii) a $10,000,000 senior exit first in, last out term loan (the "***FILO Loan***", and together with the Revolving Loans, the "***Loans***").
PRE-PETITION CREDIT FACILITY:	The pre-petition credit facility (the "***Pre-Petition Credit Facility***") consisting of a $300,000,000 senior secured revolving credit facility and evidenced by that certain Credit Agreement (as amended and in effect, the "***Pre-Petition Credit Agreement***") dated as of October 9, 2012, by, among others, certain of the Loan Parties, the Lenders party thereto, and the Agent.
DEBTOR-IN-POSSESSION	The DIP credit facility (the "***DIP Credit Facility***" and, collectively with

CREDIT FACILITY:	the Pre-Petition Credit Facility, the "***Existing Credit Facilities***") consisting of a $305,000,000 senior secured superpriority revolving credit facility and evidenced by that certain Debtor-In-Possession Credit Agreement (as amended and in effect, the "***DIP Credit Agreement***" and, collectively with the Pre-Petition Credit Agreement, the "***Existing Credit Agreements***") dated as of April 5, 2017, by, among others, certain of the Loan Parties, the Lenders party thereto, and the Agent.
DOCUMENTATION PRINCIPLES:	For purposes of this Summary of Terms and Conditions, any references herein to provisions, terms or conditions of the Exit Facility being "*substantially consistent with*" or "*similar to*" to the Pre-Petition Credit Agreement (or words of similar effect), shall be deemed to mean usual and customary provisions, terms or conditions for transactions of this kind, reflecting terms substantially consistent with the Pre-Petition Credit Agreement modified (i) to reflect the commencement of the Chapter 11 Cases and the emergence purposes of the Exit Facility, (ii) to reflect additions and modifications to address the Canadian Loan Parties and their assets, operations, and liabilities, and (iii) to include other mutually agreed upon changes.
UNCOMMITTED INCREASE OPTION:	Provided that there is no default or event of default then existing or that would arise therefrom, the Borrowers, at their option, may request that the Revolving Commitments be increased by an aggregate principal amount not to exceed $50,000,000. Any or all of the existing Lenders shall initially have a right of first refusal (but not the obligation) to increase their respective commitments to satisfy the Borrowers' requested increase of the Revolving Commitments. If the Lenders are unwilling to increase their commitments by an amount equal to the requested increase, the Agent, in consultation with the Borrowers, will use its reasonable efforts to obtain one or more financial institutions which are not then Lenders (which financial institutions may be suggested by the Borrowers) to become party to the loan documentation and to provide a commitment to the extent necessary to satisfy the Borrowers' requested increase in the Revolving Commitments, provided that any such additional lender(s) shall be reasonably satisfactory to the Agent and the Borrowers.
PURPOSE:	The proceeds of the Exit Facility shall be used to pay the outstanding amount of the Existing Credit Facilities in full, to finance certain payments due under the Chapter 11 Plan, and for working capital, capital expenditures, and other lawful corporate purposes.
CLOSING DATE:	The execution of definitive loan documentation and satisfaction or waiver of all conditions precedent to closing, to occur on or before September 9, 2017 (the "***Closing Date***").
INTEREST RATES:	As set forth in Addendum I.
MATURITY:	The Exit Facility shall terminate and all amounts outstanding thereunder shall be due and payable in full the earlier of: (a) five (5) years after the Closing Date, and (b) three (3) months prior to the maturity of the term

loan exit facilities.

AVAILABILITY: Revolving Loans and Letters of Credit (subject to the Letter of Credit sublimit set forth above) under the Exit Facility may be made to the Borrowers on a revolving basis up to the lesser of (i) Revolving Commitments and (ii) the Borrowing Base (the lesser of (i) and (ii) being hereafter referred to as the "***Revolving Loan Cap***").

The "***Borrowing Base***" shall be equal to the sum, at the time of calculation of (a) 90% of the face amount of eligible credit card receivables of the ~~Borrowers~~Loan Parties; plus (b) 90% of the appraised net orderly liquidation value of eligible inventory (including eligible in-transit inventory) of the ~~Borrowers~~Loan Parties, net of inventory reserves; plus (c) the lesser of (x) $10,000,000; and (y) 50% of the appraised fair market value of eligible owned real estate of the ~~Borrowers~~Loan Parties, minus (d) the FILO Reserve, minus (e) other reserves established by the Agent in its permitted discretion.

> As used herein, "***FILO Reserve***" shall mean an amount, at any time of calculation, equal to the excess of the then outstanding amount of the FILO Loan over the FILO Borrowing Base as reflected in the most recent Borrowing Base certificate furnished by the Borrowers.

The "***FILO Borrowing Base***" shall mean (a) 5% of the face amount of eligible credit card receivables of the ~~Borrowers~~Loan Parties; plus (b) 5% of the appraised net orderly liquidation value of eligible inventory (excluding in-transit inventory) of the ~~Borrowers~~Loan Parties, net of inventory reserves.

The "***Combined Borrowing Base***" shall mean the sum of the Borrowing Base plus FILO Borrowing Base.

The definitions of "Eligible Inventory," "Eligible Credit Card Receivables", and "Eligible Real Estate" shall be substantially the same as those definitions set forth in the Pre-Petition Credit Agreement.

The Agent shall be entitled to establish and/or modify reserves, as well as to modify eligibility standards and establish and modify reserves against Borrowing Base and FILO Borrowing Base availability, in each case, substantially consistent with the DIP Credit Agreement.

Assets owned by the Canadian Loan Parties and Puerto Rican Loan Parties will be included in the Borrowing Base and FILO Borrowing Base, as applicable, upon satisfaction of eligibility requirements.

MANDATORY PREPAYMENTS: If at any time the aggregate amount of the Revolving Loans and Letters of Credit exceeds the Revolving Loan Cap, as of such date of determination, then the Borrowers will immediately repay outstanding Revolving Loans and, if necessary thereafter, cash collateralize Letters

of Credit in an aggregate amount equal to such excess.

After the occurrence of a Cash Dominion Event (as defined below), all amounts deposited in the Collection Account (as defined below) will be promptly applied by the Agent to repay outstanding Revolving Loans under the Exit Facility, and, if an Event of Default exists to cash collateralize outstanding Letters of Credit and repay outstanding FILO Loans.

No mandatory prepayment of the Revolving Loans shall reduce the Revolving Commitments and such loans may be repaid and reborrowed as provided herein. Once repaid, no portion of the FILO Loan may be reborrowed.

OPTIONAL PREPAYMENTS AND COMMITMENT REDUCTIONS:

The Borrowers may prepay the Revolving Loans in whole or in part at any time without premium or penalty, subject to reimbursement of breakage and redeployment costs in the case of prepayment of LIBOR borrowings. After the Revolving Loans have been paid in full and the Revolving Commitments terminated, the Borrowers may prepay the FILO Loans under the Exit Facility in whole or in part at any time without premium or penalty, subject to reimbursement of the Lenders' breakage and redeployment costs in the case of prepayment of LIBOR. The commitments under the Exit Facility may be irrevocably reduced or terminated by the Borrowers at any time without premium or penalty.

SECURITY:

As security for the Exit Facility, the Borrowers and the Guarantors shall grant the Agent and the Lenders a valid and perfected security interest in all of the Borrowers' and Guarantors' respective assets, both tangible and intangible, real and personal, and all proceeds and products thereof (the "***Collateral***"), including but not limited to:

(a) a valid and perfected first priority lien and security interest in the "*ABL Priority Collateral*" (as such term is defined in the Existing Intercreditor Agreement, as defined below), and

(b) a second priority lien and security interest in *the "Term Priority Collateral*" (as such term is defined in the Existing Intercreditor Agreement, as defined below).

As used herein, "***Existing Intercreditor Agreement***" shall mean that certain "Intercreditor Agreement" (as such term is defined in the Pre-Petition Credit Agreement).

The priority of such liens, together with other inter-lender matters, shall be subject to the terms of an intercreditor agreement to be entered into between the Agent and the agent or agents for the term loan exit facilities (as such agreement may be modified or otherwise amended, the "***Intercreditor Agreement***"), which Intercreditor Agreement shall be in form and substance reasonably satisfactory to the Agent and shall be substantially the same as the Existing Intercreditor Agreement (and

acknowledged and agreed to by all Loan Parties).

The Security shall also secure the Borrowers' and Guarantors' obligations in respect of the Exit Facility and any cash management obligations, hedging arrangements and other bank products (including, without limitation, factoring and supply chain financing) entered into with or furnished by any Lender or its affiliates.

CONDITIONS PRECEDENT TO CLOSING:

The closing and the initial extension of credit under the Exit Facility will be subject to satisfaction or waiver of the following conditions precedent and shall occur on or after the Effective Date (as defined below) of the Chapter 11 Plan:

(i) The negotiation, execution and delivery of definitive documentation (including the Intercreditor Agreement and other customary intercreditor agreements and subordination agreements, ~~as~~if applicable) with respect to the Exit Facility, and receipt of fully executed loan documentation with respect to the exit term loan facilities, in each case, consistent with the terms and conditions set forth herein and in form and substance reasonably satisfactory to the Agent, and the Lenders and the Borrowers.

(ii) The Agent shall have received the results of customary lien searches with respect to the Borrowers and Guarantors and all filings and recordations necessary or desirable (as reasonably determined by the Agent) in connection with the liens and security interests to reflect the valid and perfected liens and security interests referred to above and, with the priority specified above, under Security shall have been duly made; all filing and recording fees and taxes shall have been duly paid to the extent due and owing prior to the Closing Date, and Borrowers and Guarantors shall use commercially reasonable efforts to obtain any landlord waivers and other or control access letters reasonably requested by the Agent within sixty (60) days of the Closing Date, provided that absent delivery of an acceptable landlord waiver or collateral access agreement the Agent may implement reserves. The Agent shall be reasonably satisfied with the amount, types and terms and conditions of all insurance maintained by the Borrowers (it being agreed that the insurance maintained on the date hereof is reasonably satisfactory); and the Agent shall have received, within sixty (60) days of the Closing Date, endorsements naming the Agent as an additional insured or loss payee, as the case may be, under all insurance policies to be maintained with respect to the properties of the Borrower and the Guarantors forming part of the Collateral set forth above.

(iii) (1) evidence that all other actions that the Agent may deem reasonably necessary or desirable in order to create valid first and subsisting liens (subject only to certain permitted encumbrances to be agreed) on the property described in the mortgages has been taken; (2) an appraisal of each of the properties described in the mortgages complying with the requirements of FIRREA by a third

party appraiser reasonably acceptable to the Agent and otherwise in form and substance reasonably satisfactory to the Agent; (3) flood certificates with respect to each of the properties described in the mortgages certifying that such properties are not in a flood zone otherwise the Agent shall be named as loss payee and additional insured on flood insurance reasonably acceptable to the Agent with respect to such properties, and (4) delivery of such other information and documents with respect to such properties as may be reasonably requested by the Agent in its permitted discretion.

(iv) All material governmental consents and approvals, and all third party consents, reasonably required for the Borrowers to consummate the financing shall have been obtained by the Borrowers.

(v) Compliance with all applicable laws and regulations in all material respects (including compliance with "know your customer" and anti-money laundering rules and regulations, including without limitation the Patriot Act, MSB and HRC requirements and any Canadian equivalents (including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada))); provided, that all information required by the Agent or the Lenders pursuant to such rules and regulations shall have been requested at least five (5) days prior to the Closing Date.

(vi) The Agent shall have received (A) customary opinions of counsel to the Borrowers and the Guarantors (which shall cover, among other things, authority, legality, validity, binding effect and enforceability of the documents for the Exit Facility) from Kirkland and Ellis LLP, and appropriate local counsel (including, without limitation, Canadian and Puerto Rican counsel) for material relevant jurisdictions~~.~~ and (B) such customary corporate resolutions, certificates and other documents as the Agent shall reasonably require.

(vii) The absence of any Bankruptcy Court or Canadian Bankruptcy Court order or any action, suit, investigation or proceeding pending or, to the knowledge of the Borrowers or Guarantors, threatened in any court or before any arbitrator or governmental authority that could reasonably be expected to have a material adverse effect on the Borrowers and their subsidiaries, taken as a whole, or to prevent or restrain the consummation of the Exit Facility.

(viii) No changes or developments shall have occurred, and no new or additional information, shall have been received or discovered by the Agent regarding the Borrowers or the Guarantors or the transactions contemplated hereby after the date of the Commitment Letter (including, without limitation, any litigation) that either individually or in the aggregate, could reasonably be expected to have a material adverse effect (it being agreed that the commencement of the Chapter 11 Cases shall not be deemed to be a

material adverse effect) on the Loan Parties, taken as a whole.

(ix) The Bankruptcy Court shall have approved the payment of all accrued fees and expenses of the Agent (including the fees and expenses of counsel (including any local counsel) for the Agent) and all such fees and expenses shall have been paid or will be paid substantially simultaneously with the consummation of the Exit Facility.

(x) The Agent shall have received, in form and substance reasonably satisfactory to it, such other reports, audits, collateral examinations, background checks, or certifications as it may reasonably request.

(xi) The capital structure of the Borrowers and Guarantors shall be reasonably acceptable to the Agent at closing; provided, that the Agent agrees that the structure contemplated by the Chapter 11 Plan is reasonably acceptable.

(xii) Receipt by the Agent of such historical financial statements, post-emergence projections, and business plan with respect to the Borrowers and Guarantors as the Agent deems appropriate, including, without limitation, final projections for the next eighteen (18) month period (including balance sheet, P&L, cash flows and availability model), which projections (a) are consistent with the preliminary plan submitted to the Agent in June, 2017, (b) are reasonably acceptable to the Agent in its sole discretion, and (c) evidence consistent levels of leverage (senior and total fund debt to proforma EBITDA), profitability, and excess availability; provided, that the Agent agrees that all items required by this clause (xii) have been received on or prior to the date hereof.

(xiii) No later than July 27, 2017, the Borrowers and Guarantors shall have obtained from the Bankruptcy Court an order (the "***Confirmation Order***"), in form and substance reasonably acceptable to the Agent, confirming the Chapter 11 Plan and approving the consummation of the restructuring transactions on the effective date of the Chapter 11 Plan (the "***Effective Date***"), which Confirmation Order shall be recognized and enforced by the Canadian Bankruptcy Court (as such term is defined in the DIP Credit Agreement) in a an order within seven (7) business days thereafter (the "***Canadian Order***"). As of the Effective Date, Confirmation Order and Canadian Order shall each be final, and neither shall be subject to a stay or injunction (or similar prohibition) in effect with respect thereto, nor shall have been reversed, vacated, amended supplemented or otherwise modified in any manner that could reasonably be expected to adversely affect the rights of the Agent or Lenders. The Effective Date shall occur no later than the deadline for the effective date of the Chapter 11 Plan set forth in the Restructuring Support Agreement (as such deadline may be and actually is extended pursuant to the terms and conditions thereof) and shall be conditioned, in any event, upon,

inter alia, (i) payment in full in cash of all obligations under the Existing Credit Agreements, (ii) with respect to the Term Loan Agreements and the DIP Term Loan Facility (as such terms are defined in the DIP Credit Agreement), (A) the "Final DIP Draw" under the "Term DIP Facility" shall have been made (as such terms are defined in the Restructuring Support Agreement) and all indebtedness under the "Term DIP Facility", consisting of $80 million in gross proceeds in the aggregate, shall have been converted into an exit term loan facility, (B) up to $200 million of such indebtedness shall have been converted into an exit term loan facility, and (C) the balance of such indebtedness shall have been converted into equity of the Loan Parties, (iii) consummation of such exit transactions on terms consistent with those outlined in the Chapter 11 Plan and otherwise on terms and conditions, and pursuant to documentation in form and substance, reasonably acceptable to the Agent.

(xiv) The entry of all orders described or referred to herein or in the body of the Commitment Letter shall have been upon proper notice as may be required by the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the CCAA, and any applicable bankruptcy rules.

(xv) All of the conditions precedent set forth in the Restructuring Support Agreement and the Chapter 11 Plan shall have been satisfied, as determined by the Agent in its reasonable discretion.

(xvi) The Chapter 11 Plan sponsor shall be the Consenting Lenders (as such term is defined in the Restructuring Support Agreement) and/or one or more of their affiliates or another party reasonably acceptable to the Agent.

(xvii) The Agent shall have received a payoff letter (or other evidence reasonably satisfactory to Agent) with respect to each of the Existing Credit Agreements, as well as the Term Loan Agreements (as such term is defined in the DIP Credit Agreement) (A) evidencing that, upon the making of the initial extension of credit on the Closing Date and the application of such funds in accordance with such payoff letter, all obligations under such facility will have been paid and satisfied in full, and all commitments thereunder will terminate, and (B) confirming that all liens securing such existing indebtedness will be, contemporaneously with the initial funding under the Exit Facility, released.

(xviii) After giving effect to the first funding of any Loans under the Exit Facility ~~and~~, the issuance all Letters of Credit to be issued at, or immediately subsequent to, the establishment of the Exit Facility and ~~payment of various other administrative expenses to be made~~the transaction contemplated on the Closing Date ~~in connection with the Chapter 11 Case,~~, the excess of (x) Excess Availability (as defined below) ~~after giving effect~~over (y) the amount of Excess Availability

required to be maintained pursuant to the ~~financial covenant~~Financial Covenant set forth below, in each case, as of the Closing Date, shall be not less than ~~$[45],~~$30,000,000 (or such lesser amount as may be agreed to by the Agent and Lenders).

(xix) The Agent shall have received a borrowing base certificate dated as of the Closing Date, executed by a financial officer of the Borrowers, which shall be in form and substance reasonably acceptable to the Agent.

(xx) The Agent shall have received, (x) ten (10) business days prior to the Closing Date, an updated list of the ultimate beneficial equity holders of the Parent holding more than 10% of such equity; and (y) on the Closing Date, an updated list of the ultimate beneficial equity holders of the Parent.

CONDITIONS PRECEDENT TO ALL EXTENSIONS OF CREDIT:

Shall include the following: (i) all of the representations and warranties in the loan documentation shall be true and correct in all material respects (or in the case of any representation or warranty qualified by materiality, in all respects) as of the date of such extension of credit; (ii) no default that has not been waived in writing or cured and no event of default that has not been waived in writing shall have occurred under the Exit Facility, or would result from such extension of credit; and (iii) in the case of any extension of credit under the Exit Facility, the aggregate principal amount of all outstanding Revolving Loans and the aggregate undrawn amount of all Letters of Credit outstanding on such date, after giving effect to the applicable borrowing or issuance or renewal of a Letter of Credit, shall not exceed the Revolving Loan Cap.

REPRESENTATIONS AND WARRANTIES:

Usual and customary for transactions of this type and shall include, without limitation, representations and warranties substantially consistent with those in the Pre-Petition Credit Agreement and the following representations and warranties: (i) compliance with all applicable Bankruptcy Code and CCAA provisions, and (ii) Confirmation Order not procured by fraud.

COVENANTS:

Usual and customary for transactions of this type and shall include, without limitation, the following covenants:

Affirmative Covenants: covenants substantially consistent with those in the Pre-Petition Credit Agreement.

Negative Covenants: covenants substantially consistent with those in the Pre-Petition Credit Agreement.

Restricted Payments/Payment Conditions. The Borrowers shall be permitted to make certain ordinary course restricted payments, investments and prepay certain indebtedness subject to usual and customary restrictions. The Borrowers shall also have the ability to make restricted payments, investments and payments after the first anniversary of the Closing Date, so long as no Default or Event of

Default then exists or would arise as a result of the making of such payment, upon satisfaction of the following: either (a) the Borrowers have demonstrated to the reasonable satisfaction of the Agent that (i) Excess Availability, immediately following the making of such transaction, investment or payment and as projected on a pro forma basis for the twelve (12) months following and after giving effect to such payment, will be at least equal to the greater of (x) fifteen percent (15%) of the Combined Borrowing Base, and (y) $30,000,000, and (ii) after giving pro forma effect to such transaction, investment or payment, the consolidated fixed charge coverage ratio is greater than or equal to 1.0:1.0, or (b) the Borrowers have demonstrated to the reasonable satisfaction of the Agent that Excess Availability, immediately following the making of such transaction, investment or payment and as projected on a pro forma basis for the twelve (12) months following and after giving effect to such transaction, investment or payment, will be at least equal to the greater of (x) twenty-five percent (25%) of the Combined Borrowing Base, and (y) $50,000,000.

Financial Covenant: Excess Availability shall not, at any time, be less than the greater of (x) $15,000,000; or (y) 10% of the Combined Borrowing Base.

> "***Excess Availability***" shall mean an amount equal to (a) the Revolving Loan Cap minus (b) the amount of Revolving Loans and Letters of Credit outstanding under the Exit Facility.

CASH DOMINION:

The Borrowers and Guarantors will implement cash management procedures customary for facilities of this type and reasonably satisfactory to the Agent, including, but not limited to, customary lockbox arrangements and blocked account agreements, which will provide for the Agent to have control of all deposit and securities accounts as required by the Agent (subject to exceptions substantially consistent with the Pre-Petition Credit Agreement) within forty-five (45) days after the Closing Date. If, at any time (i) Excess Availability is less than the greater of (A) $30,000,000 or (B) fifteen percent (15%) of the Combined Borrowing Base or (ii) an event of default exists ("***Cash Dominion Event***"), cash receipts shall be forwarded to a deposit account ("***Collection Account***") which is in the name of the Agent and such receipts shall be applied daily in reduction of the obligations under the Exit Facility. A Cash Dominion Event shall continue in the Agent's discretion unless and until the event of default is waived and Excess Availability exceeds the greater of (i) $30,000,000; or (ii) fifteen percent (15%) of the Combined Borrowing Base for (30) thirty consecutive days; provided, that in the Agent's discretion a Cash Dominion Event shall be deemed continuing at all times after a Cash Dominion Event has occurred and been discontinued on two occasions in any twelve (12) month period or on four occasions after the Closing Date.

COLLATERAL & FINANCIAL REPORTING:

The Borrowers shall provide collateral reporting usual and customary for transactions of this type, including, without limitation, certain collateral reporting requirements which shall be tied to the Borrowers'

Excess Availability levels. Borrowing Base certificates and supporting documentation shall be delivered monthly ten (10) business days after the end of each month; provided, that at anytime a Cash Dominion Event exist, Borrowing Base certificates will be delivered weekly on Wednesday of each week for the immediately preceding Saturday.

FINANCIAL REPORTING: The Borrowers shall provide financial reporting usual and customary for transactions of this type and substantially consistent with the Pre-Petition Credit Agreement, including, without limitation: (i) usual and customary financial reporting, including, without limitation, monthly deliveries in all events, and (ii) supplemental financial reporting concerning the Borrowers' obligations under the Chapter 11 Plan. Other requirements shall include forecasts and projections, compliance certificates, reports to shareholders and debtholders, management letters, notices of default, litigation and other material events, updates to the budget and other information customarily supplied in a transactions of this type.

COLLATERAL MONITORING: The Agent may conduct two (2) field examinations and two (2) inventory appraisal in the first twelve (12) months following the Closing Date at the expense of the Borrowers. Following the first anniversary of the Closing Date, the Agent may conduct one (1) field examination and one (1) inventory appraisal per year at the expense of the Borrowers; provided that if Excess Availability is less than $50,000,000 at any time, the Agent shall conduct two (2) field examinations and two (2) inventory appraisals per year at the expense of the Borrowers; provided further, if Excess Availability is less than $37,500,000 at any time, the Agent may conduct three (3) field examinations and three (3) inventory appraisals per year at the expense of the Borrowers. The Agent may conduct one (1) real estate appraisal per year at the expense of the Borrowers. The Agent may conduct such other field examinations and appraisals at the expense of the Lenders, provided that if an default or event of default exists such field examinations and appraisals shall be at the expense of the Borrowers.

EVENTS OF DEFAULT: Usual and customary in transactions of this type and consistent with the terms of the Existing Credit Agreements.

ASSIGNMENTS AND PARTICIPATIONS: Substantially consistent with the Pre-Petition Credit Agreement.

WAIVERS AND AMENDMENTS: Usual and customary for transactions of this type and substantially consistent with the terms of the Pre-Petition Credit Agreement, which shall include provisions that certain amendments, waivers, and/or exercise of certain rights will require consent of Agent, Lenders holding a majority of the Exit Facility or unanimous consent of all Lenders, as applicable.

INDEMNIFICATION: The Borrowers will indemnify and hold harmless the Agent, the Lenders and their respective affiliates, directors, officers, employees, agents and

advisors from and against all losses, claims, damages, liabilities and expenses arising out of or relating to the Exit Facility, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement costs (subject to customary exceptions and limitations substantially consistent with the Pre-Petition Credit Agreement). This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW: New York

PRICING/FEES/EXPENSES: As set forth in Addendum I.

COUNSEL TO AGENT: Choate, Hall & Stewart , LLP.

OTHER: Each of the parties shall (i) waive its right to a trial by jury and (ii) submit to New York jurisdiction. The loan documentation will contain customary increased cost, withholding tax, capital adequacy and yield protection provisions.

ADDENDUM I
PRICING, FEES AND EXPENSES

INTEREST RATES:	The interest rates per annum applicable to the Revolving Loans will be (i) (a) the greater of (1) LIBOR and (2) zero percent (0%) per annum, plus (b) the Applicable Margin (as hereinafter defined) or, at the option of the Borrowers, (ii) (a) the Base Rate (to be defined as the highest of (w) the Wells Fargo Bank, National Association's prime rate, (x) the Federal Funds rate plus 0.50%, (y) LIBOR for an interest period of one month plus 1.00%, or (z) zero percent (0%) per annum) plus (b) the Applicable Margin. "***Applicable Margin***" means a percentage per annum to be determined in accordance with the applicable pricing grid set forth below, based on Excess Availability. The interest rate per annum applicable to the FILO Loan will be LIBOR plus 3.50%. The Borrowers may select interest periods of one, two, three or six months for LIBOR loans, subject to availability. Interest on LIBOR loans shall be payable at the end of the selected interest period, but no less frequently than quarterly. Interest on Base Rate loans shall be payable on the first day of each calendar month. At the option of the Agent or at the written direction of the required revolving Lenders with respect to the Revolving Loans and the required FILO Lenders with respect to the FILO Loans during the continuance of any event of default under the loan documentation (and automatically upon an insolvency event of default), the Applicable Margin on obligations under the loan documentation shall increase by 2% per annum.
COMMITMENT FEE:	Commencing on the Closing Date, a commitment fee (the "***Commitment Fee***") shall be payable on the average daily unused portions of the Revolving Loans under the Exit Facility at the rate of 0.25% per annum. The Commitment Fee shall be payable quarterly in arrears, commencing on the first quarterly payment date to occur after the Closing Date.
LETTER OF CREDIT FEES:	Letter of Credit fees shall be payable on the maximum amount available to be drawn under each outstanding Letter of Credit at a rate per annum equal to (a) with respect to standby Letters of Credit, the Applicable Margin from time to time applicable to LIBOR loans, and (b) with respect to documentary Letters of Credit, the Applicable Margin from time to time applicable to LIBOR loans less 0.50%. Such fees will be payable quarterly in arrears, commencing on the first quarterly payment date to occur after the Closing Date.
CLOSING FEES:	Per Fee Letter.

PRICING GRID
REVOLVING FACILITY

(a) From and after the Closing Date until the end of the first full fiscal quarter ending after the Closing Date, the percentages set forth in Level II of the pricing grid below; and

(b) at all times after the end of the first full fiscal quarter ending after the Closing Date, the applicable percentages set forth in the pricing grid below based on Average Excess Availability:

Level	**Average Excess Availability**	**Applicable Margin for LIBOR Loans**	**Applicable Margin for Base Rate Loans**
I	Greater than 50% of the Revolving Loan Cap	1.75%	0.75%
II	Equal to or Less than 50% of the Revolving Loan Cap	2.00%	1.00%

CALCULATION OF INTEREST AND FEES: All calculations of interest and fees shall be made on the basis of actual number of days elapsed in a 360 day year, and changes to the pricing grid level shall be based on average daily Excess Availability for the preceding fiscal month for which the calculation is being made. *Interest Act* (Canada) provisions shall apply.

COST AND YIELD PROTECTION: Customary for transactions and facilities of this type, including, without limitation, in respect of breakage or redeployment costs incurred in connection with prepayments, changes in capital adequacy and capital requirements or their interpretation, illegality, unavailability, reserves without proration or offset and payments free and clear of withholding or other taxes.

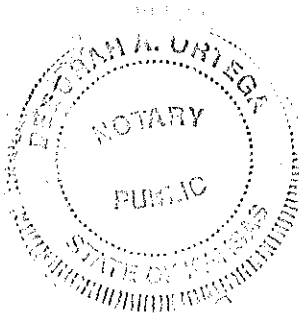
EXPENSES: The Borrowers will pay all reasonable and documented out-of-pocket costs and expenses associated with the preparation, due diligence, administration, and closing of all loan documentation, including, without limitation, the reasonable and documented out-of-pocket fees for appraisers, field examiners, and counsel to the Agent (which shall be limited to one primary counsel, one local counsel in each reasonably necessary and relevant jurisdiction and one specialty counsel for each reasonably necessary and relevant specialty in each applicable jurisdiction and which shall include reasonable and documented allocated costs of in-house counsel), regardless of whether or not the Exit Facility is closed. The Borrowers will also pay the reasonable and documented out-of-pocket expenses of the Agent in connection with the enforcement of any of the loan

documentation.

THIS IS EXHIBIT "E" REFERRED TO IN THE AFFIDAVIT OF MICHAEL SCHWINDLE, SWORN BEFORE ME THIS 25th DAY OF JULY, 2017.

State of Kansas)

County of Shawnee)



Deborah A. Ortega

Notary Public

My Commission Expires: 12/2/20

DRAFT 7/10/17

$[280,000,000][1]

AMENDED AND RESTATED TERM LOAN AND GUARANTEE AGREEMENT

among

WBG – PSS HOLDINGS LLC,
as Holdings,

PAYLESS INC.,
PAYLESS FINANCE, INC.,
PAYLESS SHOESOURCE, INC. and
PAYLESS SHOESOURCE DISTRIBUTION, INC.
collectively, as Borrowers,

The Several Lenders from Time to Time Parties Hereto,

and

CORTLAND PRODUCTS CORP.,
as Administrative Agent and Collateral Agent,

Dated as of [_____], 2017

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[1] Subject to further negotiations and revisions.

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SCHEDULES:

EXHIBITS:

AMENDED AND RESTATED TERM LOAN AND GUARANTEE AGREEMENT ("Agreement"), dated as of [_____], 2017, among WBG – PSS Holdings LLC, a Delaware limited liability company ("Holdings"), Payless Inc., a Delaware corporation (the "Company"), Payless Finance, Inc., a Nevada corporation ("Finance"), Payless ShoeSource, Inc., a Missouri corporation ("Payless") and Payless ShoeSource Distribution, Inc., a Kansas corporation ("Distribution" and, together the Company, Finance and Payless, the "Borrowers" and each a "Borrower"), the Subsidiary Guarantors from time to time party hereto, Cortland Products Corp., as Administrative Agent and Collateral Agent and each of the Lenders from time to time party hereto.

W I T N E S S E T H:

WHEREAS, on April 4, 2017 (the "Petition Date"), the Borrowers, Clinch, LLC, a Delaware limited liability company, Collective Brands Franchising Services, LLC, a Kansas limited liability company, Collective Brands Services, Inc., a Delaware corporation, Collective Licensing International, LLC, a Delaware limited liability company, Collective Licensing, LP, a Delaware limited partnership, Eastborough, Inc., a Kansas corporation, Payless Collective GP, LLC, a Delaware limited liability company, Payless Gold Value CO, Inc., a Colorado corporation, Payless International Franchising, LLC, a Kansas limited liability company, Payless NYC, Inc., a Kansas corporation, Payless Purchasing Services, Inc., a Kansas corporation, Payless ShoeSource Merchandising, Inc., a Kansas corporation, Payless ShoeSource Worldwide, Inc., a Kansas corporation, PSS Delaware Company 4, Inc., a Delaware corporation, Shoe Sourcing, Inc., a Kansas corporation and PSS Canada, Inc., a Kansas corporation (collectively, together with the Borrowers and Holdings, the "Debtors" and each a "Debtor") commenced certain Chapter 11 Cases, as administratively consolidated as Chapter 11 Case No. 17-42267 (each a "Chapter 11 Case" and collectively, the "Chapter 11 Cases") by filing separate voluntary petitions for reorganization under Chapter 11, 11 U.S.C. 101 et seq. (the "Bankruptcy Code"), with the United States Bankruptcy Court for the Eastern District of Missouri (the "Bankruptcy Court"). Each of the Borrowers and the Guarantors continue to operate its businesses and manage its properties as a debtor and debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

WHEREAS, prior to the Petition Date, certain Lenders provided financing to Borrowers pursuant to that certain Credit Agreement, dated as of March 11, 2014, among the Borrowers, the other loan parties signatory thereto, Cortland Products Corp. (as successor to Morgan Stanley Senior Funding Inc.) as Administrative Agent and Collateral Agent, the lenders from time to time signatory thereto (as amended, modified or supplemented prior to the Petition Date, the "Prepetition First Lien Credit Agreement");

WHEREAS, in connection with the Chapter 11 Cases, certain Lenders provided financing to Borrowers pursuant to that certain Superpriority Secured Debtor-In-Possession Term Loan and Guarantee Agreement, dated as of April 5, 2017, among the Borrowers, the other loan parties signatory thereto, Cortland Products Corp., as Administrative Agent and Collateral Agent, and the lenders from time to time signatory thereto (as amended, modified or supplemented prior to the Closing Date, the "Term DIP Credit Agreement");

WHEREAS, Borrowers have requested that Lenders provide first lien term loan secured facilities in the aggregate principal amount of $280,000,000;

WHEREAS, Borrowers desire all of their Obligations under the Loan Documents will be joint and several and all of the Guarantors will guaranty all of the Obligations under the Loan Documents;

WHEREAS, in order to secure the Obligations of Holdings, the Borrowers and the other Guarantors under the Loan Documents, the Borrowers and the Guarantors will grant to the Collateral Agent, for the benefit of Collateral Agent and all other Secured Parties, a security interest in and Lien upon substantially all of the now existing and hereafter acquired personal and real property of the Borrowers and the Guarantors, including, without limitation, all present and future Equity Interests of all Subsidiaries of the Borrowers and the Guarantors (subject, in each case, to the limitation set forth herein and in the Loan Documents);

WHEREAS, the Plan of Reorganization (as defined below) of the Debtors has been confirmed pursuant to the Confirmation Order (as defined below), and concurrently with the deemed making of the Loans hereunder, the effective date with respect to such Plan of Reorganization has occurred; and

WHEREAS, the Lenders are willing to extend such credit to the Borrowers and Holdings on the terms and subject to the conditions set forth herein.

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

SECTION 1.
DEFINITIONS

1.1 Defined Terms. As used in this Agreement (including the recitals hereof), the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1.

"ABL Agent" shall mean Wells Fargo Bank, National Association, in its capacity as administrative agent and collateral agent under the ABL Facility Documents, or any successor administrative agent or collateral agent or other agent appointed under the ABL Facility Documents in accordance with the provisions thereof.

["ABL Borrowing Base" shall mean the "borrowing base" in respect of the ABL Facility or such similar term as defined in the ABL Facility Documents.]

["ABL Facility" shall mean (a) the asset-based revolving credit agreement, dated as of the date hereof, among Holdings, Payless Inc., certain Subsidiaries of the Company party thereto, the lenders party thereto and the ABL Agent and (b) one or more other credit agreements evidencing Permitted Refinancing Indebtedness of the credit agreement in clause (a) or any credit agreement in this clause (b); provided that the holders of such Indebtedness under this clause (b) or a Representative acting on behalf of the holders of such Indebtedness under this clause (b) shall have become party to the ABL/Term Loan Intercreditor Agreement (or another Intercreditor agreement containing terms that are at least as favorable in all material respects to

the Secured Parties as those contained in the ABL/Term Loan Intercreditor Agreement), in each case as the same may be amended, supplemented, waived or otherwise modified (or replaced) from time to time in a manner not prohibited by the ABL/Term Loan Intercreditor Agreement. Any reference to the ABL Facility hereunder shall be deemed a reference to each ABL Facility then in existence.]

["ABL Facility Documents" shall mean the "Loan Documents" (as defined in the ABL Facility), other than, for the avoidance of doubt, this Agreement or the ABL/Term Loan Intercreditor Agreement, in each case as the same may be amended, supplemented, waived, replaced in connection with Permitted Refinancing Indebtedness or otherwise modified from time to time in a manner not prohibited by the ABL/Term Loan Intercreditor Agreement.]

"ABL Facility Loans" shall mean the loans borrowed under the ABL Facility.

"ABL Priority Collateral" shall have the meaning given to such term in the ABL/Term Loan Intercreditor Agreement whether or not the same remains in full force and effect.

"ABL Real Property Collateral" shall have the meaning set forth in the definition of Applicable Percentage.

"ABL/Term Loan Intercreditor Agreement" shall mean the Intercreditor Agreement, dated as of the date hereof, between the Collateral Agent and the ABL Agent (in its capacity as collateral agent under the ABL Facility Documents), and acknowledged by certain of the Loan Parties, as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms hereof and thereof.

"Acceptable Price" shall have the meaning set forth in the definition of "Dutch Auction."

"Accepting Lenders" shall have the meaning set forth in Section 2.16(a).

"Account Control Agreement" shall have the meaning set forth in Section 7.8(f).

"Additional Lender" shall mean, at any time, any bank, other financial institution or other institutional lender or investor that (x) for the purposes of Section 2.15, agrees to provide any portion of any Incremental Term Loans in accordance with Section 2.15 and (y) for the purposes of Section 2.17, agrees to provide any portion of Credit Agreement Refinancing Indebtedness pursuant to a Refinancing Amendment in accordance with Section 2.17; provided that the Administrative Agent and/or the Borrowers shall have consented (not to be unreasonably withheld or delayed) to such Additional Lender if such consent would be required under Section 12.4 for an assignment of Term Loans to such Additional Lender.

"Additional Loan Conditions" shall mean, with respect to an extension of credit, the satisfaction or waiver in accordance with Section 12.12 of each of the following conditions: (i) the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3, (ii) each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects (or, in the case of any representation or warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language, true and correct in all respects) on and as of such date as if made on and as

of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date and (iii) no Default or Event of Default shall have occurred and be continuing on such date or immediately after giving effect to the extensions of credit requested to be made on such date.

"Additional Security Documents" shall mean the documents granting to the Collateral Agent for the benefit of the Secured Parties security interests, each Account Control Agreement, if any, and Mortgages in such assets and Real Property of Holdings and such other Loan Party as are not covered by the original Security Documents.

"Additional Real Property" shall have the meaning set forth in Section 7.8(b).

"Adjusted Net Worth" shall have the meaning set forth in Section 9.9.

"Administrative Agent" shall mean Cortland, in its capacity as administrative agent for the Lenders hereunder and under the other Loan Documents, and shall include any successor to the Administrative Agent appointed pursuant to Section 11.9.

"Administrative Agent Fee Letter" shall mean the agent fee letter dated as of the date hereof among the Borrowing Agent and the Administrative Agent.

"Affiliate" shall mean, with respect to any specified Person, 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, shall mean 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; provided, however, that neither any Lender nor any Agent (nor any of their Affiliates) shall be deemed to be an Affiliate of Holdings, the Borrowers or any of their respective Subsidiaries solely by virtue of its capacity as a Lender or Agent hereunder.

"Affiliate Transaction" shall have the meaning set forth in Section 8.8.

"Agents" shall mean and include the Administrative Agent and the Collateral Agent.

"Aggregate Deficit Amount" shall have the meaning set forth in Section 9.9.

"Aggregate Excess Amount" shall have the meaning set forth in Section 9.9.

"Agreement" shall mean this Amended and Restated Term Loan and Guarantee Agreement, as modified, supplemented, amended, restated (including any amendment, restatement, amendment and restatement, supplement or other modification hereof), extended or renewed from time to time in accordance with the terms hereof.

"Akin" shall have the meaning set forth in Section 6.1(g).

"Applicable Discount" shall have the meaning set forth in the definition of "Dutch Auction."

"Applicable Margin" shall mean in the case of (i) Base Rate Loans that are (x) Tranche A-1 Term Loans, a rate per annum of 7.00% or (y) Tranche A-2 Term Loans, a rate per annum of 8.00% and (ii) LIBOR Loans that are (x) Tranche A-1 Term Loans, a rate per annum of 8.00% or (y) Tranche A-2 Term Loans, a rate per annum of 9.00%.

"Applicable Percentage" shall mean with respect to any Asset Sale or Recovery Event (i) in the case of any Real Property that constitutes ABL Priority Collateral (such Real Property being "ABL Real Property Collateral"), the percentage equal to the excess of 100% of the Net Cash Proceeds with respect thereto over an amount equal to the contribution of such ABL Real Property Collateral to the ABL Borrowing Base and (ii) otherwise, 100%.

"Applicable Requirements" means that such Indebtedness satisfies the following requirements:

(a) such Indebtedness shall not mature earlier than the Latest Maturity Date of the Term Loans outstanding at the time of incurrence of such Indebtedness;

(b) such Indebtedness shall have a Weighted Average Life to Maturity not shorter than the remaining Weighted Average Life to Maturity of the Term Loans outstanding at the time of incurrence of such Indebtedness;

(c) if such Indebtedness is secured by the Collateral, such Indebtedness shall be subject to an Other Intercreditor Agreement at all times;

(d) to the extent such Indebtedness is secured, it is not secured by any property or assets of Holdings, the Borrower or any Restricted Subsidiary other than the Collateral (it being agreed that such Indebtedness shall not be required to be secured by all of the Collateral);

(e) such Indebtedness shall not be guaranteed by any Person other than any Loan Party and shall not have any obligors other than any Loan Party; and

(f) the other terms and conditions of such Indebtedness (excluding pricing, fees, rate floors, premiums, optional prepayment or optional redemption provisions) are (i) not materially less favorable (when taken as a whole) to Holdings and its Restricted Subsidiaries than those set forth in the Loan Documents (when taken as a whole) or (ii) on customary terms for "high yield" notes of the type being incurred at the time of incurrence (it being agreed that such Indebtedness may be in the form of notes or a credit agreement), except in each case for covenants or other provisions contained in such Indebtedness that are applicable only after the then Latest Maturity Date;

provided that a certificate of an Authorized Officer of the Borrowing Agent delivered to the Administrative Agent at least five Business Days prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrowing Agent

has determined in good faith that such terms and conditions satisfy the requirements of this definition, shall be conclusive evidence that such terms and conditions satisfy the requirements of this definition unless the Administrative Agent notifies the Borrowing Agent within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees).

"Approved Fund" shall have the meaning set forth in Section 12.4.

"Asset Sale" shall mean any Disposition by Holdings or any of its Restricted Subsidiaries of property pursuant to Sections 8.4(g) (other than to the extent constituting a Recovery Event (without giving effect to the dollar threshold in the definition thereof)), (l)(iii), (q), (r), (t) and/or (ee) but excluding any Disposition that yields aggregate consideration to Holdings or any of its Subsidiaries (valued at the initial principal amount thereof in the case of non-cash proceeds consisting of notes or other debt securities and valued at fair market value in the case of other non-cash proceeds) equal to or less than (i) $1,000,000 with respect to any single Disposition or series of related Dispositions of property (each such Disposition at or below $1,000,000, a "De Minimis Disposition") or (ii) $10,000,000 when taken together with the aggregate consideration of all Dispositions of property (including De Minimis Dispositions) pursuant to Sections 8.4(g) (other than to the extent constituting a Recovery Event (without giving effect to the dollar threshold in the definition thereof)), (l)(iii), (q), (r), (t) and (ee) during any fiscal year.

"Assignee" shall have the meaning set forth in Section 12.4(a)(i).

"Assignment and Assumption" shall mean an assignment and assumption, substantially in the form of Exhibit A, or such other form reasonably satisfactory to the Administrative Agent.

"Attributable Debt" shall mean, in respect of a Sale Leaseback Transaction, at the time of determination, the present value of the obligation of the Loan Party that acquires, leases or licenses back the right to use all or a material portion of the subject property for net rental, license or other payments during the remaining term of the lease, license or other arrangement included in such Sale Leaseback Transaction including any period for which such lease, license or other arrangement has been extended or may, at the sole option of the other party (or parties) thereto, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP.

"Auction Purchase" shall mean a purchase of Term Loans or Term Loan Commitments pursuant to a Dutch Auction of a Permitted Auction Purchaser, in accordance with the provisions of Section 12.4(a)(iii).

"Authorized Officer" shall mean the chief executive officer, president, chief financial officer, any vice president, controller, treasurer or assistant treasurer, secretary or assistant secretary of a Loan Party or any of the other individuals designated in writing to the Administrative Agent by an existing Authorized Officer of a Loan Party as an authorized signatory of any certificate or other document to be delivered hereunder.

"Automatic Stay" shall mean the automatic stay imposed under section 362 of the Bankruptcy Code.

"Available Amount" shall mean, at any time, an amount, not less than zero in the aggregate, determined on a cumulative basis equal to the sum of (without duplication):

(a) the Retained Excess Cash Flow Amount at such time, plus

(b) the cumulative amount of cash and Cash Equivalent proceeds (net of reasonable transaction costs associated with any of the events described in clauses (i), (ii) and (iii) below) from (i) the issuance of Qualified Capital Stock of Holdings after the Closing Date and on or prior to such time (including upon exercise of warrants or options), which proceeds have been contributed as common equity to the capital of the Borrowing Agent, (ii) contributions to the equity capital of Holdings after the Closing Date and on or prior to such time which proceeds have been contributed as common equity to the capital of the Borrowing Agent and (iii) the Qualified Capital Stock of Holdings or any Parent Company issued upon conversion of Indebtedness Incurred or Disqualified Capital Stock issued after the Closing Date of Holdings or any of its Restricted Subsidiaries owed to a Person other than a Loan Party or a Restricted Subsidiary of a Loan Party (in each case, excluding (x) any amount designated as a Specified Equity Contribution, (y) any such contribution by Holdings or any of its Subsidiaries, and (z) issuances of Capital Stock applied pursuant to Section 8.5(d)), plus

(c) 100% of the aggregate amount received by the Borrowing Agent and/or its Restricted Subsidiaries in cash and Cash Equivalents (after taking into account the payment of fees, costs or other transactions expenses relating thereto) from:

(i) the sale (other than to Holdings or any such Restricted Subsidiary) of any Capital Stock of an Unrestricted Subsidiary, or

(ii) any dividend or other distribution by an Unrestricted Subsidiary, or

(iii) any interest, returns of principal, repayments and similar payments by such Unrestricted Subsidiary, plus

(d) in the event any Unrestricted Subsidiary has been re-designated 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 Borrowing Agent or a Restricted Subsidiary, the fair market value (as determined in good faith by the board of directors of the Borrowing Agent) of the Investments of the Borrowing Agent and the Restricted Subsidiaries in such Unrestricted Subsidiary at the time of such re-designation, combination or transfer (or of the assets transferred or conveyed, as applicable), in each case to the extent such Investments correspond to the designation of a Subsidiary as an Unrestricted Subsidiary pursuant to Section 7.11 and were originally made using the Available Amount pursuant to Section 8.6(q), plus

(e) the aggregate Net Cash Proceeds received by the Borrowing Agent or any of its Restricted Subsidiaries after the Closing Date and on or prior to such time from the Disposition of any Investments made pursuant to Section 8.6(q), plus

(f) the amount of returns, profits, distributions and similar amounts on Investments made pursuant to Section 8.6(q) actually received by the Borrowing Agent and its

Restricted Subsidiaries in cash or Cash Equivalents after the Closing Date and on or prior to such time, plus

(g) solely for the purposes of determining the Available Amount in Sections 8.6(e) and (q) and Section 8.7(d):

(i) the aggregate amount of Net Cash Proceeds received from Dispositions by Holdings or any of its Restricted Subsidiaries of property pursuant to Section 8.4(g), (l)(iii), (q), (r), (t) or (ee) after the Closing Date and on or prior to such time, in each case that the Borrowers are not required to apply as a mandatory prepayment of Term Loans pursuant to Section 4.2(c) (determined for the purposes of this clause (i) without giving effect to the provisos in Section 4.2(c)), plus

(ii) the aggregate amount of Remaining Declined Proceeds on or prior to such time, minus

(h) any amount of the Available Amount used to make Investments pursuant to Sections 8.6(e) and (q) after the Closing Date and prior to such time, minus

(i) any amount of the Available Amount used to make Restricted Payments pursuant to Section 8.5(b) after the Closing Date and prior to such time, minus

(j) the aggregate amount Restricted Payments made pursuant to Section 8.5(k) after the Closing Date and prior to such time, minus

(k) any amount of the Available Amount used to make payments or redemptions pursuant to Section 8.7(d) after the Closing Date and prior to such time, minus

(l) any amount of the Available Amount used to make Investments following the re-designation of an Unrestricted Subsidiary into a Restricted Subsidiary or the merger, consolidation or amalgamation with or into, or transfers or conveyance of assets to, or is liquidated into, the Borrowing Agent or a Restricted Subsidiary in accordance with clause (d) above, if such Restricted Subsidiary is subsequently re-designated as an Unrestricted Subsidiary (including the merger, consolidation or amalgamation thereof).

"Bail-In Action" shall mean the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" shall mean, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bankruptcy Code" shall have the meaning assigned to such term in the recitals to this Agreement.

"Bankruptcy Court" shall have the meaning assigned to such term in the recitals to this Agreement.

"Base Rate" shall mean, at any time, the highest of (i) the Prime Lending Rate at such time, (ii) 1/2 of 1% in excess of the overnight Federal Funds Rate at such time and (iii) the LIBOR Rate that would then be in effect for a LIBOR Loan with an Interest Period of one month plus 1%; provided, that the Base Rate shall not be less than 2.00% per annum. For purposes of this definition, the LIBOR Rate shall be determined using the LIBOR Rate as otherwise determined by the Administrative Agent in accordance with the definition of LIBOR Rate, except that (x) if a given day is a Business Day, such determination shall be made on such day (rather than two Business Days prior to the commencement of an Interest Period) or (y) if a given day is not a Business Day, the LIBOR Rate for such day shall be the rate determined by the Administrative Agent pursuant to preceding clause (x) for the most recent Business Day preceding such day. Any change in the Base Rate due to a change in the Prime Lending Rate, Federal Funds Rate or such LIBOR Rate shall be effective as of the opening of business on the day of such change in the Prime Lending Rate, the Federal Funds Rate or such LIBOR Rate, respectively.

"Base Rate Loan" shall mean each Term Loan designated or deemed designated as such by the Borrowing Agent at the time of the incurrence thereof or conversion thereto.

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Borrower" shall have the meaning set forth in the preamble hereto.

"Borrower Group" means collectively the Company, Finance, Payless and Distribution.

"Borrowing" shall mean the borrowing of one Type of Term Loan of a single Tranche from all the Lenders having Term Loan Commitments of the respective Tranche on a given date (or resulting from a conversion or conversions on such date) having in the case of LIBOR Loans, the same Interest Period; provided that Base Rate Loans incurred pursuant to Section 2.11(b) shall be considered part of the related Borrowing of LIBOR Loans.

"Borrowing Agent" means the Company.

"Business Day" shall mean (i) for all purposes other than as covered by clause (ii) below, any day except Saturday, Sunday and any day which shall be in the state of New York, a legal holiday or a day on which banking institutions are authorized or required by law or other government action to close and (ii) with respect to all notices and determinations in connection with, and payments of principal and interest on, LIBOR Loans, any day which is a Business Day described in clause (i) above and which is also a day for trading by and between banks in U.S. dollar deposits in the London interbank market.

"Cancellation" or "Cancelled" shall mean the cancellation, termination and forgiveness by Permitted Auction Purchaser of all Term Loans, Term Loan Commitments and related Obligations acquired in connection with an Auction Purchase or other acquisition of Term Loans (including any Open Market Purchase), which cancellation shall be consummated as described in

Section 12.4(a)(iii)(D), the definition of "Dutch Auction" and the definition of "Eligible Assignee."

"Canadian Loan Parties" means [Payless ShoeSource Canada Inc., a [●] corporation, Payless ShoeSource Canada GP Inc., a [●] corporation and Payless ShoeSource Canada LP, a [●] limited partnership].[1]

"Capital Lease Obligations" shall mean, with respect to any Person for any period, all rental obligations of such Person which, under GAAP, are required to be capitalized on the books of such Person, in each case taken at the amount thereof accounted for as indebtedness in accordance with such principles. For the avoidance of doubt, "Capital Lease Obligations" shall not include obligations or liabilities of any Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations would be required to be classified and accounted for as an operating lease under GAAP as existing on the Closing Date.

"Capital Stock" shall mean any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation (including common stock and preferred stock), any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests (general and limited), and membership and limited liability company interests, and any and all warrants, rights or options to purchase any of the foregoing (but excluding any debt security that is exchangeable for or convertible into such capital stock).

"Cash Equivalents" shall mean, as of any date of determination, (i) marketable securities (a) issued or directly and unconditionally guaranteed as to interest and principal by the United States Government or (b) issued by any agency of the United States in each case maturing within thirteen months after such date; (ii) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within thirteen months after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iii) (a) commercial paper maturing no more than thirteen months from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's and (b) other corporate obligations maturing no more than thirteen months from the acquisition thereof and having, at the time of the acquisition thereof, a rating of at least AA from S&P or at least Aa2 from Moody's; (iv) variable rate demand notes and auction rate securities maturing no more than thirteen months from the date of creation thereof; certificates of deposit or bankers' acceptances maturing within thirteen months after such date and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia that (a) is at least "adequately capitalized" (as defined in the regulations of its primary Federal banking regulator) and (b) has Tier 1 capital (as defined in such regulations) of not less than $100,000,000; and shares of any money market mutual fund that (a) has substantially all of its assets invested continuously in the types of investments referred to in clauses (i) and (ii) above, (b) has net assets of not less than $500,000,000 and (c) has the highest rating obtainable from

[1] Canadian related provisions to be added to the Credit Agreement.

either S&P or Moody's and (vii) solely with respect to any Foreign Subsidiary, substantially similar investments to those outlined in clauses of (i) through (vi) above, of reasonably comparable credit quality (taking into account the jurisdiction where such Foreign Subsidiary conducts business) in any jurisdiction in which such Person conducts business (it being understood that such investments may be denominated in the currency of any jurisdiction in which such Person conducts business).

"Cash Management Agreement" shall mean any agreement for the provision of Cash Management Services.

"Cash Management Obligations" shall mean any and all obligations, including guarantees thereof, of any Loan Party to a bank or other financial institution providing Cash Management Services.

"Cash Management Services" shall mean (i) cash management services, including disbursement services, treasury, depository, overdraft, electronic funds transfer and other cash management arrangements and (ii) commercial credit or debit card and merchant card services, in each case, provided to any Loan Party by the Administrative Agent, a Lender or any of their respective Affiliates.

"Certificated Securities" shall have the meaning set forth in Section 5.19(a).

"CFC" shall mean a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"CFC Holdco" shall mean any entity that (i) is directly owned by Holdings, the Borrowing Agent or any Domestic Subsidiary of Holdings or the Borrowing Agent and (ii) substantially all of the assets of which consist of the Capital Stock of one or more CFCs.

"Change in Tax Law" shall mean the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (including the Code), treaty, regulation or rule (or in the official application or interpretation of any law, treaty, regulation or rule, including a holding, judgment or order by a court of competent jurisdiction) relating to taxation.

"Change of Control" shall mean, at any time (a) prior to a Qualified Public Offering, any "person" or "group" (as such terms are used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or 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, beneficially own, directly or indirectly, more than 50% of the voting interests in Holdings' Capital Stock (on a fully diluted basis), (b) after a Qualified Public Offering, any "person" or "group" (as such terms are used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934), other than the Permitted Holders, beneficially own, directly or indirectly, Capital Stock of Holdings representing more than 35% of the aggregate ordinary voting power of Holding's Capital Stock, or (c) a Change of Control or similar event occurs under the ABL Facility or any other Indebtedness of Holdings or its Restricted Subsidiaries the outstanding principal amount of which (or, in the case of any Disqualified Capital Stock, with an aggregate liquidation preference which) exceeds in the aggregate $15,000,000.

"Chapter 11 Cases" has the meaning assigned to such term in the recitals to this Agreement.

"Closing Date" shall have the meaning set forth in Section 12.10.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time and the regulations promulgated and rulings issued thereunder.

"Collateral" shall mean all property and assets (whether real or personal) with respect to which any security interests have been granted (or purported to be granted) pursuant to any Security Document; provided, that the Collateral shall not include any Excluded Assets.

"Collateral Agent" shall mean the Administrative Agent acting as collateral agent for the Secured Parties pursuant to the Security Documents.

"Commonly Controlled Entity" shall mean a person or an entity, whether or not incorporated, that is part of a group that includes Holdings or the Borrowing Agent and that is treated as a single employer under Sections 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes relating to Section 412 of the Code).

"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" shall have the meaning set forth in the preamble hereto.

"Compliance Certificate" shall mean a certificate duly executed by an Authorized Officer substantially in the form of Exhibit B.

"Confirmation Order" shall mean a final order of the Bankruptcy Court under the Chapter 11 Cases that confirms the Plan of Reorganization.

"Consolidated Capital Expenditure Limitation" shall have the meaning set forth in Section 8.3.

"Consolidated Capital Expenditures" shall mean, as of any date for the applicable period then ended, all capital expenditures of Holdings and its Restricted Subsidiaries on a consolidated basis for such period, as determined in accordance with GAAP.

"Consolidated Current Assets" shall mean, at any date, all amounts (other than cash and Cash Equivalents and any tax assets or deferred tax assets) that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of Holdings and its Restricted Subsidiaries at such date.

"Consolidated Current Liabilities" shall mean, at any date, all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption, but excluding deferred taxes and taxes payable) on a consolidated balance sheet of the Borrowing Agent and its Restricted Subsidiaries at such date, but excluding, without duplication, (a) the current portion of any Funded Debt of the Borrowing Agent and its Restricted

Subsidiaries, (b) all Indebtedness consisting of ABL Facility Loans, the Term Loans and other long term liabilities permitted to be Incurred pursuant to this Agreement and accrued interest thereon to the extent otherwise included therein, (c) the current portion of interest, (d) accruals for current or deferred taxes based on income or profits, and (e) accruals of any costs or expenses relating to restructuring reserves.

["Consolidated EBITDA" means, at any date of determination, an amount equal to Consolidated Net Income of the Borrowing Agent and its Restricted Subsidiaries on a consolidated basis for the most recently completed Measurement Period, plus

(a) the following to the extent included in calculating Consolidated Net Income (other than with respect to clauses (a)(xv) and (xvi) below) for the most recently completed Measurement Period:

(i) Consolidated Interest Expense;

(ii) the provision for federal, state, local and foreign income Taxes, taxes on profit or capital, including, without limitation, state franchise and similar taxes, and foreign withholding taxes;

(iii) depreciation and amortization expense (including amortization of intangible assets (including goodwill));

(iv) all non-cash charges, expenses, items and losses (excluding any such non-cash charge, expense, item or loss to the extent that it represents an accrual or reserve for potential cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period), including, without limitation (A) non-cash items for any management equity plan, supplemental executive retirement plan or stock option plan or other type of compensatory plan for the benefit of officers, directors or employees, (B) non-cash restructuring charges or non-cash reserves in connection with any Permitted Acquisition consummated after the Closing Date, (C) all non-cash losses (minus any non-cash gains) from Dispositions (but for clarity excluding write-offs or write-downs of Inventory), (D) any non-cash purchase or recapitalization accounting adjustments, (E) non-cash losses (minus any non-cash gains) with respect to Swap Agreements, (F) non-cash charges attributable to any post-employment benefits offered to former employees, (G) non-cash expenses incurred in connection with new Store, distribution center or other facility openings and Store, distribution center or other facility closings, (H) non-cash asset impairments (but for clarity excluding impairments of Inventory) and (I) the non-cash effects of purchase accounting or similar adjustments required or permitted by GAAP in connection with any Permitted Acquisitions or Investments permitted under Section 8.6;

(v) (A) fees, costs and expenses incurred in connection with all aspects of the Chapter 11 Cases or directly or indirectly related thereto within twenty-four months of the Closing Date (including fees and expenses incurred within twenty-four months of the Closing Date of any consultants retained with

approval of the Board of Directors of Holdings), (C) restructuring charges or expenses (incurred in connection with any actions approved by the Board of Directors of the Borrowing Agent) in an aggregate amount not to exceed $[_] million for such period, (vi) fees and expenses related to the Transactions (including any fees, costs and expenses incurred in connection with obtaining ratings of the Credit Facilities, Holdings and the Borrowers), (B) all costs and expenses incurred in connection with Permitted Acquisitions, Investments permitted under Section 8.6 and equity issuances and other transactions permitted hereunder (whether or not consummated, in each case to the extent reasonable, and to the extent paid on the date consummated or within 90 days of consummation or abandonment thereof) and (C) all costs and expenses incurred in connection with the prepayment or amendment of, or refinancing of, Indebtedness (whether or not any such amendment or refinancing is consummated);

(vi) [reserved];

(vii) costs and expenses related to new Store, distribution center and other facility openings in an aggregate amount not to exceed $[2,000,000] per four (4) fiscal quarter period;

(viii) costs and expenses related to Store, distribution center and facility closures;

(ix) (A) expenses actually reimbursed or reasonably expected to be reimbursed no later than 180 days after the end of such period pursuant to a written contract or insurance policy with an unaffiliated third party, which contract or insurance obligation has not been disclaimed and (B) the Net Cash Proceeds actually received from any business interruption insurance;

(x) the amount by which Consolidated Rental Expense in such period is less than rental expense calculated in accordance with GAAP for such period;

(xi) extraordinary, unusual or non-recurring charges, expenses or losses, including, without limitation, (A) severance costs, (B) non-recurring and unusual expenses (including legal expenses) associated with recruitment of senior management (including one-time bonuses in connection therewith), (C) [reserved] (D) [reserved], (E) non recurring expenses related to the vesting of employee benefits in connection with employee departures and (F) any non-recurring expenses related to the retail transformation program (RTP) project not to exceed $[10,000,000] in each Measurement Period following the Closing Date for the first four years following the Closing Date and $[10,000,000] in the aggregate thereafter; provided, that (i) any unused amounts in any Measurement Period may be carried forward and utilized in the subsequent Measurement Period (such amount, the "Carryforward Amount"), with the Carryforward Amount being utilized first, and (ii) the amount added back pursuant to this subclause (F) in any Measurement Period may be increased by an amount equal to 100% of the

amount permitted to be added back in the subsequent Measurement Period (and any such increase shall reduce, on a dollar-for-dollar basis, the amount permitted to be added back in such subsequent Measurement Period); provided, further, that the aggregate amount added back to Consolidated EBITDA pursuant to this subclause (F) shall not exceed $[30,000,000];

(xii) (A) any net loss from disposed or discontinued operations (and any costs and expenses related to such disposal or discontinuation) and (B) losses, charges and expenses attributable to asset Dispositions or the sale or other disposition of any Capital Stock of any Person other than in the ordinary course of business;

(xiii) costs and expenses (including service costs) associated with pension and retirement plans;

(xiv) [Reserved];

(xv) to the extent not already reflected pursuant to this paragraph or the application of Pro Forma Basis, restructuring expenses, cost savings (including annualized cost savings and projected cost savings associated with Stores designated for closure by the Borrowing Agent plus related field expense savings and projected transfer sales), operating expense reductions, other operating improvements or synergies reasonably expected by the Borrowing Agent in its good faith judgment to result from any acquisition, merger, amalgamation, disposition or operational change, net of the amount of actual benefits realized during such period that are otherwise included in the calculation of Consolidated EBITDA; provided, that any such adjustment to Consolidated EBITDA may only take into account restructuring expenses, cost savings, operating expense reductions, other operating improvements or synergies that are identified and such actions are to be taken within 12 months (and costs incurred, if applicable) following the consummation of such acquisition, merger, amalgamation or disposition or implementation of any operational change which is expected to result in such restructuring expenses, cost savings, operating expense reductions, other operating improvements or synergies, to the extent that such adjustments give effect to events that are (i) directly attributable to such acquisition, merger, amalgamation, disposition or operational change, (ii) reasonably expected to have a continuing impact on the Borrowing Agent and its Restricted Subsidiaries and (iii) identifiable and factually supportable (and the chief financial officer of Holdings shall have delivered an officer certificate certifying to clauses (i) through (iii)); provided further that (I) projected amounts (and not yet realized) with respect to this clause (xv) may no longer be added back pursuant to this clause (xv) to the extent occurring more than 12 months after the specified action taken in order to realize the restructuring expenses, cost savings, operating expense reduction, other operating improvement or synergy and (II) the aggregate amount added back pursuant to this clause (xv) for any Measurement Period shall not exceed $25,000,000 for such Measurement Period determined before giving effect to this clause (xv); and

(xvi) without duplication of amounts added-back pursuant to clause (xv) above, cost savings projected to be realized by end of the fourth full fiscal quarter following the Closing Date in the form of (A) public company cost savings and (B) headcount reductions, in an amount corresponding to the four fiscal quarter period of determination set forth on Schedule 1.06; minus

(m) the following to the extent included in calculating such Consolidated Net Income for the most recently completed Measurement Period, without duplication:

(i) federal, state, local and foreign income tax credits;

(ii) non-cash items increasing Consolidated Net Income (in each case of or by the Borrowing Agent and its Subsidiaries for such Measurement Period) (excluding any such non cash item to the extent it represents the reversal of an accrual or reserve for potential cash item which reduced Consolidated EBITDA in any prior period) (other than the accrual of revenue in the ordinary course);

(iii) any gain from extraordinary, unusual or non-recurring items;

(iv) any aggregate net gain from the sale of property (other than accounts and inventory (as defined in the applicable UCC)) out of the ordinary course of business by such Person;

(v) any other non-cash gain;

(vi) any addition to Consolidated EBITDA from the immediately preceding four fiscal quarter period in respect of expenses that were expected to be reimbursed pursuant to a written contract or insurance policy that were not so reimbursed within 180 days of such period or which contract or pursuant to an insurance policy has been disclaimed by the unaffiliated third party that is a party thereto; and

(vii) the amount by which Consolidated Rental Expense in such period is greater than rental expense calculated in accordance with GAAP for such period.

For the avoidance of doubt, payments or other amounts received under any tax sharing agreements or transition services agreements shall not be treated as non-recurring, unusual or extraordinary for purposes of the definition of "Consolidated EBITDA".][2]

"Consolidated Interest Expense" shall mean, without duplication, for any Measurement Period, the result of (a) the sum of (i) all interest, premium payments, debt discount, fees, charges and related expenses in connection with Indebtedness for borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to

[2] NTD: To be determined..

the extent treated as interest in accordance with GAAP, including, without limitation, all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and net costs under Swap Agreements (but excluding any unrealized costs and losses) and (ii) the portion of rent expense with respect to such period under Capital Lease Obligations that is treated as interest in accordance with GAAP, ***minus*** (b) the sum of (i) consolidated net gains of such Person and its Subsidiaries under Swap Agreements (but excluding any unrealized gains) and (ii) consolidated interest income, in each case of or by the Borrowing Agent and its Subsidiaries for the most recently completed Measurement Period, all as determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income" shall mean, as of any date of determination, with respect to any Person and its Subsidiaries, for any Measurement Period, the net income (or loss) of such Person and its Subsidiaries for such Measurement Period, determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded from the calculation of Consolidated Net Income (a) except as otherwise provided in the Loan Documents with respect to calculations to be made on a pro forma basis, the net income (or loss) of any other Person accrued prior to the date it became a Subsidiary of, or was merged or consolidated into, such Person or any of such Person's Subsidiaries, (b) the net income (or loss) of any Person that is an Unrestricted Subsidiary or in which such Person has a minority ownership interest, except to the extent any such income has actually been received by such Person in the form of cash dividends or distributions, (c) the cumulative effect of a change in accounting principles during such period to the extent included in Consolidated Net Income, (d) the income (or loss) attributable to the early extinguishment of Indebtedness, and (e) the income of any Person in which any other Person (other than a Borrower or a Wholly Owned Subsidiary or any director holding qualifying shares in accordance with applicable law) has a joint interest, except to the extent of the amount of dividends or other distributions actually paid to the Borrowers or a Wholly Owned Subsidiary by such Person during such period.

"Consolidated Rental Expense" shall mean, without duplication, for any period, all fixed and contingent rental expenses of the Borrowers and their Subsidiaries (net of rental income receivable) paid in cash during such period under operating leases for real or personal property, except for the impact of landlord construction allowance amortization; provided that, with respect to any non-wholly owned Subsidiaries, such Subsidiaries' contribution to Consolidated Rental Expense shall be proportional to each Borrower's ownership interest (directly or indirectly) in such non-wholly owned Subsidiary.

"Consolidated Total Assets" shall mean, as of any date of determination, the total property and assets in each case of Holdings and its Restricted Subsidiaries as at the end of the most recently ended fiscal quarter of Holdings for which financial statements have been made available (or were required to be made available) pursuant to Section 7.1(a) or 7.1(b) determined on a consolidated basis in conformity with GAAP.

"Consolidated Total Debt" shall mean, at any date, an amount equal to the aggregate principal amount (or, if higher, the par value or stated face amount (other than with respect to zero coupon Indebtedness)) of all Indebtedness of the Borrowing Agent and its Restricted Subsidiaries at such date, determined on a consolidated basis in accordance with GAAP, but

excluding any liabilities referred to in clauses (f) and (i) of the definition of "Indebtedness" and any Guarantee Obligations in respect of any such liabilities.

"Consolidated Working Capital" shall mean, at any date, Consolidated Current Assets on such date less Consolidated Current Liabilities on such date.

"Consolidated Working Capital Adjustment" shall mean, for any period on a consolidated basis, the amount (which may be a negative number) by which Consolidated Working Capital as of the beginning of such period exceeds (or is less than (in which case the Consolidated Working Capital Adjustment will be a negative number)) Consolidated Working Capital as of the end of such period. For purposes of calculating Consolidated Working Capital for any period in which a Permitted Acquisition occurs, the "consolidated current assets" and "consolidated current liabilities" of any Person acquired in such Permitted Acquisition (determined on a basis consistent with the corresponding definitions herein, with appropriate reference changes) as of the date such Permitted Acquisition is consummated shall be included in such calculation only from and after the date of the consummation of such Permitted Acquisition.

"Contractual Obligation" shall mean, with respect to any Person, any provision of any agreement, instrument or other undertaking (other than a Loan Document or ABL Facility Document) to which such Person is a party or by which it or any of its property is bound.

"Contribution Percentage" shall have the meaning set forth in Section 9.9.

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

"Cortland" shall mean Cortland Products Corp., in its individual capacity, and any successor corporation thereto by merger, consolidation or otherwise.

"Credit Agreement Refinancing Indebtedness" shall mean Indebtedness in the form of term loans incurred pursuant to a Refinancing Amendment, in each case, incurred to refinance, in whole or part, then existing Term Loans of one or more Tranches (including any successive Credit Agreement Refinancing Indebtedness) ("Refinanced Debt"); provided that (i) such refinancing Indebtedness is in an original aggregate principal amount (or accreted value, if applicable) not greater than the aggregate principal amount (or accreted value, if applicable) of the Refinanced Debt except by an amount equal to unpaid accrued interest and premium (including tender premiums) thereon plus other reasonable amounts paid (including underwriting discounts, including original issue discount), and fees and expenses reasonably incurred (including, defeasance costs and commissions), in connection with such refinancing Indebtedness, (ii) such Indebtedness has a final stated maturity at least 91 days later than the final stated maturity of the Refinanced Debt and Term Loans not being refinanced, (iii) such Indebtedness has a Weighted Average Life to Maturity at least six months greater than the Weighted Average Life to Maturity of the Refinanced Debt, (iv) such Indebtedness shall have no amortization prior to the final stated maturity of the First Lien Loans, (v) such Indebtedness shall not be subject to any mandatory redemptions or prepayments (other than customary asset sale

and change of control provisions) and (vi) such Refinanced Debt shall be repaid, defeased or satisfied and discharged in an amount equal to 100% of the Net Cash Proceeds from any Credit Agreement Refinancing Indebtedness, and all accrued interest, fees and premiums (if any) in connection therewith shall be paid, on the date such Credit Agreement Refinancing Indebtedness is incurred.

"De Minimis Disposition" shall have the meaning set forth in the definition of "Asset Sale."

"Debtor Relief Laws" shall mean the Bankruptcy Code, 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.

"Declined Proceeds" shall have the meaning set forth in Section 4.2(e).

"Debtors" shall have the meaning assigned to such term in the recitals to this Agreement.

"Default" shall mean any event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default.

"Defaulting Lender" shall mean any Lender with respect to which a Lender Default is in effect or which becomes the subject of a Bail-In Action.

"Designated Non-Cash Consideration" shall mean the fair market value of non-cash consideration constituting (a) a debt instrument or security reasonably satisfactory to the Administrative Agent (such consent not to be unreasonably withheld and which shall be deemed to have been provided two (2) Business Days after the Borrowing Agent provides a copy of such debt instrument or security to the Administrative Agent, unless otherwise objected to in writing) or (b) assets used or useful in the business of the Borrowing Agent and its Restricted Subsidiaries received by the Borrowing Agent or any Restricted Subsidiary in connection with a Disposition made pursuant to Section 8.4(r) that is designated as "Designated Non-Cash Consideration" on the date received pursuant to a certificate of an Authorized Officer of the Borrowing Agent delivered to the Administrative Agent setting forth the basis of such fair market value (with the amount of Designated Non-Cash Consideration in respect of any Disposition being reduced for purposes of Section 8.4(r) to the extent the Borrowing Agent or any Restricted Subsidiary converts the same to cash or Cash Equivalents within 180 days following the consummation of the applicable Disposition).

"Disposition" shall mean, with respect to any property (including, without limitation, Capital Stock of the Borrowing Agent or any of its Restricted Subsidiaries), any sale, Asset Sale, Sale Leaseback Transactions, assignment, conveyance, transfer or other disposition thereof (including by merger or consolidation or amalgamation and excluding the granting of a Lien permitted hereunder) and any issuance of Capital Stock of Holdings' Restricted Subsidiaries. The terms "Dispose" and "Disposed of" shall have correlative meanings. For the avoidance of doubt, the terms Disposition, Dispose and Disposed of do not refer to the issuance, sale or transfer of Capital Stock by Holdings.

"Disqualified Capital Stock" shall mean any Capital Stock which, by its terms (or by the terms of any security or other Capital Stock into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Qualified Capital Stock), pursuant to a sinking fund obligation or otherwise (except as a result of a change in control or asset sale so long as any right of the holders thereof upon the occurrence of a change in control or asset sale event shall be subject to the prior repayment in full of the Term Loans and all other Obligations under the Loan Documents that are then accrued and payable and the termination of the Term Loan Commitments), in each case, prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of issuance of the respective Capital Stock, (b) is redeemable at the option of the holder thereof (other than solely for Qualified Capital Stock), in whole or in part, prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of issuance of the respective Capital Stock, except as a result of a change in control or an asset sale or, in case of Capital Stock issued to an employee or director of Holdings or a Restricted Subsidiary, the death, disability, retirement, severance or termination of employment or service of such holder, in each case so long as any such right of the holder is subject to the prior repayment in full of the Term Loans and all other Obligations under the Loan Documents that are then accrued and payable and the termination of the Term Loan Commitments, (c) requires the payment of any cash dividend or any other scheduled cash payment, in each case, prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of issuance of the respective Capital Stock, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Capital Stock that would constitute Disqualified Capital Stock, in each case, prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of issuance of the respective Capital Stock; provided that if such Capital Stock is issued to any plan for the benefit of employees of Holdings or its Restricted Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Capital Stock solely because it may be required to be repurchased by Holdings or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations. The amount of Disqualified Capital Stock deemed to be outstanding at any time for purposes of this Agreement will be the maximum amount that Holdings and its Restricted Subsidiaries may become obligated to pay upon maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Capital Stock or portion thereof, plus accrued dividends.

"Disqualified Institution" shall mean (a) any financial institution identified in writing, prior to the Closing Date, by the Borrowing Agent to the Administrative Agent as not constituting an "Eligible Assignee" and (b) any competitor of the Borrowers or their respective Subsidiaries that is an operating company and any Affiliate thereof (other than any financial investor that is not an operating company or an Affiliate of an operating company and other than any Affiliate that is a bona fide diversified debt fund) identified in writing by the Borrowing Agent to the Administrative Agent prior to the Closing Date.

"Distribution" shall have the meaning set forth in the preamble hereto.

"Dollars" and the sign "$" shall each mean freely transferable lawful money of the United States.

"Domestic Subsidiary" shall mean, with respect to any Person, any Subsidiary of such Person incorporated or organized in the United States, any State thereof or the District of Columbia.

"Dutch Auction" shall mean one or more purchases (each, a "Purchase") by a Permitted Auction Purchaser (a "Purchaser") of Term Loans; provided that, each such Purchase is made on the following basis:

(a) (i) the Purchaser will notify the Administrative Agent in writing (a "Purchase Notice") (and the Administrative Agent will deliver such Purchase Notice to each relevant Lender) that such Purchaser wishes to make an offer to purchase from (x) each Lender with respect to any Tranche of Term Loans, in an aggregate principal amount as is specified by such Purchaser (the "Term Loan Purchase Amount") with respect to each applicable Tranche, subject to a range or minimum discount to par expressed as a price at which range or price such Purchaser would consummate the Purchase (the "Offer Price") of such Term Loans to be purchased (it being understood that different Offer Prices and/or Term Loan Purchase Amounts, as applicable, may be offered with respect to different Tranches of Term Loans and, in such an event, each such offer will be treated as a separate offer pursuant to the terms of this definition); provided that the Purchase Notice shall specify that each Return Bid (as defined below) must be submitted by a date and time to be specified in the Purchase Notice, which date shall be no earlier than the second Business Day following the date of the Purchase Notice and no later than the fifth Business Day following the date of the Purchase Notice (or such other time as the Administrative Agent shall agree); (ii) at the time of delivery of the Purchase Notice to the Administrative Agent, no Event of Default shall have occurred and be continuing or would result therefrom (which condition shall be certified as being satisfied in such Purchase Notice) and (iii) the Term Loan Purchase Amount specified in each Purchase Notice delivered by such Purchaser to the Administrative Agent shall not be less than $2,000,000 in the aggregate;

(b) such Purchaser will allow each Lender holding the Tranche of Term Loans subject to the Purchase Notice to submit a notice of participation (each, a "Return Bid") which shall specify (i) one or more discounts to par of such Lender's tranche or tranches of Term Loans subject to the Purchase Notice expressed as a price (each, an "Acceptable Price") (but in no event will any such Acceptable Price be greater than the highest Offer Price for the Purchase subject to such Purchase Notice) and (ii) the principal amount of such Lender's Tranches of Term Loans at which such Lender is willing to permit a purchase of all or a portion of its Term Loans to occur at each such Acceptable Price (the "Reply Amount");

(c) based on the Acceptable Prices and Reply Amounts of the Term Loans as are specified by the Lenders, the Administrative Agent in consultation with such Purchaser, will determine the lowest purchase price (the "Applicable Discount Price") within the range of the Offer Price for such Purchase that would allow the Purchaser to complete the Purchase by purchasing the full Term Loan Purchase Amount (or such lesser amount of Term Loans for which the Purchaser has received a Qualifying Loan (as defined below);

(d) such Purchaser shall purchase Term Loans from each Lender whose Return Bid is equal to or less than the Applicable Discount Price (each, a "Qualifying Loan" and such Lenders being referred to as "Qualifying Lenders"), subject to clauses (e), (f), (g) and (h)

below. All Qualifying Loans (including multiple component Qualifying Loans contained in a single Return Bid) received at an Acceptable Price lower than the Applicable Discount Price will be purchased at such applicable Acceptable Price and shall not be subject to proration;

(e) if the aggregate principal amount of all Qualifying Loans submitted in any Purchase would exceed the remaining Term Loan Purchase Amount (after deducting all Loans to be purchased at prices below the Applicable Discount Price) such Purchaser shall purchase Qualifying Loans at the Applicable Discount Price ratably based on the aggregate principal amounts of all such Qualifying Loans tendered by each such Qualifying Lender in an aggregate amount necessary to complete the purchase of the Term Loan Purchase Amount;

(f) the Purchase shall be consummated pursuant to and in accordance with Section 12.4 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 such Purchaser) reasonably acceptable to the Administrative Agent and Purchaser (provided that, subject to the proviso of subsection (g) of this definition, such Purchase shall be required to be consummated no later than ten Business Days after the time that Return Bids are required to be submitted by Lenders pursuant to the applicable Purchase Notice (the "Expiration Date"); provided, that such Expiration Date may be extended for a period not exceeding three (3) Business Days upon notice by the Purchaser to the Administrative Agent not less than 24 hours before the original Expiration Date);

(g) upon submission by a Lender of a Qualifying Bid (defined below), subject to the foregoing clauses (e) and (f), such Lender will be irrevocably obligated to sell the entirety or its pro rata portion (as applicable pursuant to clause (e) above) of the Reply Amount at the Applicable Discount plus accrued and unpaid interest through the date of purchase to such Purchaser pursuant to Section 12.4 and as otherwise provided herein; provided that as long as no Return Bids which contains an Acceptable Price that is equal to or less than the Applicable Discount Price have been submitted (a "Qualifying Bid"), each Purchaser may rescind its Purchase Notice by notice to the Administrative Agent; and

(h) purchases by a Permitted Auction Purchaser of Qualifying Loans shall result in the immediate Cancellation of such Qualifying Loans.

"ECF Percentage" shall mean 75%; provided that the ECF Percentage shall be reduced to (i) 50% if the Total Leverage Ratio as of the last day of the respective Excess Cash Flow Period is less than or equal to [_____]:1.00 and greater than [_____]:1.00, (ii) 25% if the Total Leverage Ratio as of the last day of the respective Excess Cash Flow Period is less than or equal to [_____]:1.00 and greater than [_____]:1.00, and (iii) 0% if the Total Leverage Ratio as of the last day of the respective Excess Cash Flow Period is less than or equal to [___]:1.00.

"EEA Financial Institution" shall mean (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" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" shall mean any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" shall mean (a) any Lender, any Affiliate of a Lender and any Approved Fund (any two or more Approved Funds with respect to a particular Lender being treated as a single Eligible Assignee for all purposes hereof), and (b) any commercial bank, insurance company, financial institution, investment or mutual fund or other entity that is an "accredited investor" (as defined in Regulation D under the Securities Act); provided that "Eligible Assignee" shall (x) include Permitted Auction Purchasers, subject to the provisions of Section 12.4(a)(iii), but solely to the extent that any such Person purchases or acquires Term Loans and effects a Cancellation immediately upon such contribution, purchase or acquisition and (y) exclude (i) any natural person and (ii) any Disqualified Institution.

"Environmental Claims" shall mean any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigations and/or proceedings relating in any way to any noncompliance with, or liability arising under, Environmental Law or any permit issued by any Governmental Authority under any Environmental Law (hereafter, "Claims"), including, without limitation, (a) any and all Claims by Governmental Authorities for enforcement, cleanup, removal, response, remedial or other corrective actions or damages pursuant to any Environmental Law, and (b) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief arising out of or relating to an alleged injury or threat of injury to human health and safety with respect to exposure to, or the environment due to the presence of, Materials of Environmental Concern.

"Environmental Laws" shall mean any and all current or future foreign, federal, state, local or municipal Requirements of Law and common law regulating, relating to or imposing liability or standards of conduct concerning Materials of Environmental Concern, human health and safety with respect to exposure to Materials of Environmental Concern, pollution, and protection or restoration of the environment.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time and the regulations promulgated and rulings issued thereunder.

"EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" shall have the meaning set forth in Section 10.1.

"Excess Cash Flow" shall mean, for any Excess Cash Flow Period, an amount (not less than zero) equal to the excess, if any, of

(a) the sum, without duplication, of

(i) Consolidated Net Income for such Excess Cash Flow Period;

(ii) the amount of all non-cash charges (such as depreciation, amortization, and impairment) deducted in arriving at such Consolidated Net Income;

(iii) the Consolidated Working Capital Adjustment for such Excess Cash Flow Period;

(iv) the aggregate net amount of non-cash losses on the Disposition of property by Holdings and its Restricted Subsidiaries during such Excess Cash Flow Period (other than sales of inventory in the ordinary course of business), to the extent deducted in arriving at such Consolidated Net Income;

(v) the amount of tax expense in excess of the amount of taxes paid in cash during such Excess Cash Flow Period to the extent such tax expense was deducted in determining Consolidated Net Income for such period;

(vi) the amount of expenses in respect of pension and other post employment benefits in excess of the amount of pension and other post employment benefits paid in cash during such Excess Cash Flow Period to the extent such expenses in respect of pension and other post employment benefits were deducted in determining Consolidated Net Income for such period;

(vii) the amount of cash receipts in respect of Swap Agreements during such Excess Cash Flow Period to the extent not included in determining Consolidated Net Income for such period; over

(b) the sum, without duplication, of

(i) the amount of all non-cash gains or credits included in arriving at such Consolidated Net Income;

(ii) (A) the aggregate amount actually paid by Holdings and its Restricted Subsidiaries in cash on account of Consolidated Capital Expenditures (other than to the extent financed with Indebtedness or equity) during such Excess Cash Flow Period and (B) the aggregate amount contractually committed to by Holdings or any of its Restricted Subsidiaries during such Excess Cash Flow Period to be paid in cash on account of Consolidated Capital Expenditures within six months after the end of such Excess Cash Flow Period (but not actually paid during such Excess Cash Flow Period); provided that (x) if any amounts on account of Consolidated Capital Expenditures are deducted from Excess Cash Flow during such Excess Cash Flow Period pursuant to (B) above, such amount shall be added to the Excess Cash Flow for the immediately succeeding Excess Cash Flow Period if (I) the amount is not actually paid in cash within such six month period or (II) the amount paid is financed with Indebtedness or equity and (y) to the extent clause (x) is not applicable, no deduction shall be taken in the

immediately succeeding Excess Cash Flow Period when such amounts deducted pursuant to clause (B) are actually paid;

(iii) (A) the aggregate amount actually paid by Holdings and its Restricted Subsidiaries in cash on account of Permitted Acquisitions (other than to the extent financed with Indebtedness or equity) during such Excess Cash Flow Period and (B) the aggregate amount contractually committed to by Holdings or any of its Restricted Subsidiaries during such Excess Cash Flow Period to be paid in cash on account of the consummation of Permitted Acquisitions, in each case, prior to the date on which a prepayment of Term Loans would be required pursuant to Section 4.2(b) with respect to such Excess Cash Flow Period (but not actually paid during such Excess Cash Flow Period); provided that (x) if any amounts on account of Permitted Acquisitions are deducted from Excess Cash Flow during such Excess Cash Flow Period pursuant to (B) above, such amount shall be added to the Excess Cash Flow for the immediately succeeding Excess Cash Flow Period if (I) the amount is not actually paid in cash or the Permitted Acquisition in respect of such payment is not actually consummated, in either case, prior to the date on which a prepayment of Term Loans would be required pursuant to Section 4.2(b) with respect to such Excess Cash Flow Period or (II) the amount paid is financed with Indebtedness or equity and (y) to the extent clause (x) is not applicable, no deduction shall be taken in the immediately succeeding Excess Cash Flow Period when such amounts deducted pursuant to clause (B) are actually paid;

(iv) the aggregate amount of all regularly scheduled principal amortization payments of Funded Debt (including the Term Loans) made during such Excess Cash Flow Period (including payments in respect of Capital Lease Obligations to the extent not deducted in the calculation of Consolidated Net Income) (other than (x) prepayments described in Section 4.2(b) and (y) repayments to the extent financed with Indebtedness or equity);

(v) the aggregate net amount of gains on the Disposition of property (including any Sale Leaseback Transaction permitted under Section 8.9) by Holdings and its Restricted Subsidiaries during such Excess Cash Flow Period (other than sales of inventory in the ordinary course of business), to the extent included in arriving at such Consolidated Net Income;

(vi) (A) the aggregate amount of all Investments made in cash during such Excess Cash Flow Period pursuant to clauses (d), (e), (q) and (w) of Section 8.6 (other than (x) intercompany Investments among or between Holdings and its Restricted Subsidiaries and (y) to the extent financed with Indebtedness or equity) or (B) the aggregate amount contractually committed to by Holdings or any of its Restricted Subsidiaries during such Excess Cash Flow Period to be paid in cash on account of the consummation of Investments pursuant to clauses (d), (e), (q) and (w) of Section 8.6 (other than intercompany Investments among or between Holdings and its Restricted Subsidiaries), in each case, prior to the date on which a prepayment of Term Loans would be required pursuant to

Section 4.2(b) with respect to such Excess Cash Flow Period (but not actually paid during such Excess Cash Flow Period); provided that (x) if any amounts on account of such Investments are deducted from Excess Cash Flow during such Excess Cash Flow Period pursuant to (B) above, such amount shall be added to the Excess Cash Flow for the immediately succeeding Excess Cash Flow Period if (I) the amount is not actually paid in cash or such Investment in respect of such payment is not actually consummated, in either case, prior to the date on which a prepayment of Term Loans would be required pursuant to Section 4.2(b) with respect to such Excess Cash Flow Period or (II) the amount paid is financed with Indebtedness or equity and (y) to the extent clause (x) is not applicable, no deduction shall be taken in the immediately succeeding Excess Cash Flow Period when such amounts deducted pursuant to clause (B) are actually paid;

(vii) (A) the amount of taxes paid in cash during such Excess Cash Flow Period to the extent they exceed the amount of tax expense deducted in determining Consolidated Net Income for such period and (B) the amount of taxes accrued for such period that have not been paid but are payable within 180 days after the end of such period (provided that (i) such amount was not deducted from Excess Cash Flow in any prior Excess Cash Flow Period and (ii) to the extent the amount of taxes paid during such period is less than the amount subtracted for such Excess Cash Flow Period under this clause (vii)(B), the amount of such shortfall shall be added to Excess Cash Flow for the succeeding Excess Cash Flow Period);

(viii) Restricted Payments made in cash by Holdings during such Excess Cash Flow Period under clauses (d) (other than Restricted Payments made in reliance on the second proviso therein), and (g) of Section 8.5 (other than to the extent financed with Indebtedness or equity), in each case, to the extent not deducted in arriving at such Consolidated Net Income;

(ix) the aggregate amount of all principal prepayments or repurchases of Indebtedness (other than (x) prepayments or repurchases of the Term Loans made during such Excess Cash Flow Period (except for any prepayment in connection with a Disposition that resulted in an increase to Consolidated Net Income and not in excess of the amount of such increase), (y) prepayments or repurchases of loans under the ABL Facility made during such Excess Cash Flow Period (except to the extent there is an equivalent permanent reduction in the commitments thereunder) and (z) to the extent such prepayments or repurchases are financed with Indebtedness or equity), except in respect of any revolving credit facility to the extent there is not an equivalent permanent reduction in commitments thereunder);

(x) the aggregate amount of any premium, make-whole or penalty payments actually paid in cash by Holdings and its Restricted Subsidiaries during such Excess Cash Flow Period that are required to be made in connection with any prepayment or satisfaction and discharge of Indebtedness (other than to the extent financed with Indebtedness or equity) to the extent that the amount so

prepaid, satisfied or discharged has not already been deducted (whether in determining Consolidated Net Income or otherwise) in determining Excess Cash Flow for that, or any prior, Excess Cash Flow Period;

(xi) cash payments made in satisfaction of non-current liabilities (excluding payments of Indebtedness) (other than to the extent financed with Indebtedness or equity) to the extent such non-current liability has not already been deducted (whether in determining Consolidated Net Income or otherwise) in determining Excess Cash Flow for that, or any prior, Excess Cash Flow Period;

(xii) to the extent not deducted in arriving at Consolidated Net Income, fees, expenses and purchase price adjustments incurred in connection with the Transactions or, to the extent permitted hereunder, any Investment permitted under Section 8.6 and any equity issuance or debt issuance, in each case (whether or not consummated), to the extent paid in cash by Holdings or any of its Restricted Subsidiaries during such Excess Cash Flow Period;

(xiii) the amount of pension and other post employment benefits paid in cash during such Excess Cash Flow Period to the extent such payments exceed the amount of expenses in respect to pension and other post employment benefits deducted in determining Consolidated Net Income for such period;

(xiv) the amount of cash expenditures in respect of Swap Agreements during such Excess Cash Flow Period to the extent not deducted in determining Consolidated Net Income for such period;

(xv) [reserved];

(xvi) to the extent included in clause (a) of this definition, the Excess Cash Flow of any Foreign Subsidiary or non-wholly owned Subsidiary that is not distributed, repatriated or otherwise returned to Holdings or a Wholly-Owned Domestic Subsidiary of Holdings during such Excess Cash Flow Period but only to the extent that such distribution, repatriation or otherwise would reasonably be expected to result in adverse tax consequences to Holdings or such Wholly-Owned Domestic Subsidiary of Holdings as reasonably determined by the Borrowing Agent;

(xvii) the aggregate amount of expenditures actually made by the Holdings and its Restricted Subsidiaries in cash during such period to the extent that such expenditures are not expensed during such period (including any excess of Consolidated Rental Expense for such period over rental expense calculated in accordance with GAAP for such period).

For the purposes of calculating Excess Cash Flow for any Excess Cash Flow Period, the Consolidated Net Income of a target of any Permitted Acquisition shall be included in such calculation only from and after the date of the consummation of such Permitted Acquisition.

"Excess Cash Flow Application Date" shall have the meaning set forth in Section 4.2(b).

"Excess Cash Flow Period" shall mean, with respect to any Excess Cash Flow Application Date, the immediately preceding fiscal year, commencing with the fiscal year ending on January 31, 2019.

"Excluded Accounts" shall mean payroll accounts, employee benefit accounts, withholding tax and other fiduciary accounts, escrow accounts in respect of arrangements with non-affiliated third parties, worker's compensation, customs accounts, trust and tax withholding which are funded by the Loan Parties in the ordinary course of business or as required by any Requirement of Law, cash collateral accounts subject to Liens permitted under the Loan Documents, petty cash accounts which contain an average daily balance of less than $1,000,000 for any one account (provided that the aggregate amount of all such petty cash accounts does not exceed $1,000,000 in the aggregate) and accounts held by non-Loan Parties.[3]

"Excluded Assets" shall mean (i) any fee-owned Real Property with a fair market value of less than $10,000,000 and all Real Property constituting Leaseholds, (ii) (a) any motor vehicles and other assets subject to certificates of title and (b) any letter of credit rights (other than letter of credit rights a security interest in which can be perfected by the filing of a UCC financing statement) or commercial tort claims, in each case, with a value of less than $3,000,000, (iii) any assets in which the grant of a pledge or security interest is prohibited by law, rule, regulation or would reasonably be expected to result in material adverse tax consequences (as determined in good faith by the Borrowing Agent), (iv) Capital Stock (a) in any entity that is not a Wholly-Owned Subsidiary if the granting of a security interest in such Capital Stock would be prohibited by Organizational Documents of such entity without third party consent which consent has not been obtained, (b) that is voting Capital Stock of any Excluded Foreign Subsidiary described in clause (i) of the definition of Excluded Foreign Subsidiary in excess of 65% of the total outstanding voting Capital Stock of such Excluded Foreign Subsidiary, solely to the extent pledging or hypothecating more than 65% of the total voting stock of such Excluded Foreign Subsidiary to secure the Obligations would result in material adverse tax consequences to the Borrower Group or the Guarantors and (c) of any Excluded Foreign Subsidiary described in clause (ii) of the definition of Excluded Foreign Subsidiary, (v) any governmental licenses or state or local franchises, charter and authorization, to the extent security interests in such licenses, franchises, charters or authorizations are prohibited or restricted thereby, (vi) assets in circumstances where the Administrative Agent and the Borrowing Agent reasonably agree that the cost of obtaining or perfecting a security interest in such assets is excessive in relation to the benefit to the Lenders of the security to be afforded thereby, (vii) licenses, instruments, leases and agreements to the extent and so long as such a pledge thereof would violate the terms thereof or violate any law, rule or regulation, but only to the extent, and for so long as, such prohibition is not terminated or rendered unenforceable or otherwise deemed ineffective by the UCC, Bankruptcy Code or any other requirement of law, (viii) any property or assets subject to a Lien with respect to any purchase money Indebtedness or Capital Lease Obligations permitted under the Loan Documents if the contract, agreement or document to which such Lien is granted (or in the contract, agreement or document providing for such Capital Lease Obligations) prohibits or requires the consent of any Person as a condition to

[3] NTD: To conform to the ABL Facility.

the creation of any other Lien on such property or asset, (ix) any "intent-to-use" trademark applications and (x) any Excluded Accounts; provided that (I) notwithstanding the above, Excluded Assets shall not include (a) any assets that secure (or are required to secure) the obligations under the ABL Facility and (b) any Capital Stock of a Loan Party (other than Holdings), (II) in the case of clause (v), such exclusion shall not apply (a) to the extent the prohibition is ineffective under applicable anti-nonassignment provisions of the UCC or other law or (b) to proceeds and receivables of the assets referred to in such clause, the assignment of which is expressly deemed effective under applicable anti-nonassignment provisions of the UCC or other law notwithstanding such prohibition and (III) Excluded Assets shall include any assets that would otherwise constitute ABL Priority Collateral but are "Excluded Collateral" (or comparable term) for purposes of the ABL Facility.][4]

"Excluded Foreign Subsidiary" shall mean any (i) CFC Holdco or Foreign Subsidiary that is a CFC, or (ii) Domestic Subsidiary or Foreign Subsidiary, in each case, the Capital Stock of which is directly or indirectly owned by any Foreign Subsidiary that is a CFC; provided, that no Subsidiary of Holdings or the Borrowing Agent shall be an "Excluded Foreign Subsidiary" if such Subsidiary is a Loan Party (or comparable term) for purposes of any Permitted Incremental Equivalent Debt or the ABL Facility; provided, further, that no Canadian Loan Party or Puerto Rican Loan Party shall be an "Excluded Foreign Subsidiary".

"Excluded Swap Obligation" shall mean, with respect to any Guarantor, 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) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

"Excluded Taxes" shall mean any of the following Taxes on or with respect to, or required to be withheld or deducted from a payment to any Lender or the Administrative Agent, (i) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (a) imposed as a result of such Lender or Administrative Agent 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 any political subdivision thereof) or (b) that are Other Connection Taxes, (ii) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan (other than pursuant to an assignment request by the Borrower under Section 2.14) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 4.4, amounts with respect to such

[4] Definitions to conform to the ABL.

Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 4.4(e) and (d) any U.S. federal withholding Taxes imposed under FATCA..

"Executive Order" shall have the meaning set forth in Section 5.21(b)(i).

"Existing Credit Agreement" shall have the meaning set forth in the preamble hereto.

"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 regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Funds Rate" shall mean, for any period, a fluctuating interest rate equal for each day during such period to the weighted average of the rates on overnight Federal Funds transactions with members of the Federal Reserve System, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three U.S. banks of recognized standing selected by the Administrative Agent.

"Fees" shall mean all amounts payable pursuant to or referred to in Section 3.1.

"Finance" shall have the meaning set forth in the preamble to this Agreement.

"Foreign Indebtedness Notice" shall have the meaning set forth in the last paragraph of Section 8.1.

"Foreign Indebtedness Offer" shall have the meaning set forth in the last paragraph of Section 8.1.

"Foreign Lender" shall mean a Lender that is not a "United States Person" as defined in Section 7701(a)(30) of the Code.

"Foreign Subsidiary" shall mean any Subsidiary of a Loan Party that is not a Domestic Subsidiary.

"Funded Debt" shall mean, with respect to any Person, all Indebtedness of such Person for borrowed money that matures more than one year from the date of its creation or matures within one year from such date but is renewable or extendible, at the option of such Person, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including all current maturities and current sinking fund payments in respect of such Indebtedness whether or not required to be paid within one year from the date of its creation and, in the case of the Borrowing Agent, shall in any event include all Indebtedness in respect of the Term Loans, any Permitted Incremental Equivalent Debt and under the ABL Facility.

"GAAP" shall mean generally accepted accounting principles in the United States as in effect from time to time, consistently applied (or, for Foreign Subsidiaries that are Restricted Subsidiaries, in conformity with generally accepted accounting principles that are applicable in their respective jurisdiction of organization).

"Governmental Approval" shall mean any consent, authorization, approval, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority.

"Governmental Authority" shall mean the government of the United States, any other nation or any political subdivision thereof, whether state, provincial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Guarantee" shall have the meaning set forth in Section 9.2.

"Guarantee Obligation" shall mean, as to any Person (the "guaranteeing person"), any obligation, including a reimbursement, counterindemnity or similar obligation, of the guaranteeing person that guarantees or in effect guarantees, or which is given to induce the creation of a separate obligation by another Person (including any bank under any letter of credit) that guarantees or in effect guarantees, any Indebtedness (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (d) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include (v) subject to Section 9.10, any Excluded Swap Obligations, (w) endorsements of instruments for deposit or collection in the ordinary course of business, (x) customary and reasonable indemnity obligations in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets or Capital Stock permitted under this Agreement, (y) product warranties given in the ordinary course of business or (z) ordinary course performance guarantees by Holdings or any of its Subsidiaries of the obligations (other than for the payment of Indebtedness) of Holdings or any of its Subsidiaries. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by the Borrowing Agent in good faith; provided that, in the case of any Guarantee Obligations where the recourse to such Person

for such Indebtedness is limited to the assets subject to the Lien granted to secure such Indebtedness, then the amount of any Guarantee Obligation of any guaranteeing person shall be the lesser of (A) the amount of the Indebtedness secured by such Lien and (B) the value of the assets subject to such Lien.

"Guaranteed Obligations" shall have the meaning set forth in Section 9.1.

"Guarantor Assumption" shall have the meaning set forth in Section 13.2.

"Guarantor Joinder Agreement" shall mean an agreement substantially in the form of Exhibit D.

"Guarantors" shall mean, collectively, Holdings, the Subsidiary Guarantors and, in the case of Guaranteed Obligations incurred directly by Holdings or any Subsidiary Guarantor, the Borrowers.

"HMT" shall have the meaning set forth in Section 5.21(b)(v).

"Holdings" shall have the meaning set forth in the preamble hereto.

"Houlihan" shall have the meaning set forth in Section 6.1(g).

"Immaterial Subsidiary" shall mean each Restricted Subsidiary of the Borrowing Agent (i) which, as of the most recent fiscal quarter of Holdings, for the period of four consecutive fiscal quarters then ended, for which financial statements have been (or were required to be) delivered pursuant to Section 7.1, contributed less than 3.0% of Consolidated EBITDA for such period or (ii) which had assets with a net book value of less than 3.0% of the Consolidated Total Assets as of such date; provided that, if at any time the aggregate amount of Consolidated EBITDA or Consolidated Total Assets attributable to all Restricted Subsidiaries that are Immaterial Subsidiaries exceeds 5.0% of Consolidated EBITDA for any such period or 5.0% of Total Assets as of the end of any such fiscal quarter, the Borrowing Agent (or, in the event the Borrowing Agent has failed to do so within 20 Business Days, the Administrative Agent) shall designate sufficient Restricted Subsidiaries as no longer being Immaterial Subsidiaries to eliminate such excess, and such designated Restricted Subsidiaries shall no longer constitute Immaterial Subsidiaries under this Agreement; provided, however, that no Restricted Subsidiary of the Borrowing Agent shall be an "Immaterial Subsidiary" if such Restricted Subsidiary is not an "Immaterial Subsidiary" (or comparable term) for purposes of any Permitted Incremental Equivalent Debt or ABL Facility.

"Incremental Amendment" shall have the meaning set forth in Section 2.15(d).

"Incremental Commitments" shall mean the Incremental Term Loans.

"Incremental Notice" shall have the meaning set forth in Section 2.15(f).

"Incremental Offer" shall have the meaning set forth in Section 2.15(f).

"Incremental Term Lender" shall have the meaning set forth in Section 2.15(a).

"Incremental Term Loan Commitments" shall have the meaning set forth in Section 2.15(a).

"Incremental Term Loan Maturity Date" shall mean the date on which an Incremental Term Loan matures as set forth on the Incremental Amendment relating to such Incremental Term Loan.

"Incremental Term Loans" shall have the meaning set forth in Section 2.15(a).

"Incur" shall mean issue, assume, enter into any Guarantee of, incur or otherwise become liable for; and the terms "Incurs," "Incurred" and "Incurrence" shall have a correlative meaning; provided that (i) any Indebtedness or Capital Stock of any of Holdings or its Restricted Subsidiaries existing on the Closing Date (after giving effect to the Transaction) shall be deemed to be Incurred by Holdings or such Restricted Subsidiary, as the case may be, on the Closing Date and (ii) any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary. Accrual of interest, the accretion of accreted value, the payment of interest in the form of additional Indebtedness, and the payment of dividends on Capital Stock constituting Indebtedness in the form of additional shares of the same class of Capital Stock, will not be deemed to be an Incurrence of Indebtedness. Any Indebtedness issued at a discount (including Indebtedness on which interest is payable through the issuance of additional Indebtedness) shall be deemed Incurred at the time of original issuance of the Indebtedness at the initial accreted amount thereof.

"Indebtedness" shall mean, with respect to any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than (1) trade or other similar payables, accrued income taxes, VAT, deferred taxes, sales taxes, equity taxes and accrued liabilities incurred in the ordinary course of such Person's business, (2) earn-outs and any sums for which such Person is obligated pursuant to noncompetition arrangements entered into in connection with any acquisition (including Permitted Acquisitions) until such obligations become a liability on the balance sheet of such Person in accordance with GAAP, without giving effect to references in the footnotes to the Borrowing Agent's financial statements, (3) royalty payments made in the ordinary course of business in respect of exclusive and non-exclusive licenses, (4) any accruals for (A) payroll and (B) other non-interest bearing liabilities accrued in the ordinary course of business, (5) any obligations in respect of operating leases that are not Synthetic Lease Obligations, (6) any deferred rent obligations and (7) pension and other employee commitments), which purchase price is (i) due more than six months from the date of incurrence of the obligation in respect thereof or (ii) evidenced by a note or similar written instrument, (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations and all Synthetic Lease Obligations of such Person (excluding, for the avoidance of doubt, lease payments under operating leases), (f) all obligations of such Person, contingent or otherwise, as an account party or applicant under or

in respect of acceptances, letters of credit, surety bonds or similar arrangements, (g) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (f) above, (h) all obligations (excluding prepaid interest thereon) of the kind referred to in clauses (a) through (g) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation, but only to the extent of the lesser of (i) the fair market value of such property subject to such Lien and (ii) the amount of Indebtedness secured by such Lien and (iii) all net obligations of such Person on a mark-to-market basis in respect of Swap Agreements. For the avoidance of doubt, "Indebtedness" shall not include (i) obligations or liabilities of any Person in respect of any of its Qualified Capital Stock nor the obligations of any Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations would be required to be classified and accounted for as an operating lease under GAAP as existing on the Closing Date (whether or not such lease exists on the Closing Date or hereafter arises), (ii) obligations under any Swap Agreements unless such obligations are payment obligations that relate to a Swap Agreement that has terminated, (iii) customary obligations under employment agreements and deferred compensation and (iv) deferred tax liabilities.

"Indemnified Person" shall have the meaning set forth in Section 12.1.

"Indemnified Taxes" means (a) 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), Other Taxes.

"Indemnitee" shall have the meaning set forth in Section 12.1(b).

"Initial Mortgaged Property" shall have the meaning set forth in Section 7.8(b).

"Initial Rejection Notice Deadline" shall have the meaning set forth in Section 4.2(e).

"Initial Term Loan" shall mean the Tranche A-1 Term Loans and the Tranche A-2 Term Loans deemed to be made on the Closing Date.

"Initial Term Loan Commitment" shall mean, the Tranche A-1 Term Loan Commitment and the Tranche A-2 Term Loan Commitment. The aggregate amount of the Initial Term Loan Commitments as of the Closing Date is $[280,000,000].

"Insolvency" shall mean, with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvency Proceeding" shall mean with respect to any Person, including without limitation any Lender, such Person or such Person's direct or indirect parent company (a) becomes the subject of a bankruptcy or insolvency proceeding (including any proceeding under Title 11 of the United States Code), or regulatory restrictions, (b) has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it or has called a meeting of its creditors, (c) admits in writing its inability, or be generally unable, to pay its debts as they

become due or cease operations of its present business, (d) with respect to a Lender, such Lender is unable to perform hereunder due to the application of applicable law, (e) in the good faith determination of Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment of a type described in clauses (a) or (b), provided, that an Insolvency Proceeding shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person or such Person's direct or indirect parent company by a Governmental Authority or instrumentality thereof if, and only if, such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person or (f) any case or proceeding constituting an Event of Default under Section 10.1(f).

"Insolvent" shall mean pertaining to a condition of Insolvency.

"Intellectual Property" shall mean all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws, including all copyrights, trademarks, and service marks, including all associated goodwill, in each case whether registered or applied for with a Governmental Authority, patents, technology, know-how and processes, trade secrets, and any trade dress including logos, designs, and other indicia of origin, internet domain names, intangible rights in software and databases not otherwise included in the foregoing, but not including any of the foregoing in the public domain. Intellectual Property includes all issuances, registrations and applications relating to any of the foregoing.

"Intercompany Note" shall mean a promissory note evidencing intercompany Indebtedness, duly executed and delivered substantially in the form of Exhibit M (or such other form as shall be reasonably satisfactory to the Administrative Agent), with blanks completed in conformity herewith.

"Intercreditor Agreement" shall mean each of the ABL/Term Loan Intercreditor Agreement and any Other Intercreditor Agreement, in each case, if then in effect.

"Interest Determination Date" shall mean, with respect to any LIBOR Loan, the second Business Day prior to the commencement of any Interest Period relating to such LIBOR Loan, as the case may be.

"Interest Period" shall have the meaning set forth in Section 2.10.

"Interest Rate Protection Agreement" shall mean any interest rate swap agreement, interest rate cap agreement, interest collar agreement, interest rate hedging agreement or other similar agreement or arrangement.

"Inventory" means all of the "inventory" (as such term is defined in the UCC) of the Borrowers and their Subsidiaries, including, but not limited to, all merchandise, raw materials, parts, supplies, work in process and finished goods intended for sale, together with all the containers, packing, packaging, shipping and similar materials related thereto, and including

such inventory as is temporarily out of a Borrower's or a Subsidiary's custody or possession, including inventory on the premises of others and items in transit.

"Investments" shall have the meaning set forth in Section 8.6. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment and net of actual cash dividends or other payments received by the Person making such Investment on account of such Investment.

"IRS" shall mean the U.S. Internal Revenue Service.

"K&S" shall have the meaning set forth in Section 6.1(g).

"Kansas Headquarters" shall mean the real property located at 3231 SE Sixth Avenue, Topeka, Kansas.

"Latest Maturity Date" shall mean, at any date of determination, the latest maturity or expiration date applicable to any Term Loan or Term Loan Commitment at such time under this Agreement, any Incremental Amendment, Loan Modification Agreement or Refinancing Amendment.

"Leaseholds" shall mean, with respect to any Person, all the right, title and interest of such Person as lessee or licensee in, to and under leases or licenses of land, improvements and/or fixtures.

"Lender" shall mean each financial institution listed on Schedule I, and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption, an Incremental Amendment, a Loan Modification Agreement or a Refinancing Amendment, other than any such Person that shall have ceased to be a party hereto pursuant to an Assignment and Assumption.

"Lender Default" shall mean, as to any Lender, (i) the wrongful refusal (which has not been retracted) of such Lender or the failure of such Lender (which has not been cured) to make available its portion of any Borrowing, (ii) such Lender having notified the Administrative Agent and/or any Loan Party (x) that it does not intend to comply with its obligations under Section 2.1, 2.5, 2.15 or 2.17 in circumstances where such non-compliance would constitute a breach of such Lender's obligations under such Section or (y) of the events described in clause (iii) below, or (iii) any Lender that has, or its direct or indirect parent, has (x) been adjudicated as, or determined by any Governmental Authority having regulatory authority over such person or its properties or assets to be, insolvent, or (y) become the subject of a proceeding under any Debtor Relief Law or had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar person charged with reorganization or liquidation of its business or custodian (including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity), appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment; provided that there shall not be a "Lender Default" with respect to a Lender solely by virtue of the ownership or acquisition of any Capital Stock in that Lender or any direct or indirect parent company thereof by a Governmental Authority 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. Any determination by the Administrative Agent that there shall not be a "Lender Default" with respect to a Lender shall be conclusive and binding absent manifest error, and there shall be deemed to be a "Lender Default" with respect to such Lender upon delivery of written notice of such determination by the Administrative Agent to Holdings and each other Lender.

"LIBOR Loan" shall mean each Term Loan designated as such by the Borrowing Agent at the time of the incurrence thereof or conversion thereto.

"LIBOR Rate" shall mean (a) the rate per annum determined by the Administrative Agent at approximately 11:00 a.m. (London time) on the date that is two Business Days prior to the commencement of such Interest Period by reference to the applicable Bloomberg LIBOR screen page for deposits in Dollars (or such other comparable page as may, in the opinion of the Administrative Agent, replace such page for the purpose of displaying such rates) for a period equal to such Interest Period; provided that to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the "LIBOR Rate" shall be the interest rate per annum determined by the Administrative Agent to be the average of the rates per annum at which deposits in Dollars are offered for such relevant Interest Period to major banks in the London interbank market in London, England at approximately 11:00 a.m. (London time) on the date that is two Business Days prior to the beginning of such Interest Period, divided by (b) a percentage equal to 100% minus the then stated maximum rate of all reserve requirements (including, without limitation, any marginal, emergency, supplemental, special or other reserves required by applicable law) applicable to any member bank of the Federal Reserve System in respect of Eurocurrency funding or liabilities as defined in Regulation D (or any successor category of liabilities under Regulation D); provided that the LIBOR Rate shall not be less than 1.0% per annum.

"Lien" shall mean any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), security interest, preference, priority or other security agreement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement, any financing or similar statement or notice filed under the UCC or any other similar recording or notice statute, and any lease having substantially the same effect as any of the foregoing).

"Loan Documents" shall mean this Agreement, the Security Agreement, the ABL/Term Loan Intercreditor Agreement, the Administrative Agent Fee Letter and, after the execution and delivery thereof pursuant to the terms of this Agreement, each Term Note, each other Security Document, each Other Intercreditor Agreement, each Incremental Amendment, each Refinancing Amendment and each Loan Modification Agreement.

"Loan Modification Agreement" shall have the meaning set forth in Section 2.16(b).

"Loan Modification Offer" shall have the meaning set forth in Section 2.16(a).

"Loan Parties" shall mean Holdings, the Borrowers and each Subsidiary Guarantor.

"Loans" means the Term Loans.

"Majority Lenders" of any Tranche shall mean 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.

"Mandatory Prepayment Date" shall have the meaning set forth in Section 4.2(e).

"Margin Stock" shall have the meaning set forth in Regulation U of the Board.

"Material Adverse Effect" shall mean a material adverse effect on (a) the business, assets, property, operations or financial condition of Holdings and its Restricted Subsidiaries taken as a whole, (b) the ability of the Loan Parties (taken as a whole) to perform their material obligations under the Loan Documents to which they are a party or (c) the material rights and remedies available to, or conferred upon, the Administrative Agent, any Lender or any Secured Party hereunder or thereunder, taken as a whole.

"Material Indebtedness" shall have the meaning set forth in Section 7.7(b).

"Materials of Environmental Concern" shall mean any chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, any petroleum or petroleum products, asbestos, polychlorinated biphenyls, lead or lead-based paints or materials, radon, urea-formaldehyde insulation, molds, fungi, mycotoxins, radioactive materials or radiation defined or regulated under any Environmental Law.

"Maturity Date" shall mean, with respect to the relevant Tranche of Term Loans, the Tranche A-1 Term Loan Maturity Date, the Tranche A-2 Term Loan Maturity Date, the Incremental Term Loan Maturity Date, the final maturity date in any Loan Modification Agreement or the final maturity date in any Refinancing Amendment, as the case may be.

"Maximum Incremental Facilities Amount" shall mean $[50,000,000] less the aggregate principal amount of Incremental Term Loans made pursuant to Section 2.15 of this Agreement and the aggregate principal amount of any Permitted Incremental Equivalent Debt.

"Maximum Rate" shall have the meaning set forth in Section 12.18.

"Measurement Period" shall mean, at any date of determination, the most recently completed trailing four (4) fiscal quarters of the Borrowers for which financial statements have been delivered.

"Minimum Borrowing Amount" shall mean $2,000,000.

"Moody's" shall mean Moody's Investors Service, Inc.

"Mortgage" shall mean a mortgage, deed of trust, deed to secure debt, leasehold deed to secure debt, debenture or similar security instrument.

"Mortgaged Property" shall mean any Real Property owned by any Loan Party which is encumbered (or required to be encumbered) by a Mortgage pursuant to the terms hereof.

"Multiemployer Plan" shall mean a plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA, which is contributed to by (or to which there is or may be an obligation to contribute of) Holdings, the Borrowing Agent or any Commonly Controlled Entity or to which Holdings, the Borrowing Agent or a Commonly Controlled Entity has any direct or indirect liability or has within any of the preceding five years made or accrued an obligation to make contributions.

"NAIC" shall mean the National Association of Insurance Commissioners.

"Net Cash Proceeds" shall mean (a) in connection with any Asset Sale, any Recovery Event or any other sale of assets, the proceeds thereof actually received in the form of cash and cash equivalents (including Cash Equivalents) (including any such proceeds received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable or otherwise, but only as and when received), net of (i) attorneys' fees, accountants' fees, investment banking fees, and other bona fide fees, costs and expenses actually incurred in connection therewith, (ii) amounts (including the principal amount, any premium, penalty or interest) required to be applied (or to establish an escrow for the future repayment thereof) to the repayment of Indebtedness (including repayments of Indebtedness under any Permitted Incremental Equivalent Debt or ABL Facility but only to the extent such repayment is required pursuant to the terms thereof) secured by a Lien expressly permitted hereunder on any asset that is the subject of such Asset Sale or Recovery Event or any other sale of assets (other than any Lien pursuant to a Security Document), (iii) taxes paid and the Borrowing Agent's reasonable and good faith estimate of income, franchise, sales, and other applicable taxes required to be paid by Holdings, the Borrowing Agent or any Restricted Subsidiary in connection with such Asset Sale or Recovery Event or any other sale of assets, (iv) a reasonable reserve for any indemnification payments (fixed or contingent) attributable to the seller's indemnities and representations and warranties to the purchaser in respect of such Asset Sale or any other sale of assets owing by Holdings or any of its Restricted Subsidiaries in connection therewith and which are reasonably expected to be required to be paid; provided that to the extent such indemnification payments are not made and are no longer reserved for, such reserve amount shall constitute Net Cash Proceeds, (v) cash escrows to Holdings or any of its Restricted Subsidiaries from the sale price for such Asset Sale or other sale of assets; provided that any cash released from such escrow shall constitute Net Cash Proceeds upon such release, (vi) in the case of a Recovery Event, costs of preparing assets for transfer upon a taking or condemnation and (vii) other customary fees and expenses actually incurred in connection therewith, and (b) in connection with any incurrence or issuance of Indebtedness or Capital Stock, the cash proceeds received from any such issuance or incurrence, net of attorneys' fees, investment banking fees, accountants' fees, underwriting discounts and commissions and other bona fide fees and expenses actually incurred in connection therewith, and any taxes paid or reasonably estimated to be actually paid in connection therewith.

"New York UCC" shall mean the Uniform Commercial Code as in effect from time to time in the State of New York.

"Non-Defaulting Lender" shall mean and include each Lender, other than a Defaulting Lender.

"Non-Guarantor Subsidiary" shall mean any Restricted Subsidiary that is not a Subsidiary Guarantor; provided, that no Restricted Subsidiary of Holdings or the Borrowing Agent shall be a "Non-Guarantor Subsidiary" if such Restricted Subsidiary is not a "Non-Guarantor Subsidiary" (or comparable term) for purposes of any Permitted Incremental Equivalent Debt or ABL Facility.

"Non-U.S. Plan" shall mean any plan, fund (including, without limitation, any superannuation fund) or other similar program established, contributed to (regardless of whether through direct contributions or through employee withholding) or maintained outside the United States by Holdings, the Borrowing Agent or one or more Subsidiaries primarily for the benefit of employees of Holdings, such Borrower or such Subsidiaries residing outside the United States, which plan, fund or other similar program provides, or results in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment, and which plan is not subject to ERISA or the Code (other than any plan maintained or required to be contributed to by a Governmental Authority).

"Not Otherwise Applied" shall mean, with reference to any proceeds of any transaction or event or of Excess Cash Flow or the Available Amount that is proposed to be applied to a particular use or transaction, that such amount (a) was not required to prepay Term Loans pursuant to Section 4.2 and (b) has not previously been (and is not simultaneous being) applied to anything other than such particular use or transaction.

"Notice of Borrowing" shall have the meaning set forth in Section 2.3.

"Notice of Conversion/Continuation" shall have the meaning set forth in Section 2.7.

"Notice Office" shall mean the office of the Administrative Agent as the Administrative Agent may hereafter designate in writing as such to the other parties hereto.

"NRF" shall have the meaning set forth in Section 6.1(g).

"Obligations" shall mean (a) the due and punctual payment of the unpaid principal of and interest on (including interest accruing after the maturity of the Term Loans or the maturity of Secured Cash Management Obligations or Secured Swap Agreements and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrowers or any Guarantor, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Term Loans, and all other obligations and liabilities of the Borrowers or any other Loan Party (including with respect to guarantees) to the Administrative Agent, any Lender, any other Secured Party or any Qualified Counterparty party to a Secured Swap Agreement or a Secured Party providing Secured Cash Management Obligations, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with,

this Agreement or any other Loan Document or any other document made, delivered or given in connection herewith or therewith or any Secured Swap Agreement or any document relating to Secured Cash Management Obligations, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by the Borrowers or any Guarantor pursuant to any Loan Document), guarantee obligations or otherwise (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by the Borrowers or any Guarantor pursuant to any Loan Document and any other monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding); (b) the due and punctual performance of all other obligations of the Borrowers under or pursuant to this Agreement and each of the other Loan Documents, and (c) the due and punctual payment and performance of all the obligations of each other Loan Party under or pursuant to any Loan Document. Notwithstanding anything to the contrary herein, Obligations shall not include (subject to Section 9.10) any Excluded Swap Obligation.

"OFAC" shall have the meaning set forth in Section 5.21(b)(v).

"Offer Price" shall have the meaning set forth in the definition of "Dutch Auction."

"Open Market Purchase" shall have the meaning set forth in Section 12.4(a)(iii).

"Organizational Document" shall mean (i) relative to each Person that is a corporation, its charter and its by-laws (or similar documents), (ii) relative to each Person that is a limited liability company, its certificate of formation and its operating agreement (or similar documents), (iii) relative to each Person that is a limited partnership, its certificate of formation and its limited partnership agreement (or similar documents), (iv) relative to each Person that is a general partnership, its partnership agreement (or similar document) and (v) relative to any Person that is any other type of entity, such documents as shall be comparable to the foregoing.

"Other Borrowers" shall have the meaning set forth in Section 13.1.

"Other Connection Taxes" means, with respect to any Lender or the Administrative Agent, Taxes imposed as a result of a present or former connection between such Lender or Administrative Agent and the jurisdiction imposing such Tax (other than connections arising from such Lender or Administrative Agent 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 Guarantors" shall have the meaning set forth in Section 13.2.

"Other Intercreditor Agreement" shall mean any intercreditor agreement executed in connection with any transaction requiring such agreement to be executed pursuant to the terms hereof, among the Administrative Agent, the Borrowers, the Guarantors and one or more other Representatives of Indebtedness to be subject to such intercreditor agreement or any other party, as the case may be, in the case of Indebtedness Incurred under Section 8.1(c) that is to be secured on a junior basis to the Term Loans, substantially on terms set forth on Exhibit K (except to the

extent otherwise reasonably agreed by the Borrowers and the Administrative Agent) and on such other terms that are reasonably satisfactory to the Administrative Agent, as amended, restated, supplemented or otherwise modified from time to time with the consent of the Administrative Agent (or replaced in connection with a Permitted Refinancing or incurrence of Indebtedness under Section 8.1(c)) (such consent not to be unreasonably withheld or delayed).

"Other Taxes" shall mean 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 with respect to an assignment, other than an assignment made pursuant to Section 2.14.

"Parent Company" shall mean any direct or indirect parent company of which Holdings is a Wholly Owned Subsidiary.

"Participant" shall have the meaning set forth in Section 12.4(b).

"Participant Register" shall have the meaning set forth in Section 12.4(b).

"Patriot Act" shall mean the USA PATRIOT Act, Pub. L. 107-56 (signed into law October 26, 2001), as amended by the USA PATRIOT Improvement and Reauthorization Act, Pub. L. 109-177 (signed into law March 9, 2006) (as amended from time to time).

"Payless" shall have the meaning set forth in the preamble to this Agreement.

"Payment Office" shall mean the account of the Administrative Agent as the Administrative Agent may hereafter designate in writing as such to the other parties hereto.

"PBGC" shall mean the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor).

"Perfection Certificate" shall mean the Perfection Certificate substantially in the form of Exhibit N.

"Permitted Acquisition" shall have the meaning set forth in Section 8.6(e).

"Permitted Amendment" shall mean an amendment to this Agreement and the other Loan Documents, effected in connection with a Loan Modification Offer pursuant to Section 2.16, providing for an extension of the Maturity Date applicable to the Term Loans and/or Term Loan Commitments of the Accepting Lenders and, in connection therewith, (a) an increase in the Applicable Margin with respect to the Term Loans and/or Term Loan Commitments of the Accepting Lenders and/or (b) an increase in the fees payable to, or the inclusion of new fees to be payable to, the Accepting Lenders.

"Permitted Auction Purchaser" shall mean the Borrowing Agent and Holdings.

"Permitted Holders" shall mean, collectively, each Person who owns, directly or indirectly, beneficially or of record, shares of Holdings as of the Closing Date, and such Person's Affiliates.

"Permitted Incremental Equivalent Debt" shall mean Indebtedness issued, incurred or otherwise obtained by any Borrower and/or any Guarantor in respect of one or more series of senior unsecured notes, senior secured junior lien notes or subordinated notes (in each case issued in a public offering, Rule 144A or other private placement in lieu of the foregoing (and any Registered Equivalent Notes issued in exchange therefor)), junior lien or unsecured loans or secured or unsecured mezzanine Indebtedness that, in each case, if secured, will be secured by Liens on the Collateral on a junior priority basis with the Liens on Collateral securing the Obligations, and that are issued or made in lieu of Incremental Commitments; provided that (i) the aggregate principal amount of all Permitted Incremental Equivalent Debt at the time of issuance or incurrence shall not exceed the Maximum Incremental Facilities Amount at such time, (ii) such Permitted Incremental Equivalent Debt shall not be subject to any Guarantee by any Person other than a Loan Party, (iii) in the case of Permitted Incremental Equivalent Debt that is secured, the obligations in respect thereof shall not be secured by any Lien on any asset of any Borrower or any Restricted Subsidiary other than any asset constituting Collateral, (iv) if such Permitted Incremental Equivalent Debt is secured, such Permitted Incremental Equivalent Debt shall be subject to an applicable Other Intercreditor Agreement and (v) the terms of such Permitted Incremental Equivalent Debt do not provide for any scheduled amortization or mandatory repayment, mandatory redemption, mandatory offer to purchase or sinking fund obligation prior to the Latest Maturity Date at the time of incurrence, issuance or obtainment of such Permitted Incremental Equivalent Debt, other than customary prepayments, repurchases or redemptions of or offers to prepay, redeem or repurchase upon a change of control, unpermitted debt incurrence event, asset sale event or casualty or condemnation event, customary prepayments, redemptions or repurchases or offers to prepay, redeem or repurchase based on excess cash flow (in the case of loans) and customary acceleration rights upon an event of default.

"Permitted Incremental Equivalent Debt Documents" shall mean any document or instrument (including any guarantee, security agreement or mortgage and which may include any or all of the Loan Documents) issued or executed and delivered with respect to any Permitted Incremental Equivalent Debt by any Loan Party.

"Permitted Incremental Equivalent Debt Obligations" shall mean, if any secured Permitted Incremental Equivalent Debt has been incurred or issued and is outstanding, all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any applicable Permitted Incremental Equivalent Debt Documents, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any 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.

"Permitted Incremental Equivalent Debt Secured Parties" means the holders from time to time of any secured Permitted Incremental Equivalent Debt Obligations (and any Representative on their behalf).

"Permitted Refinancing" shall mean, with respect to any Person, any modification, refinancing, refunding, renewal 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 or extended except by an amount equal to unpaid accrued interest and premium thereon plus other reasonable amounts paid, and fees and expenses reasonably incurred, in connection with such modification, refinancing, refunding, renewal or extension and by an amount equal to any existing commitments unutilized thereunder, except that, in the case of a Permitted Refinancing of any ABL Facility, the principal amount thereof may be increased so long as the aggregate outstandings under the ABL Facility (including the respective Permitted Refinancing) do not exceed the limitations contained in Section 8.1(b) (b) such modification, refinancing, refunding, renewal 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 longer than the Weighted Average Life to Maturity of, the Indebtedness being modified, refinanced, refunded, renewed or extended (excluding the effects of nominal amortization in the amount of no greater than one percent per annum of the original stated principal amount of such Indebtedness on the date of Incurrence thereof), (c) at the time thereof, no Event of Default shall have occurred and be continuing, and (d) if such Indebtedness being modified, refinanced, refunded, renewed or extended is Indebtedness permitted pursuant to Section 8.1(b), (c), (e), (g), (i), (p) or (r), (i) to the extent such Indebtedness being modified, refinanced, refunded, renewed or extended is subordinated in right of payment to the Obligations, such modification, refinancing, refunding, renewal or extension is subordinated in right of payment to the Obligations on terms at least as favorable to the Lenders, taken as a whole, as those contained in the documentation governing the Indebtedness being modified, refinanced, refunded, renewed or extended (it being understood and agreed that the Indebtedness under the ABL Facility is not subordinated in right of payment to the Obligations), (ii) to the extent Liens securing such Indebtedness being modified, refinanced, refunded, renewed or extended are subordinated to, or (but only if, and to the extent, the Indebtedness being modified, refinanced, refunded, renewed or extended was secured equally and ratably with the Obligations) secured equally and ratably with, Liens securing the Obligations, the Liens, if any, securing such modification, refinancing, refunding, renewal or extension are subordinated to, or secured equally and ratably with, the Liens securing the Obligations, and the holders of such Indebtedness or the Representative acting on behalf of the holders of such Indebtedness shall have, unless the respective Permitted Refinancing is unsecured, entered into such lien subordination and/or intercreditor agreements as are consistent with those which applied to the Indebtedness being modified, refinanced, refunded, renewed or extended (with such changes as may be satisfactory to the Administrative Agent), it being understood and agreed that, as a condition precedent to the Incurrence of any secured Permitted Refinancing (I) of any Indebtedness pursuant to the ABL Facility, a representative on behalf of the holders of such Indebtedness shall have become party by joinder to the ABL/Term Loan Intercreditor Agreement and (II) of any Indebtedness pursuant to Section 8.1(c) which is being secured by the collateral on a subordinated basis to, the Liens securing the Obligations, a Representative on behalf of the respective holders of such Indebtedness (i) shall have become party by joinder to the ABL/Term Loan Intercreditor Agreement (if same is then in effect) and

(ii) shall have become party to an Other Intercreditor Agreement in substantially the form as applied to the Indebtedness being modified, refinanced, refunded, renewed or extended), in each case with the forgoing to be reasonably satisfactory to the Administrate Agent and reflecting priorities of Liens consistent with the Liens in place prior to the date of such Permitted Refinancings (or, to the extent requested by the Borrowers, providing for more junior treatment of the Liens securing such modification, refinancing, refunding, renewal or extension), (iii) such Indebtedness may not have guarantors, obligors or security in any case more extensive than that which applied to such Indebtedness being extended, refinanced, renewed, replacement or refunding and (iv) the other terms and conditions of such Indebtedness (excluding pricing, fees, rate floors, premiums, optional prepayment or optional redemption provisions and financial covenants) are (I) in the case of any Permitted Refinancing of any ABL Facility, terms and conditions that would not have been prohibited by the ABL/Term Loan Intercreditor Agreement if such Permitted Refinancing had been effected through an amendment or modification to the ABL Facility and (II) either (a) substantially identical to the Indebtedness being refinanced, (b) (taken as a whole) not materially more favorable to the providers of such Permitted Refinancing than those applicable to the Indebtedness being refinanced or (c) on market terms and conditions customary for Indebtedness of the type being Incurred pursuant to such Permitted Refinancing as of the time of Incurrence of such Indebtedness; provided that in the case of Permitted Refinancings of Indebtedness Incurred under Section 8.1(c), the terms of such Indebtedness comply with the requirements set forth in Section 8.1(c)(II), except in each case for covenants or other provisions contained in such Indebtedness that are applicable only after the then Latest Maturity Date; provided that a certificate of an Authorized Officer delivered to the Administrative Agent at least five Business Days prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrowing Agent has determined in good faith that such terms and conditions satisfy the requirement of this clause (iv) shall be conclusive evidence that such terms and conditions satisfy such requirement unless the Administrative Agent notifies the Borrowing Agent within such five Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees)).

"Permitted Sale Leaseback Transactions" shall mean the Sale Leaseback Transactions of the Real Property set forth on Schedule 5.19.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, association, limited liability company, trust or other enterprise or any Governmental Authority.

"Petition Date" shall have the meaning assigned to such term in the recitals to this Agreement.

"Plan" shall mean, at a particular time, an "employee benefit plan" as defined in Section 3 of ERISA (other than a Multiemployer Plan) and in respect of which the Borrowing Agent or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Plan of Reorganization" shall mean that certain Fourth Amended Joint Plan of Reorganization of Payless Holdings LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, dated June 23, 2017.

"Platform" shall have the meaning set forth in Section 7.2(a).

"Prepetition First Lien Credit Agreement" shall have the meaning assigned to such term in the recitals to this Agreement.

"Prepetition First Lien Interest" shall have the meaning assigned to such term in Section 2.1(b).

"Prepetition First Lien Term Lender" shall mean the lenders under the Prepetition First Lien Credit Agreement.

"Prepetition First Lien Term Loans" shall have the meaning assigned to such term in Section 2.1(b).

"Prime Lending Rate" shall mean the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the United States or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent).

"Private Lender Information" shall mean any information and documentation that is not Public Lender Information.

"Pro Forma Basis" shall mean, for the purposes of calculating Consolidated EBITDA for any period of four consecutive fiscal quarters (each, a "Reference Period"), (i) if at any time since the beginning of such Reference Period, Holdings or any Restricted Subsidiary shall have Disposed of any assets or other property, the Consolidated EBITDA for such Reference Period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the assets or property that are the subject of such Disposition for such Reference Period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such Reference Period (provided that this clause (i) does not, in the sole discretion of the Borrowing Agent, need to be taken into account for purposes of calculating Consolidated EBITDA until such time as the aggregate amount of all such Dispositions exceed $10,000,000 during the applicable Reference Period, after which this clause (i) shall apply to the Disposition that causes such aggregate amount to exceed $10,000,000 and to all subsequent Dispositions that occurred during such Reference Period) and (ii) if since the beginning of such Reference Period Holdings or any Restricted Subsidiary shall have made an acquisition of assets constituting at least a division of a business unit of, or all or substantially all of the assets of, any Person, Consolidated EBITDA for such Reference Period shall be calculated after giving pro forma effect thereto (together with all transactions relating thereto consummated during such period or thereafter and prior to the date of determination (including any Incurrence, assumption, refinancing or repayment of Indebtedness)) as if such acquisition of assets constituting at least a division of a

business unit of, or all or substantially all of the assets of, any Person, occurred on the first day of such Reference Period and taking into account, in each such case, pro forma adjustments arising out of events that are directly attributable to a specific transaction and reasonably expected by Borrowing Agent in good faith to result, which are factually supportable and are expected to have a continuing impact, which pro forma adjustments shall be certified by the chief financial officer, treasurer, controller or comptroller of Holdings.

"Pro Forma Financial Information" shall have the meaning set forth in Section 5.1(a).

"Properties" shall have the meaning set forth in Section 5.17(a).

"Public Lender Information" shall mean information and documentation that is either exclusively (i) of a type that would be publicly available if the Borrowing Agent, Holdings and their respective Subsidiaries were public reporting companies or (ii) not material with respect to any of the Borrowing Agent, Holdings or any of their respective Subsidiaries or any of their respective securities for purposes of foreign, United States Federal and state securities laws.

"Public Offering" shall mean an initial underwritten public offering of the common Capital Stock pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act (other than a registration statement on Form S-8 or any successor form).

"Puerto Rican Loan Party" means [Payless ShoeSource of Puerto Rico, Inc., a [●] corporation].[5]

"Purchase" shall have the meaning set forth in the definition of "Dutch Auction."

"Purchase Notice" shall have the meaning set forth in the definition of "Dutch Auction."

"Purchaser" shall have the meaning set forth in the definition of "Dutch Auction."

"Qualified Capital Stock" shall mean any Capital Stock that is not Disqualified Capital Stock.

"Qualified Counterparty" shall mean, with respect to any Secured Swap Agreement, any counterparty thereto that, at the time such Secured Swap Agreement was entered into or, in the case of Secured Swap Agreements entered into prior to the Closing Date, as of the Closing Date or in connection with the initial syndication of the Term Loans, was the Administrative Agent or a Lender at such time or an Affiliate of the Administrative Agent or a Lender at such time.

"Qualified ECP Guarantor" means, in respect of any Swap Obligation, each Loan Party that has total assets exceeding $10,000,000 at the time the relevant Guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

[5] Puerto Rican related provisions to be added to the Credit Agreement, if applicable.

"Qualified Public Offering" shall mean the issuance by Holdings or any Parent Company of all its common Capital Stock pursuant to a Public Offering.

"Qualifying Lenders" shall have the meaning set forth in the definition of "Dutch Auction."

"Qualifying Loans" shall have the meaning set forth in the definition of "Dutch Auction."

"Quarterly Payment Date" shall mean the last Business Day of each April, July, October and January occurring after the Closing Date.

"Real Property" shall mean, with respect to any Person, all the right, title and interest of such Person in and to land, improvements and fixtures, including Leaseholds.

"Recovery Event" shall mean any settlement of or payment in excess of an amount equal to $1,000,000 in respect of any property or casualty insurance (excluding business interruption insurance) claim or any condemnation, eminent domain or similar proceeding relating to any asset of Holdings or any of its Restricted Subsidiaries.

"Reference Period" shall have the meaning set forth in the definition of Pro Forma Basis.

"Refinance" shall mean, in respect of any Indebtedness, to refinance, redeem, defease, refund, extend, renew or repay any Indebtedness with the proceeds of other Indebtedness, or to issue other Indebtedness, in exchange or replacement for, or convert any Indebtedness into any other, such Indebtedness in whole or in part; "Refinanced" and "Refinancing" shall have correlative meanings.

"Refinanced Debt" shall have the meaning set forth in the definition of Credit Agreement Refinancing Indebtedness.

"Refinancing Amendment" shall mean an amendment to this Agreement in form and substance reasonably satisfactory to the Administrative Agent and the Borrowing Agent executed by each of (a) the Borrowing Agent, (b) the Administrative Agent and (c) each Additional Lender and Lender that agrees to provide any portion of the Credit Agreement Refinancing Indebtedness being incurred pursuant thereto, in accordance with Section 2.17.

"Refinancing Series" shall mean all Refinancing Term Loans or Refinancing Term Commitments that are established pursuant to the same Refinancing Amendment (or any subsequent Refinancing Amendment to the extent such Refinancing Amendment expressly provides that the Refinancing Term Loans or Refinancing Term Commitments provided for therein are intended to be a part of any previously established Refinancing Series) and that provide for the same interest margins and amortization schedule.

"Refinancing Term Commitments" shall mean one or more term loan commitments hereunder that fund Refinancing Term Loans of the applicable Refinancing Series hereunder pursuant to a Refinancing Amendment.

"Refinancing Term Loans" shall mean one or more term loans hereunder that result from a Refinancing Amendment.

"Refund" shall have the meaning set forth in Section 4.4(f).

"Register" shall have the meaning set forth in Section 12.15.

"Registered Equivalent Notes" shall mean, with respect to any notes originally issued in a Rule 144A or other private placement transaction under the Securities Act, substantially identical notes (having the same Guarantees) issued in a dollar-for-dollar exchange therefor pursuant to an exchange offer registered with the SEC.

"Regulation D" shall mean Regulation D of the Board.

"Related Party" shall have the meaning set forth in Section 10.1(i).

"Release" shall mean disposing, discharging, injecting, spilling, pumping, leaking, leaching, dumping, emitting, escaping, emptying, pouring, seeping, or migrating into, through or upon the environment, including any land or water or air.

"Relevant Payment" shall have the meaning set forth in Section 9.9.

"Rejection Notice" shall have the meaning set forth in Section 4.2(e).

"Remaining Declined Proceeds" shall have the meaning set forth in Section 4.2(e).

"Reorganization" shall mean, with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Replaced Lender" shall have the meaning set forth in Section 2.14.

"Replacement Lender" shall have the meaning set forth in Section 2.14.

"Reply Amount" shall have the meaning set forth in the definition of "Dutch Auction."

"Reportable Event" shall mean any of the events set forth in Section 4043(c) of ERISA with respect to a Plan, other than those events as to which the thirty day notice period is waived by regulation.

"Representative" shall mean, with respect to any series of Indebtedness permitted under Section 8.1(b), (c) or (d), the trustee, administrative agent, collateral agent, security agent or similar agent under the indenture or agreement pursuant to which such Indebtedness is issued, Incurred or otherwise obtained, as the case may be, and each of their successors in such capacities.

"Required Lenders" shall mean, at any time, Non-Defaulting Lenders holding at least a majority (over 50%) of the sum of all outstanding Term Loans.

"Requirement of Law" shall mean, with respect to any Person, any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Restricted" shall mean, when referring to cash or Cash Equivalents of Holdings and its Restricted Subsidiaries, that such cash or Cash Equivalents (i) appear (or would be required to appear) as "restricted" on the consolidated balance sheet of Holdings (unless such appearance is related to the Liens created under the Loan Documents, any Permitted Incremental Equivalent Debt or ABL Facility Documents to the extent permitted hereunder), (ii) are subject to any Lien in favor of any Person other than (w) the Collateral Agent for the benefit of the Secured Parties, (x) Liens in favor of any Permitted Incremental Equivalent Secured Parties created under the Permitted Incremental Equivalent Debt Documents, (y) Liens in favor of the ABL Agent created under the ABL Facility Documents, and (z) customary Liens in favor of a depositary bank (in its capacity as a depositary bank) to the extent permitted pursuant to Section 8.2(v) or (iii) are identifiable proceeds of Incremental Term Loans.

"Restricted Payments" shall have the meaning set forth in Section 8.5.

"Restricted Subsidiary" shall mean any Subsidiary of Holdings (other than any Unrestricted Subsidiary). For the avoidance of doubt, each Borrower shall at all times constitute a Restricted Subsidiary.

"Retained Excess Cash Flow Amount" shall mean, initially, $0, which amount shall be increased on each Excess Cash Flow Application Date, so long as Excess Cash Flow for the required Excess Cash Flow Period is greater than $0 and any payment required pursuant to Section 4.2(b) has been made on such date, by an amount (to the extent positive) equal to the remainder of (A) the amount of Excess Cash Flow for the respective Excess Cash Flow Period minus (B) the applicable ECF Percentage of Excess Cash Flow for the respective Excess Cash Flow Period minus (C) the aggregate amount of payments made in connection with the purchase of Term Loans Cancelled pursuant to Section 12.4).

"Return Bid" shall have the meaning set forth in the definition of "Dutch Auction."

"S&P" shall mean Standard & Poor's Ratings Services, a division of McGraw-Hill, Inc.

"Sale Leaseback Transaction" shall mean any arrangement with any Person or Persons, whereby in contemporaneous or substantially contemporaneous transactions a Loan Party sells substantially all of its right, title and interest in any property and, in connection therewith, a Loan Party acquires, leases or licenses back the right to use all or a material portion of such property.

"Sanctions" shall have the meaning set forth in Section 5.21(b)(v).

"SEC" shall mean the Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

"Secured Cash Management Agreement" shall have the meaning set forth in Section 12.19.

"Secured Cash Management Obligations" shall mean the Cash Management Obligations with respect to any Secured Cash Management Agreement.

"Secured Parties" shall mean the collective reference to the Administrative Agent, the Lenders, any Qualified Counterparties and the Administrative Agent or a Lender or an Affiliate of the Administrative Agent or a Lender providing Secured Cash Management Obligations.

"Secured Swap Agreement" shall have the meaning set forth in Section 12.19.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Security Agreement" shall mean the Security Agreement in the form of Exhibit E, as modified, supplemented, amended, restated (including any amendment and restatement thereof), extended or renewed from time to time in accordance with the terms thereof and hereof.

"Security Document" shall mean and include each of the Security Agreement, each Mortgage and, after the execution and delivery thereof, each Additional Security Document and each Intercreditor Agreement.

"Significant Event of Default" shall mean an Event of Default under Section 10.1(a) or (f).

"Significant Restricted Subsidiary" shall mean, at any date of determination, each Restricted Subsidiary or group of Restricted Subsidiaries of the Borrowing Agent (a) whose GAAP value of total assets at the last day of the most recent fiscal period for which financial statements have been delivered were equal to or greater than 3.0% of the Consolidated Total Assets at such date, (b) whose gross revenues for the most recently completed period of four fiscal quarters for which financial statements have been delivered were equal to or greater than 3.0% of the consolidated gross revenues of Holdings and its Restricted Subsidiaries for such period, in each case, determined in accordance with GAAP (it being understood that such calculations shall be determined in the aggregate for all Restricted Subsidiaries of the Borrowing Agent subject to any of the events specified in Section 10.1(f)) and (c) each member of the Borrower Group (other than the Borrowing Agent).

"Single Employer Plan" shall mean any Plan that is covered by Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, other than a Multiemployer Plan, that is maintained or contributed to by Holdings, the Borrowing Agent or any Commonly Controlled Entity or to which Holdings, the Borrowing Agent or a Commonly Controlled Entity has any direct or indirect liability or could have liability under Section 4069 of ERISA in the event that such plan has been or were to be terminated.

"Sole Purpose Parent Company" shall mean a Parent Company that engages in no business or activity other than its ownership of the capital stock of Holdings or a Wholly Owned Subsidiary of such Parent Company which is itself a Sole Purpose Parent Company; provided that a Parent Company shall not constitute a Sole Purpose Parent Company if it directly or indirectly owns equity interests in any Person which is not (x) Holdings and, indirectly through Holdings, Subsidiaries of Holdings and/or (y) one or more Sole Purpose Parent Companies.

"Solvent" shall mean, with respect to any Person and its Subsidiaries on a consolidated basis, that as of any date of determination, (i) the fair value of the assets, including contingent assets) of such Person and its Subsidiaries, on a consolidated basis, is greater than the total amount of liabilities, including contingent liabilities, of the such Person and its Subsidiaries, on a consolidated basis; (ii) the present fair saleable value of the assets of such Person and its Subsidiaries, on a consolidated basis, is not less than the amount that will be required to pay the probable liability of such Person and its Subsidiaries, on a consolidated basis, on their debts and liabilities as they become absolute and matured; (iii) such Person and its Subsidiaries, on a consolidated basis, are not engaged in business or a transaction, and are not about to engage in business or a transaction, for which such Person's and its Subsidiaries' assets, on a consolidated basis, would constitute unreasonably small capital after giving due consideration to the prevailing practices in the industry in which such Person is engaged; and (iv) such Person and its Subsidiaries do not intend to, and do not believe that they will, incur debts or liabilities, on a consolidated basis, beyond their ability to pay such debts and liabilities as they mature. For the purposes hereof, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"Specified Class" shall have the meaning set forth in Section 2.16(a).

"Specified Equity Contribution" shall have the meaning set forth in Section 10.4.

"Store" means any retail store (which may include any real property, fixtures, equipment, inventory and other property related thereto) operated, or to be operated, by any Loan Party.

"Subordinated Indebtedness" shall mean, with respect to the Obligations, any Indebtedness of the Borrowers or any Guarantor which is by its terms subordinated in the right of payment to the Obligations (including, in the case of a Guarantor, Obligations of such Guarantor under its Guarantee).

"Subsidiary" shall mean, with respect to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other Capital Stock having ordinary voting power (other than stock or such other Capital Stock having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of Holdings, but shall exclude Unrestricted Subsidiaries.

"Subsidiary Designation" shall have the meaning set forth in Section 7.11.

"Subsidiary Guarantor" shall mean (x) each Wholly Owned Domestic Subsidiary of Holdings (other than (i) the Borrowers, (ii) any Unrestricted Subsidiaries, (iii) any CFC Holdco, (iv) any direct or indirect Domestic Subsidiary of a Foreign Subsidiary, (v) any Subsidiary which

is a corporation which is exempt from U.S. federal income tax described in Section 501(c) of the Code, (vi) any Subsidiary of a Borrower acquired or formed after the Closing Date in an Investment permitted under this Agreement which, at the time of such acquisition, is not a Wholly Owned Subsidiary; provided that such Subsidiary shall become a Subsidiary Guarantor at the time such Subsidiary becomes a Wholly Owned Domestic Subsidiary and (vii) any Immaterial Subsidiary that has not entered into a Guarantee) and each other Domestic Subsidiary designated by the Borrowing Agent, in each case, whether existing on the Closing Date or established, created or acquired after the Closing Date, unless and until such time as the respective Subsidiary is released from all of its obligations in accordance with the terms and provisions of this Agreement; provided, that "Subsidiary Guarantor" shall not include (i) any Subsidiary prohibited from guaranteeing the Term Facility (x) by applicable law, rule or regulation existing on the Closing Date or (y) by applicable law, rule, regulation or by any contractual obligation existing at the time of acquisition of such Subsidiary after the Closing Date, for so long as such prohibition exists, (ii) any Subsidiary which would require governmental or regulatory consent, approval, license or authorization to provide a guarantee, unless such consent, approval, license or authorization has been received, and (iii) any Subsidiary where the cost of providing such guarantee is excessive in relation to the value afforded thereby (as reasonably determined by the Borrowing Agent and the Administrative Agent), (y) each Canadian Loan Party, and (z) the Puerto Rican Loan Party, it being understood and agreed that if a Subsidiary executes this Agreement as a "Subsidiary Guarantor" then it shall constitute a "Subsidiary Guarantor"; provided further, notwithstanding the above, no Subsidiary shall be excluded as a "Subsidiary Guarantor" if such Subsidiary enters into, or is required to enter into, a guarantee (or becomes, or is required to become, a borrower or other obligor under) of any Permitted Incremental Equivalent Debt or the ABL Facility.

"Swap Agreement" shall mean any agreement with respect to any swap, cap, collar, hedge, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions (including, without limitation, any Interest Rate Protection 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 Agreement, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Agreement, (a) for any date on or after the date such Swap Agreement 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 Agreement, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Agreement (which may include a Lender or any Affiliate of a Lender).

"Synthetic Lease Obligation" shall mean the monetary obligation of a Person under a so-called synthetic, off-balance sheet or tax retention lease.

"Taxes" shall mean 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 DIP Credit Agreement" shall have the meaning assigned to such term in the recitals to this Agreement.

"Term DIP Lender" shall mean the lenders under the Term DIP Credit Agreement.

"Term DIP Loans" shall have the meaning assigned to such term in Section 2.1(a).

"Term Facility" shall mean any Tranche of Term Loans, as the context may require.

"Term Loan" shall mean any loan made or maintained by any Lender pursuant to this Agreement, including, without limitation, the Tranche A-1 Term Loan and the Tranche A-2 Term Loan.

"Term Loan Commitment" shall mean, for each Lender, (i) the Tranche A-1 Term Loan Commitments, (ii) the Tranche A-2 Term Loan Commitments, (iii) the Incremental Term Loan Commitments, if any, issued after the Closing Date pursuant to Section 2.15 or (iv) the Refinancing Term Commitments, if any, issued after the Closing Date pursuant to Section 2.17, as each may be modified pursuant to Section 2.16 or terminated pursuant to Sections 3.2, 6.1(b) and/or 10. The aggregate amount of the Term Loan Commitments as of the Closing Date is $[280,000,000].

"Term Loan Purchase Amount" shall have the meaning set forth in the definition of "Dutch Auction."

"Term Note" shall have the meaning set forth in Section 2.6(a).

"Term Priority Collateral" shall have the meaning set forth in the ABL/Term Loan Intercreditor Agreement, whether or not the same remains in full force and effect.

"Termination Date" the first date on which each of the following conditions are satisfied:

(a) the full cash payment of the Obligations under the Loan Documents (other than unasserted contingent indemnification obligations);

(b) the termination or expiration of all Term Loan Commitments; and

(c) the full cash payment of the Obligations under the Secured Swap Agreements, to the extent due and payable or that would be due and payable pursuant to the Secured Swap Agreement upon the release of the pledge and security interests granted under the Security Documents (other than any Obligations relating to Swap Agreements that, at such time, are allowed by the applicable provider of such Swap Agreements to remain outstanding without being required to be repaid).

"Total Assets" shall mean the total amount of all assets of Holdings and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP as shown on the most recent balance sheet of the Borrowing Agent.

"Total Initial Term Loan Commitment" shall mean, at any time, the sum of the Initial Term Loan Commitments of each of the Lenders at such time.

"Total Leverage Ratio" shall mean, as of any date of determination, the ratio of (a) the excess of (i) Consolidated Total Debt as at such date (after giving effect to any Incurrence, repayment, repurchase, redemption, defeasance, retirement or discharge of Indebtedness on such date) over (ii) an amount equal to the Unrestricted cash and Cash Equivalents of Holdings and the other Loan Parties to (b) Consolidated EBITDA, calculated on a Pro Forma Basis, for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which financial statements have been made available (or were required to be made available) pursuant to Section 6.1(g), 7.1(a), or 7.1(b).

"Total Term Loan Commitment" shall mean, at any time, the sum of the Term Loan Commitments of each of the Lenders at such time.

"Tranche" shall mean the respective facility and commitments utilized in making Term Loans hereunder, with there being two Tranches on the Closing Date, i.e., the Tranche A-1 Term Loans and Tranche A-2 Term Loans. Additional Tranches may be added after the Closing Date pursuant to Section 2.15, 2.16 or 2.17.

"Tranche A-1 Fee Letter" shall mean the fee letter date [ ], 2017, among the Loan Parties and the Tranche A-1 Term Lenders.

"Tranche A-1 Term Lenders" shall mean any Lenders or other Secured Parties holding Tranche A-1 Term Loan Obligations.

"Tranche A-1 Term Loan" shall mean the term loans made (or deemed made) by the Tranche A-1 Term Lenders to the Borrowers pursuant to Section 2.1(a).

"Tranche A-1 Term Loan Commitment" shall mean, with respect to each Lender, the commitment of such Lender to deem to make Tranche A-1 Term Loans hereunder as set forth on Schedule I, or in the Assignment and Acceptance pursuant to which such Lender assumed its Tranche A-1 Term Loan Commitment, as applicable, as the same may be (a) reduced from time to time pursuant to Section 3.2 and (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 12.4. The aggregate amount of the Tranche A-1 Term Loan Commitments as of the Closing Date is $[80,000,000].

"Tranche A-1 Term Loan Maturity Date" shall mean [____], 2022.[6]

"Tranche A-1 Term Loan Obligations" shall mean the principal balance of the Tranche A-1 Term Loans and all interest, fees, costs, indemnities and other charges in respect of the foregoing, including all such amounts that accrue from and after the commencement of an

[6] NTD: Four and a half year anniversary of the Closing Date.

Insolvency Proceeding, whether or not such amounts are allowed or allowable in such Insolvency Proceeding.

"Tranche A-2 Term Lenders" shall mean any Lenders or other Secured Parties holding Tranche A-2 Term Loan Obligations.

"Tranche A-2 Term Loan" shall mean the term loans made (or deemed made) by the Lenders to the Borrowers pursuant to Section 2.1(b).

"Tranche A-2 Term Loan Commitment" shall mean, with respect to each Lender, the commitment of such Lender to deem to make Tranche A-2 Term Loans hereunder as set forth on Schedule I, or in the Assignment and Acceptance pursuant to which such Lender assumed its Tranche A-2 Term Loan Commitment, as applicable, as the same may be (a) reduced from time to time pursuant to Section 3.2 and (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 12.4. The aggregate amount of the Tranche A-2 Term Loan Commitments as of the Closing Date is $[200,000,000].

"Tranche A-2 Term Loan Maturity Date" shall mean July [_____], 2022.[7]

"Tranche A-2 Term Loan Obligations" shall mean the principal balance of the Tranche A-2 Term Loans and all interest, fees, costs, indemnities and other charges in respect of the foregoing, including all such amounts that accrue from and after the commencement of an Insolvency Proceeding, whether or not such amounts are allowed or allowable in such Insolvency Proceeding.

"Transaction" shall mean, collectively, (a) the entry into the Loan Documents, (b) the consummation of the other transactions contemplated by the Plan of Reorganization, and (c) the payment of all fees, costs and expenses associated with the foregoing.

"Type" shall mean the type of Term Loan determined with regard to the interest option applicable thereto, i.e., whether a Base Rate Loan or a LIBOR Loan.

"UCC" shall mean the Uniform Commercial Code as from time to time in effect in the relevant jurisdiction.

"United States" and "U.S." shall each mean the United States of America.

"Unrestricted" shall mean, when referring to cash or Cash Equivalents, that such cash or Cash Equivalents are not Restricted.

"Unrestricted Subsidiary" shall mean

(a) any Subsidiary of the Borrowing Agent designated by the board of directors of the Borrowing Agent as an Unrestricted Subsidiary pursuant to Section 7.11 subsequent to the Closing Date but only to the extent that such Subsidiary:

[7] NTD: Fifth anniversary of the Closing Date.

(i) is not party to any agreement, contract, arrangement or understanding with the Borrowing Agent or any Restricted Subsidiary of the Borrowing Agent unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Borrowing Agent or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Borrowing Agent;

(ii) is a Person with respect to which neither the Borrowing Agent nor any of its Restricted Subsidiaries has any direct or indirect obligation (I) to subscribe for additional Capital Stock or (II) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(iii) has not guaranteed or otherwise directly or indirectly provided credit support for any then outstanding Indebtedness of Holdings or any of its Restricted Subsidiaries; and

(b) any Subsidiary of an Unrestricted Subsidiary.

"U.S. Tax Compliance Certificate" shall have the meaning set forth in Section 4.4(e).

"Weighted Average Life to Maturity" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Indebtedness.

"Wholly Owned Domestic Subsidiary" shall mean, with respect to any Person, any Wholly Owned Subsidiary of such Person which is a Domestic Subsidiary.

"Wholly Owned Subsidiary" shall mean, with respect to any Person, (i) any corporation 100% of whose Capital Stock is at the time owned by such Person and/or one or more Wholly Owned Subsidiaries of such Person and (ii) any partnership, limited liability company, association, joint venture or other entity in which such Person and/or one or more Wholly Owned Subsidiaries of such Person has a 100% equity interest at such time (other than, in the case of a Foreign Subsidiary of the Borrowing Agent with respect to the preceding clauses (i) and (ii), director's qualifying shares and/or other nominal amount of shares required to be held by Persons other than the Borrowing Agent and its Subsidiaries under applicable law).

"Withholding Agent" means any Loan Party and the Administrative Agent.

"Write-Down and Conversion Powers" shall mean, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.2 Other Interpretive Provisions. Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.

(b) As used herein and in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) accounting terms not defined in Section 1.1 shall have the respective meanings given to them under GAAP (but subject to the terms of Section 12.7), (ii) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation", (iii) unless the context otherwise requires, the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Capital Stock, securities, revenues, accounts, leasehold interests and contract rights, (iv) the word "will" shall be construed to have the same meaning and effect as the word "shall," and (v) unless the context otherwise requires, any reference herein (A) to any Person shall be construed to include such Person's successors and assigns and (B) to Holdings, the Borrowing Agent or any other Loan Party shall be construed to include Holdings, the Borrowing Agent or such Loan Party as debtor and debtor-in-possession and any receiver or trustee for Holdings, the Borrowing Agent or any other Loan Party, as the case may be, in any insolvency or liquidation proceeding.

(c) The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(e) Notwithstanding anything herein or any other Loan Document to the contrary, whenever any document, agreement or other item is required by any Loan Document to be delivered on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day.

(f) Any reference herein and in the other Loan Documents to the "payment in full" of the Obligations and words of similar import shall mean the payment in full of the Obligations, other than unasserted contingent indemnification obligations and unasserted expense reimbursement obligations.

(g) 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, refinancings, restatements, renewals, restructurings, extensions, supplements and other modifications thereto, but only to the extent that such amendments, refinancings, restatements, renewals, restructurings, extensions, supplements and other modifications are not prohibited by the Loan Documents; and (b) references to any law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such law.

1.3 Joint and Severability of the Borrower Group.

(a) In order to induce the Lenders to extend credit hereunder, the Borrowers agree that they will be jointly and severally liable for all the Obligations, including the principal of and interest on all Loans made to any Borrower. Each member of the Borrower Group further agrees that the due and punctual payment of the Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound hereunder notwithstanding any such extension or renewal of any Obligation.

(b) Each member of the Borrower Group waives presentment to, demand of payment from and protest to any other member of the Borrower Group of any of the Obligations, and also waives notice of acceptance of its obligations and notice of protest for nonpayment. The Obligations of any Borrower hereunder shall not be affected by (i) the failure of any Lender or the Administrative Agent to assert any claim or demand or to enforce or exercise any right or remedy against any member of the Borrower Group under the provisions of this Agreement or otherwise or (ii) any rescission, waiver, amendment or modification of any of the terms or provisions of this Agreement or any other agreement (other than the payment in full in cash of all the Obligations and except to the extent that such Obligations have been explicitly modified pursuant to an amendment or waiver that has become effective in accordance with the terms of this Agreement.

(c) Each member of the Borrower Group further agrees that its agreement under this Section 1.3 constitutes a promise of payment when due (whether or not any bankruptcy or similar proceeding shall have stayed the accrual or collection of any of the Obligations or operated as a discharge thereof) and not of collection, and waives any right to require that any resort be had by any Lender or the Administrative Agent to any balance of any deposit account or credit on the books of such Lender or the Administrative Agent in favor of any member of the Borrower Group or any other Person.

(d) The obligations of each member of the Borrower Group under this Section 1.3 shall not be subject to any reduction, limitation, impairment or termination for any reason, and shall not be subject to any defense or setoff, counterclaim, recoupment or termination whatsoever, by reason of the invalidity, illegality or unenforceability of the Obligations, any impossibility in the performance of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of the member of the Borrower Group under this Section 1.3 shall not be discharged or impaired or otherwise affected by (i) the failure of the Administrative Agent or any Lender to assert any claim or demand or to enforce any remedy under this Agreement or any other agreement, (ii) any waiver or modification in respect of any thereof, (iii) any default, failure or delay, willful or otherwise, in the performance of any of the Obligations or (iv) any other act or omission that may or might in any manner or to any extent vary the risk of such member of the Borrower Group or otherwise operate as a discharge of such member of the Borrower Group or any member of the Borrower Group as a matter of law or equity.

(e) Each member of the Borrower Group further agrees that its obligations under this Section 1.3 shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored

by the Administrative Agent or any Lender upon the bankruptcy or reorganization of any other member of the Borrower Group or otherwise.

(f) In furtherance of the foregoing and not in limitation of any other right which the Administrative Agent or any Lender may have at law or in equity against any member of the Borrower Group by virtue of this Section 1.3, upon the failure of any other member of the Borrower Group to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each member of the Borrower Group hereby promises to and will, upon receipt of written demand by the Administrative Agent, forthwith pay, or cause to be paid, in cash the amount of such unpaid Obligation.

(g) If by virtue of the provisions set forth herein, any member of the Borrower Group is required to pay and shall pay Obligations of another member of the Borrower Group, all rights of such member of the Borrower Group against such other member of the Borrower Group arising as a result thereof by way of right of subrogation, right of contribution or otherwise shall in all respects be subordinated and junior in right of payment to the prior payment in full of all the Obligations, and any of these rights among members of the Borrower Group shall not be due or paid until all Obligations shall have been paid in full.

SECTION 2.
AMOUNT AND TERMS OF CREDIT.

2.1 The Initial Term Loans.

(a) Tranche A-1 Term Loan. Each of Holdings, the Borrowers, the other Loan Parties, each Term DIP Lender party to this Agreement as a Tranche A-1 Term Lender on the date hereof and Cortland, as administrative agent under the Term DIP Credit Agreement and as Administrative Agent hereunder hereby confirms and acknowledges that (i) each such Tranche A-1 Term Lender has heretofore made Term DIP Loans (as defined under the Term DIP Credit Agreement) under the Term DIP Credit Agreement in principal amounts set forth next to such Tranche A-1 Term Lender's name on Schedule I hereto (collectively, the "Term DIP Loans"), (ii) the aggregate outstanding principal amount of all Term DIP Loans is $80,000,000 on the Closing Date and (iii) such Term DIP Loans are due and owing to the Tranche A-1 Term Lenders and are not subject to any offset, counterclaims or defenses of any kind or nature. Subject to and upon the terms and conditions set forth herein and relying upon the representations and warranties herein set forth, after giving effect to the Plan of Reorganization and Confirmation Order, (x) each Lender holding a Tranche A-1 Term Loan Commitment shall be deemed to have made a Term Loan to the Borrowers on the Closing Date in an aggregate principal amount equal to its Tranche A-1 Term Loan Commitment listed opposite its name on Schedule I hereto and (y) the principal amount of the Term DIP Loans shall be deemed to be term loans outstanding hereunder as Tranche A-1 Term Loans, such that the aggregate outstanding principal amount of all Tranche A-1 Term Loans shall be $80,000,000 as of the Closing Date. Notwithstanding that no cash consideration is exchanged, each of the Loan Parties, the Administrative Agent and each Term DIP Lender party to this Agreement acknowledge and agree that the Borrowers shall owe the aggregate amount of the Tranche A-1 Term Loans to the Tranche A-1 Lenders under this Agreement and not under the Term DIP Credit Agreement.

(b) Tranche A-2 Term Loan. Each of Holdings, the Borrowers, the other Loan Parties, each Prepetition First Lien Term Lender party to this Agreement as a Tranche A-2 Term Lender on the date hereof and Cortland, as administrative agent under the Prepetition First Lien Credit Agreement and as Administrative Agent hereunder hereby confirms and acknowledges that (i) each such Tranche A-2 Term Lender has heretofore made Term Loans (as defined under the Prepetition First Lien Credit Agreement) under the Prepetition First Lien Credit Agreement in principal amounts set forth next to such Tranche A-2 Term Lender's name on Schedule I hereto (collectively, the "Prepetition First Lien Term Loans"), (ii) the aggregate outstanding principal amount of all Prepetition First Lien Term Loans is $[____] on the Closing Date, together with accrued and unpaid interest thereon in an amount equal to $[____] ("Prepetition First Lien Interest") and (iii) such Prepetition First Lien Term Loans and Prepetition First Lien Interest are due and owing to the Tranche A-2 Term Lenders and are not subject to any offset, counterclaims or defenses of any kind or nature. Subject to and upon the terms and conditions set forth herein and relying upon the representations and warranties herein set forth, after giving effect to the Plan of Reorganization and Confirmation Order, (x) each Lender holding a Tranche A-2 Term Loan Commitment shall be deemed to have made a Term Loan to the Borrowers on the Closing Date in an aggregate principal amount equal to its Tranche A-2 Term Loan Commitment listed opposite its name on Schedule I hereto and (y) a portion of the principal amount of the Prepetition First Lien Term Loans and the Prepetition First Lien Interest shall be deemed to be term loans outstanding hereunder as Tranche A-2 Term Loans, such that the aggregate outstanding principal amount of all Tranche A-2 Term Loans shall be $200,000,000 on the Closing Date. Notwithstanding that no cash consideration is exchanged, each of the Loan Parties, the Administrative Agent and each Prepetition First Lien Term Lender party to this Agreement acknowledge and agree that the Borrowers shall owe the aggregate amount of the Tranche A-2 Term Loans to the Tranche A-2 Lenders under this Agreement and not under the Prepetition First Lien Credit Agreement.

(c) Subject to and upon the terms and conditions set forth herein, each Lender that shall be deemed to have made an Initial Term Loan pursuant to clauses (a) or (b) of this Section 2.1 severally agrees that each of the Initial Term Loans (i) shall be incurred pursuant to a single drawing for each such Tranche on the Closing Date, (ii) shall be denominated in Dollars, (iii) except as hereinafter provided, shall, at the option of the Borrower Agent, be incurred and maintained as, and/or converted into, Base Rate Loans or LIBOR Loans, comprising the same Borrowing shall at all times be of the same Type, and (iv) shall be made by each such Lender in that aggregate principal amount which does not exceed the Initial Term Loan Commitment of such Lender on the Closing Date. Once repaid, Term Loans incurred hereunder may not be reborrowed.

(d) After the Closing Date, subject to and upon the terms and conditions set forth herein and in the Incremental Amendment or Refinancing Amendment applicable to the Tranche of Term Loans then being made pursuant to this clause (d), each Lender with a Term Loan Commitment with respect to such Tranche of Term Loans (other than an Initial Term Loan Commitment) severally agrees to make a Term Loan under such Tranche to the Borrowing Agent, which Term Loans under such Tranche (i) shall be incurred pursuant to a single drawing on date set forth for such incurrence in the Incremental Amendment or Refinancing Amendment, as the case may be, (ii) shall be denominated in Dollars, (iii) except as hereinafter provided, shall, at the option of the Borrowing Agent, be incurred and maintained as, and/or converted into,

Base Rate Loans or LIBOR Loans, provided that except as otherwise specifically provided in Section 2.11(b), all Term Loans under a Tranche comprising the same Borrowing shall at all times be of the same Type, and (iv) shall be made by each such Lender in that aggregate principal amount which does not exceed the Term Loan Commitment under such Tranche of such Lender on the date of incurrence thereof. Once repaid, Term Loans incurred hereunder may not be reborrowed.

2.2 Minimum Amount of Each Borrowing. The aggregate principal amount of each Borrowing of Term Loans shall not be less than the Minimum Borrowing Amount (unless the amount available to be borrowed at the time of such Borrowing is less than the Minimum Borrowing Amount). More than one Borrowing may occur on the same date, but at no time shall there be outstanding more than ten Borrowings of LIBOR Loans in the aggregate for all Term Loans.

2.3 Notice of Borrowing. Except with respect to the Borrowings and Loans made (or converted from Term DIP Loans or Prepetition First Lien Term Loans) on the Closing Date, if the Borrowing Agent desires to incur the Term Loans (or portions thereof) as (x) LIBOR Loans hereunder, the Borrowing Agent shall give the Administrative Agent at the Notice Office at least three (3) Business Days' (or such shorter period as shall be acceptable to the Administrative Agent) prior written notice of the Term Loans to be incurred hereunder and (y) Base Rate Loans hereunder, the Borrowing Agent shall give the Administrative Agent at the Notice Office at least one Business Day's (or such shorter period as shall be acceptable to the Administrative Agent) prior notice of the Term Loans to be incurred hereunder, provided that any such notice shall be deemed to have been given on a certain day only if given before 11:00 A.M. (New York City time) on such day. Such notice (the "Notice of Borrowing"), except as otherwise expressly provided in Section 2.11, shall be irrevocable and shall be in writing in the form of Exhibit F, appropriately completed to specify: (i) the aggregate principal amount of the Term Loans to be incurred pursuant to such Borrowing, (ii) the date of such Borrowing (which shall be a Business Day), (iii) whether the Term Loans being incurred pursuant to such Borrowing are to be initially maintained as Base Rate Loans or, to the extent permitted hereunder, LIBOR Loans and, if LIBOR Loans, the initial Interest Period to be applicable thereto and (iv) the member of the Borrower Group that will receive the proceeds of such Term Loan and the applicable account details for such Borrower (which shall be the Borrowing Agent unless the notice specifies otherwise). The Administrative Agent shall promptly give each Lender which is required to make Term Loans, notice of such proposed Borrowing, of such Lender's proportionate share thereof and of the other matters required by the immediately preceding sentence to be specified in the Notice of Borrowing.

2.4 Repayment of Term Loans.

(a) (i) The principal amount of the Tranche A-1 Term Loans deemed to be made on the Closing Date of each Tranche A-1 Term Lender shall be repaid (x) on each Quarterly Payment Date, commencing with the last Business Day of the first full fiscal quarter of the Borrowing Agent and its Subsidiaries following the Closing Date, in an amount equal to 0.25% of the aggregate principal amount of the Tranche A-1 Term Loans incurred on the Closing Date and (y) on the Tranche A-1 Term Loan Maturity Date, in an amount equal to the aggregate principal amount outstanding on such date, together in each case with accrued and unpaid

interest on the principal amount to be paid to but excluding the date of such payment and (ii) the principal amount of the Tranche A-2 Term Loans deemed to be made on the Closing Date of each of each Tranche A-2 Term Lender shall be repaid (x) on each Quarterly Payment Date, commencing with the last Business Day of the first full fiscal quarter of the Borrowing Agent and its Subsidiaries following the Closing Date, in an amount equal to 0.25% of the aggregate principal amount of the Tranche A-2 Term Loans incurred on the Closing Date and (y) on the Tranche A-2 Term Loan Maturity Date, in an amount equal to the aggregate principal amount outstanding on such date, together in each case with accrued and unpaid interest on the principal amount to be paid to but excluding the date of such payment.

(b) The principal amount of Incremental Term Loans of each Incremental Term Lender shall be repaid as provided in the respective Incremental Amendment, subject to the requirements of Section 2.15. To the extent not previously paid, each Incremental Term Loan shall be due and payable on the Incremental Term Loan Maturity Date applicable to such Incremental Term Loan.

(c) The principal amount of any Term Loans extended pursuant to Loan Modification Agreement shall be repaid as provided in the respective Loan Modification Agreement, subject to the requirements of Section 2.16. To the extent not previously paid, each Term Loan under a Tranche extended pursuant to Loan Modification Agreement shall be due and payable on the Maturity Date applicable to such Term Loan as provided in the respective Loan Modification Agreement, subject to the requirements of Section 2.16.

(d) The principal amount of any Refinancing Term Loans shall be repaid as provided in the respective Refinancing Amendment, subject to the requirements of Section 2.17. To the extent not previously paid, each Refinancing Term Loan shall be due and payable on the Maturity Date applicable to such Refinancing Term Loan as provided in the respective Refinancing Amendment, subject to the requirements of Section 2.17.

2.5 Disbursement of Funds. No later than 1:00 P.M. (New York City time) on the date specified in each Notice of Borrowing, each Lender with a Term Loan Commitment of the respective Tranche will make available (or, with respect to the Initial Term Loans, will convert) its pro rata portion (determined in accordance with Section 2.8) of each such Borrowing requested to be made on such date. Other than with respect to the Initial Terms Loans (which will automatically be converted into Initial Term Loans from Term DIP Loans or Prepetition First Lien Term Loans, as applicable), all such amounts will be made available in Dollars and in immediately available funds at the Payment Office, and the Administrative Agent will make available to the applicable Borrower at the Payment Office, or to such other account as the Borrowing Agent may specify in writing prior to the Closing Date, the aggregate of the amounts so made available by the Lenders. Unless the Administrative Agent shall have been notified by any Lender prior to the date of Borrowing that such Lender does not intend to make available to the Administrative Agent such Lender's portion of any Borrowing to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing and the Administrative Agent may (but shall not be obligated to), in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender, the Administrative Agent shall be entitled to recover

such corresponding amount on demand from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify the Borrowing Agent and the Borrowing Agent shall immediately pay such corresponding amount to the Administrative Agent. The Administrative Agent also shall be entitled to recover on demand from such Lender or the Borrowing Agent, as the case may be, interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrowing Agent until the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if recovered from such Lender, the overnight Federal Funds Rate for the first three (3) days and at the interest rate otherwise applicable to such Term Loans for each day thereafter and (ii) if recovered from the Borrowing Agent, the rate of interest applicable to the respective Borrowing, as determined pursuant to Section 2.9. Nothing in this Section 2.5 shall be deemed to relieve any Lender from its obligation to make Term Loans hereunder or to prejudice any rights which any Borrower may have against any Lender as a result of any failure by such Lender to make Term Loans hereunder.

2.6 Term Notes.

(a) The Borrowers' obligation to pay the principal of, and interest on, the Term Loans under a Tranche made by each Lender shall be evidenced in the Register maintained by the Administrative Agent pursuant to Section 12.15 and shall, if requested by such Lender, also be evidenced by a promissory note duly executed and delivered by the Borrowers substantially in the form of Exhibit G, with blanks appropriately completed in conformity herewith (each, a "Term Note" and, collectively, the "Term Notes").

(b) Each Lender will note on its internal records the amount of each Term Loan under a Tranche made by it and each payment in respect thereof and prior to any transfer of any of its Term Notes with respect to such Term Loans will endorse on the reverse side thereof the outstanding principal amount of such Term Loans evidenced thereby. Failure to make any such notation or any error in such notation shall not affect the Borrowers' obligations in respect of such Term Loans.

(c) Notwithstanding anything to the contrary contained above in this Section 2.6 or elsewhere in this Agreement, Term Notes shall only be delivered to Lenders which at any time specifically request the delivery of such Term Notes. No failure of any Lender to request or obtain a Term Note evidencing its Term Loans under a Tranche to the Borrowers shall affect or in any manner impair the obligations of the Borrowers to pay the Term Loans under such Tranche (and all related Obligations) incurred by the Borrowers which would otherwise be evidenced thereby in accordance with the requirements of this Agreement, and shall not in any way affect the security or guarantees therefor provided pursuant to the various Loan Documents. Any Lender which does not have a Term Note evidencing its outstanding Term Loans shall in no event be required to make the notations otherwise described in preceding clause (b). At any time when any Lender requests the delivery of a Term Note to evidence any of its Term Loans under a Tranche, the Borrowers shall promptly execute and deliver to the respective Lender the requested Term Note in the appropriate amount or amounts to evidence such Term Loans.

2.7 Conversions. The Borrowers shall have the option to continue, convert, on any Business Day, all or a portion equal to at least the Minimum Borrowing Amount of the outstanding principal amount of Term Loans made pursuant to one or more Borrowings (so long as of the same Tranche) of one or more Types of Term Loans into a Borrowing (of the same Tranche) of another Type of Term Loan, provided that, (i) except as otherwise provided in Section 2.11(b) or unless the Borrowers comply with the provisions of Section 2.12, LIBOR Loans may be converted into Base Rate Loans only on the last day of an Interest Period applicable to the Term Loans being converted and no such partial conversion of LIBOR Loans shall reduce the outstanding principal amount of such LIBOR Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount applicable thereto, (ii) unless the Required Lenders otherwise agree, Base Rate Loans may only be converted into LIBOR Loans if no Default or Event of Default is in existence on the date of the conversion, and (iii) no conversion pursuant to this Section 2.7 shall result in a greater number of Borrowings of LIBOR Loans than is permitted under Section 2.2. Each such conversion shall be effected by the Borrowing Agent giving the Administrative Agent at the Notice Office prior to 11:00 A.M. (New York City time) at least (x) in the case of conversions of Base Rate Loans into LIBOR Loans or continuations of LIBOR Loans, three (3) Business Days' prior written notice and (y) in the case of conversions of LIBOR Loans into Base Rate Loans, one Business Day's prior written notice (each, a "Notice of Conversion/Continuation"), in each case in the form of Exhibit H, appropriately completed to specify the Term Loans to be so converted or continued, the Borrowing or Borrowings pursuant to which such Term Loans were incurred and, if to be converted into LIBOR Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall give each Lender prompt notice of any such proposed conversion affecting any of its Term Loans. If the Borrowing Agent fails to specify a Type of Term Loan in a Notice of Borrowing or if the Borrowing Agent fails to give a timely notice requesting a conversion or continuation, then the Term Loans shall be made as, or converted or continued to, Base Rate Loans.

2.8 Pro Rata Borrowings. All Borrowings of any Tranche of Term Loans under this Agreement shall be incurred from the Lenders pro rata on the basis of their Term Loan Commitments applicable to such Tranche of Term Loans. It is understood that no Lender shall be responsible for any default by any other Lender of its obligation to make Term Loans hereunder and that each Lender shall be obligated to make the Term Loans provided to be made by it hereunder, regardless of the failure of any other Lender to make its Term Loans hereunder.

2.9 Interest.

(a) The Borrowers agree to pay interest in respect of the unpaid principal amount of each Term Loan maintained as a Base Rate Loan from the date of Borrowing thereof until the earlier of (i) the maturity thereof (whether by acceleration or otherwise) and (ii) the conversion of such Base Rate Loan to a LIBOR Loan pursuant to Section 2.7 or 2.10, as applicable, at a rate per annum which shall be equal to the sum of the relevant Applicable Margin plus the Base Rate, each as in effect from time to time.

(b) The Borrowers agree to pay interest in respect of the unpaid principal amount of each Term Loan maintained as a LIBOR Loan from the date of Borrowing thereof until the earlier of (i) the maturity thereof (whether by acceleration or otherwise) and (ii) the

conversion of such LIBOR Loan to a Base Rate Loan pursuant to Section 2.7, 2.10 or 2.11, as applicable, at a rate per annum which shall, during each Interest Period applicable thereto, be equal to the sum of the relevant Applicable Margin as in effect from time to time during such Interest Period plus the LIBOR Rate for such Interest Period.

(c) The Borrowers agree to pay interest in respect of the unpaid principal amount of each Incremental Term Loan as provided in the respective Incremental Amendment, subject to the requirements of Section 2.15. The Borrowers agree to pay interest in respect of the unpaid principal amount of each Term Loan extended pursuant to a Loan Modification Agreement as provided in the respective Loan Modification Agreement, subject to the requirements of Section 2.16. The Borrowers agree to pay interest in respect of the unpaid principal amount of each Refinancing Term Loan as provided in the respective Refinancing Amendment, subject to the requirements of Section 2.17.

(d) Upon the occurrence and during the continuance of a Significant Event of Default, overdue principal and, to the extent permitted by law, overdue interest in respect of each Term Loan and other overdue amounts shall, in each case, bear interest at a rate per annum equal to (x) in the case of overdue principal, the rate which is 2% in excess of the rate then borne by such Term Loans and (y) in the case of all other overdue amounts (including, to the extent permitted by law, overdue interest) payable hereunder and under any other Loan Document shall bear interest at a rate per annum equal to the rate which is 2% in excess of the rate applicable to Term Loans that are maintained as Base Rate Loans from time to time. Interest that accrues under this Section 2.9(d) shall be payable on demand.

(e) Accrued (and theretofore unpaid) interest shall be payable (i) in respect of each Base Rate Loan, (x) quarterly in arrears on each Quarterly Payment Date, (y) on the date of any repayment or prepayment in full of all outstanding Base Rate Loans, and (z) at maturity (whether by acceleration or otherwise) and, after such maturity, on demand, and (ii) in respect of each LIBOR Loan, (x) on the last day of each Interest Period applicable thereto and, in the case of an Interest Period in excess of three months, on each date occurring at three month intervals after the first day of such Interest Period, and (y) on the date of any repayment or prepayment (on the amount repaid or prepaid), at maturity (whether by acceleration or otherwise) and, after such maturity, on demand.

(f) Upon each Interest Determination Date, the Administrative Agent shall determine the LIBOR Rate for each Interest Period applicable to the respective LIBOR Loans and shall promptly notify the Borrowers and the Lenders of such LIBOR Loans thereof. Each such determination shall, absent manifest error, be final and conclusive and binding on all parties hereto.

2.10 Interest Periods. At the time the Borrowers give any Notice of Borrowing or Notice of Conversion/Continuation in respect of the making of, or conversion into, any LIBOR Loan (in the case of the initial Interest Period applicable thereto) or prior to 11:00 A.M. (New York City time) on the third Business Day prior to the expiration of an Interest Period applicable to such LIBOR Loan (in the case of any subsequent Interest Period), the Borrowers shall have the right to elect the interest period (each, an "Interest Period") applicable to such LIBOR Loan,

which Interest Period shall, at the option of the Borrowers, be a one (1), two (2), three (3) or six (6) month period or any shorter period, provided that (in each case):

(a) all LIBOR Loans comprising a Borrowing shall at all times have the same Interest Period;

(b) the initial Interest Period for any LIBOR Loan shall commence on the date of Borrowing of such LIBOR Loan (including the date of any conversion thereto from a Base Rate Loan) and each Interest Period occurring thereafter in respect of such LIBOR Loan shall commence on the day on which the next preceding Interest Period applicable thereto expires;

(c) (i) if any Interest Period for a LIBOR Loan begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of such calendar month, and (ii) if any Interest Period for LIBOR Loan begins on the last Business Day of a calendar month, such Interest Period shall end on the last Business Day of the last calendar month of such Interest Period;

(d) if any Interest Period for a LIBOR Loan would otherwise expire on a day which is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, however, that if any Interest Period for a LIBOR Loan would otherwise expire on a day which is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day;

(e) unless the Required Lenders otherwise agree, no Interest Period may be selected at any time when a Default or an Event of Default is then in existence; and

(f) no Interest Period in respect of any Borrowing of any Tranche of Term Loans shall be selected which extends beyond the Maturity Date for such Tranche of Term Loans.

If by 11:00 A.M. (New York City time) on the third Business Day prior to the expiration of any Interest Period applicable to a Borrowing of LIBOR Loans, the Borrowers have failed to elect, or is not permitted to elect, a new Interest Period to be applicable to such LIBOR Loans as provided above, the Borrowers shall be deemed to have elected to continue such LIBOR Loans as LIBOR Loans with an Interest Period of one month effective as of the expiration date of such current Interest Period.

2.11 Increased Costs, Illegality, etc.

(a) In the event that any Lender shall have determined (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto but, with respect to clause (A) below, may be made only by the Administrative Agent):

(A) on any Interest Determination Date that, by reason of any changes in any Requirement of Law arising after the date of this Agreement affecting the London interbank market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of LIBOR Rate; or

(B) at any time, that such Lender shall incur increased costs, Taxes (other than Excluded Taxes and Indemnified Taxes) or reductions in the amounts received or receivable hereunder with respect to any LIBOR Loan because of (x) any change since the date of this Agreement in any applicable law or governmental rule, regulation, order, guideline or request (whether or not having the force of law) or in the interpretation or administration thereof and including the introduction of any new law or governmental rule, regulation, order, guideline or request, such as, but not limited to, a change in official reserve requirements, but, in all events, excluding reserves required under Regulation D to the extent included in the computation of the LIBOR Rate and/or (y) other circumstances arising since the date of this Agreement affecting such Lender, the London interbank market or the position of such Lender in such market (including that the LIBOR Rate with respect to such LIBOR Loan does not adequately and fairly reflect the cost to such Lender of funding such LIBOR Loan); or

(C) at any time, that the making or continuance of any LIBOR Loan has been made (x) unlawful by any law or governmental rule, regulation or order, (y) impossible by compliance by any Lender in good faith with any governmental request (whether or not having force of law) or (z) impracticable as a result of a contingency occurring after the date of this Agreement which materially and adversely affects the London interbank market;

then, and in any such event, such Lender (or the Administrative Agent, in the case of clause (A) above) shall promptly give written notice to the Borrowers and, except in the case of clause (A) above, to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter (x) in the case of clause (A) above, LIBOR Loans shall no longer be available until such time as the Administrative Agent notifies the Borrowers and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist, and any Notice of Borrowing or Notice of Conversion/Continuation given by the Borrowers with respect to LIBOR Loans which have not yet been incurred (including by way of conversion) shall be deemed rescinded by the Borrowers, (y) in the case of clause (B) above, the Borrowers agree to pay to such Lender, upon such Lender's written request therefor, such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender shall determine after consultation with the Borrowers) as shall be required to compensate such Lender for such increased costs or reductions in amounts received or receivable hereunder (a written notice as to the additional amounts owed to such Lender, showing in reasonable detail the basis for the calculation thereof, submitted to the Borrowers by such Lender shall, absent manifest error, be final and conclusive and binding on all the parties hereto) and (z) in the case of clause (C) above, the Borrowers shall take one of the actions specified in Section 2.11(b) as promptly as possible and, in any event, within the time period required by law.

(b) At any time that any LIBOR Loan is affected by the circumstances described in Section 2.11(a)(B), the Borrowers may, and in the case of a LIBOR Loan affected by the circumstances described in Section 2.11(a)(C), the Borrowers shall, either (x) if the affected LIBOR Loan is then being made initially or pursuant to a conversion, cancel such Borrowing by giving the Administrative Agent written notice on the same date that the Borrowers were notified by the affected Lender or the Administrative Agent pursuant to

Section 2.11(a)(B) or (C) or (y) if the affected LIBOR Loan is then outstanding, upon at least three Business Days' written notice to the Administrative Agent, require the affected Lender to convert such LIBOR Loan into a Base Rate Loan, provided that, if more than one Lender is affected at any time, then all affected Lenders must be treated the same pursuant to this Section 2.11(b).

(c) If any Lender determines that after the date of this Agreement the introduction of or any change in any applicable law or governmental rule, regulation, order, guideline, directive or request (whether or not having the force of law) concerning capital adequacy, or any change in interpretation or administration thereof by the NAIC or any Governmental Authority, central bank or comparable agency, will have the effect of increasing the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender based on the existence of such Lender's Term Loan Commitments hereunder or its obligations hereunder, then the Borrowers agree to pay to such Lender, upon its written demand therefor, such additional amounts as shall be required to compensate such Lender or such other corporation for the increased cost to such Lender or such other corporation or the reduction in the rate of return to such Lender or such other corporation as a result of such increase of capital. In determining such additional amounts, each Lender will act reasonably and in good faith and will use averaging and attribution methods which are reasonable, provided that such Lender's determination of compensation owing under this Section 2.11(c) shall, absent manifest error, be final and conclusive and binding on all the parties hereto. Each Lender, upon determining that any additional amounts, will be payable pursuant to this Section 2.11(c), will give prompt written notice thereof to the Borrowers, which notice shall show in reasonable detail the basis for calculation of such additional amounts, although the failure to give any such notice shall not release or diminish a Borrower's obligations to pay additional amounts pursuant to this Section 2.11(c) upon the subsequent receipt of such notice.

(d) Notwithstanding anything in this Agreement to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof and (y) all requests rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall be deemed to be a change after the date of this Agreement in a requirement of law or government rule, regulation or order, regardless of the date enacted, adopted, issued or implemented (including for purposes of this Section 2.11).

(e) For the avoidance of doubt, this Section 2.11 shall not apply to any Excluded Taxes, or to any Indemnified Taxes, which are otherwise provided for in Section 4.4.

2.12 Compensation.

(a) The Borrowers agree to compensate each Lender, upon its written request (which request shall set forth in reasonable detail the basis for requesting such compensation), for all actual losses, reasonable and documented out-of-pocket expenses and liabilities (including, without limitation, any actual loss, reasonable and documented out-of-pocket expense or liability incurred by reason of the liquidation or reemployment of deposits or other funds

required by such Lender to fund its LIBOR Loans but excluding loss of anticipated profits) which such Lender may sustain: (i) if for any reason (other than a default by such Lender or the Administrative Agent) a Borrowing of, or conversion from or into, LIBOR Loans does not occur on a date specified therefor in a Notice of Borrowing or Notice of Conversion/Continuation (whether or not withdrawn by the Borrowers or deemed withdrawn pursuant to Section 2.11(a)); (ii) if any prepayment or repayment (including any prepayment or repayment made pursuant to Section 4.1, Section 4.2 or as a result of an acceleration of the Term Loans pursuant to Section 10) or conversion of any of its LIBOR Loans occurs on a date which is not the last day of an Interest Period with respect thereto (other than as a result of any required conversion pursuant to Section 2.11(b)); (iii) if any prepayment of any of its LIBOR Loans is not made on any date specified in a notice of prepayment given by the Borrowers; or (iv) as a consequence of (x) any other default by the Borrowers to repay LIBOR Loans when required by the terms of this Agreement or any Term Note held by such Lender or (y) any election made pursuant to Section 2.11(b).

(b) With respect to any Lender's claim for compensation under Section 2.11 or 2.12, the Borrowers shall not be required to compensate such Lender for any amount incurred more than 180 days prior to the date that such Lender or the Administrative Agent notifies the Borrowers 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.

(c) The Borrowers shall make such compensation under Section 2.11 or 2.12 within 30 days after receipt of written request therefor.

2.13 Change of Lending Office. Each Lender agrees that on the occurrence of any event giving rise to the operation of Section 2.11(a)(B) or (C), Section 2.11(c) or Section 4.4 with respect to such Lender, it will, if requested by the Borrowing Agent, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Term Loans affected by such event, provided that such designation is made on such terms that such Lender and its lending office suffer no legal, regulatory or unreimbursed economic disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of such Section. Nothing in this Section 2.13 shall affect or postpone any of the obligations of the Borrowers or the right of any Lender provided in Sections 2.11 and 4.4.

2.14 Replacement of Lenders. (x) If any Lender becomes a Defaulting Lender, (y) upon the occurrence of any event giving rise to the operation of Section 2.11(a)(B) or (C), Section 2.11(c) or Section 4.4 with respect to any Lender which results in such Lender charging to the Borrowers increased costs in excess of those being generally charged by the other Lenders or (z) in the case of a refusal by a Lender to consent to a proposed change, waiver, discharge or termination with respect to this Agreement which has been approved by the Required Lenders as (and to the extent) provided in Section 2.12(a), the Borrowing Agent shall have the right, in accordance with Section 12.4, if no Event of Default then exists or would exist after giving effect to such replacement, to replace such Lender (the "Replaced Lender") with one or more other Eligible Assignees, none of whom shall constitute a Defaulting Lender at the time of such replacement (collectively, the "Replacement Lender") and each of which shall be reasonably

acceptable to the Administrative Agent (to the extent the Administrative Agent's consent would be required under Section 12.4); provided that:

(i) at the time of any replacement pursuant to this Section 2.14, the Replacement Lender shall enter into one or more Assignment and Assumptions pursuant to Section 12.4 (and with all fees payable pursuant to said Section 12.4 to be paid by the Replacement Lender and/or the Replaced Lender (as may be agreed to at such time by and among the Borrowers, the Replacement Lender and the Replaced Lender)) pursuant to which the Replacement Lender shall acquire all of the Term Loan Commitments and outstanding Term Loans of the Replaced Lender and, in connection therewith, shall pay to the Replaced Lender in respect thereof an amount equal to an amount equal to the principal of, and all accrued interest on, all outstanding Term Loans of the respective Replaced Lender; and

(ii) all obligations of the Borrowers then owing to the Replaced Lender (other than those specifically described in clause (i) above in respect of which the assignment purchase price has been, or is concurrently being, paid, but including all amounts, if any, owing under Section 2.12) shall be paid in full to such Replaced Lender concurrently with such replacement.

Upon receipt by the Replaced Lender of all amounts required to be paid to it pursuant to this Section 2.14, the Administrative Agent shall be entitled (but not obligated) and is authorized (which authorization is coupled with an interest) to execute an Assignment and Assumption on behalf of such Replaced Lender, and any such Assignment and Assumption so executed by the Administrative Agent and the Replacement Lender shall be effective for purposes of this Section 2.14 and Section 12.4. Upon the execution of the respective Assignment and Assumption, the payment of amounts referred to in clauses (i) and (ii) above, recordation of the assignment on the Register by the Administrative Agent pursuant to Section 12.15, the Replacement Lender shall become a Lender hereunder and the Replaced Lender shall cease to constitute a Lender hereunder, except with respect to indemnification provisions under this Agreement (including, without limitation, Sections 2.11, 2.12, 4.4, 11.6, 12.1 and 12.6), which shall survive as to such Replaced Lender.

2.15 Incremental Term Loan Commitments.

(a) The Borrowing Agent may at any time or from time to time after the Closing Date, by notice to the Administrative Agent (whereupon the Administrative Agent shall promptly deliver a copy to each of the Lenders), request additional Tranche A-2 Term Loans (the commitments thereof, the "Incremental Term Loan Commitment", the loans thereunder, the "Incremental Term Loans" and a Lender making such loans, an "Incremental Term Lender"); provided that (i) the Borrowers have complied with Section 2.15(f), it being understood that no Lender shall be obligated to provide an Incremental Term Loan Commitment as a result of any such request by the Borrowers, and until such time, if any, as such Lender has agreed in its sole discretion to provide an Incremental Term Loan Commitment and executed and delivered to the Administrative Agent and the Borrowing Agent an Incremental Amendment as provided in clause (d) of this Section 2.15, such Lender shall not be obligated to fund any Incremental Term Loans, (ii) both at the time of any such request and immediately upon the effectiveness of any

Incremental Amendment referred to below (x), no Event of Default shall exist and at the time that any such Incremental Term Loan is made (and immediately after giving effect thereto) no Event of Default shall exist (or, in the case where the proceeds of any Incremental Term Loans are intended to be applied to finance a Permitted Acquisition or other Investment permitted under Section 8.6 that constitutes the acquisition by the Borrowers or any Restricted Subsidiary of the Borrowers of the outstanding Capital Stock of Persons, or of all or substantially all of the assets of Persons or of a division or line of business of Persons, no Event of Default pursuant to Sections 10.01(a) or (f) shall exist at the time that any such Incremental Term Loan is made or immediately after giving effect thereto) and (y) each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects (without duplication of any materiality qualifiers set forth therein) on and as of such dates and on the date such Incremental Term Loan is made (and after giving effect thereto) as if made on and as of such dates, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects (without duplication of any materiality qualifiers set forth therein) as of such earlier date (other than in cases where the proceeds of the Incremental Term Loans shall be applied to finance a Permitted Acquisition or other Investment permitted under Section 8.6 that constitutes the acquisition by the Borrowers or any Restricted Subsidiary of the Borrowers of the outstanding Capital Stock of Persons, or of all or substantially all of the assets of Persons or of a division or line of business of Persons, which shall be subject to the customary "specified representations" and "specified acquisition agreement representations"), (iii) the aggregate amount of Incremental Term Commitments shall not exceed, at the time the respective Incremental Term Loan Commitment becomes effective (and after giving effect to the incurrence of the Incremental Term Loans in connection therewith), the Maximum Incremental Facilities Amount as in effect at such time, (iv) [reserved], (v) each Tranche of Incremental Term Loan Commitments, and all Incremental Term Loans to be made pursuant thereto, shall be denominated in Dollars, (vi) the proceeds of all Incremental Term Loans shall be used only for the purposes permitted by Section 5.12(b), and (vii) the amount of each Tranche of Incremental Term Loan Commitments shall be in a minimum aggregate amount for all Lenders which provide an Incremental Term Loan Commitment under such Tranche of Incremental Term Loans (including Eligible Assignees who will become Lenders) of at least $5,000,000 (or such lower amount as may be reasonably acceptable to the Administrative Agent) and in integral multiples of $1,000,000 in excess thereof (or such other integral multiple as may be reasonably acceptable to the Administrative Agent).

(b) The Incremental Term Loans together with all interest, fees and other amounts payable thereon, shall be Obligations under this Agreement and the other Loan Documents and shall be secured by the Security Documents and guaranteed by the Guarantee, on a pari passu basis with all other Obligations secured by the Security Documents and guaranteed under the Guarantee and shall be on the same terms and conditions applicable to the Tranche A-2 Term Loans hereunder; provided that (i) the upfront fees and, if applicable, any unutilized commitment fees and/or other fees, payable to each Incremental Term Lender in respect of each Incremental Term Loan Commitment shall be separately agreed to by the Borrower and each such Incremental Term Lender and (ii) the amortization schedule applicable to the Incremental Term Loans shall be determined by the Borrowing Agent and the Incremental Term Lenders with respect to such Incremental Term Loans; provided, however, the amortization schedule may not exceed 1.00% per annum.

(c) Each notice from the Borrowing Agent pursuant to this Section 2.15 shall set forth the requested amount and proposed terms of the relevant Incremental Term Loans. Except as provided in clauses (i) and (ii) in the proviso in Section 2.15(b) above, all terms and documentation with respect to Incremental Term Loans which differ from those applicable to the then outstanding Term Loans shall be reasonably satisfactory to the Administrative Agent; provided that no Incremental Amendment may provide, for so long as any Term Loans are outstanding, any mandatory or voluntary prepayment provisions that do not also apply to the Term Loans on a pro rata basis (or otherwise provide for more favorable prepayment treatment for the then outstanding Term Loans than such Incremental Term Loans).

(d) Subject to Section 2.15(f), Incremental Term Loans may be made by any existing Lender or any Additional Lender (provided that no Lender shall be obligated to make a portion of any Incremental Term Loan), in each case on terms permitted in this Section 2.15, provided that the Administrative Agent shall have consented (not to be unreasonably withheld or delayed) to such Lender's making such Incremental Term Loans if such consent would be required under Section 12.4 for an assignment of Term Loans to such Lender or Additional Lender. Incremental Term Loan Commitments in respect of Incremental Term Loans shall become Term Loan Commitments under this Agreement pursuant to an amendment (an "Incremental Amendment") to this Agreement and, as appropriate, the other Loan Documents, executed by Holdings, the Borrowing Agent, each Lender agreeing to provide such Incremental Term Loan Commitment, if any, each Additional Lender, if any, and the Administrative Agent. The Incremental Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrowing Agent, to effect the provisions of this Section 2.15. The effectiveness of any Incremental Amendment and incurrence of Incremental Term Loans with respect thereto shall be subject to the satisfaction on the date thereof of each of the Additional Loan Conditions (it being understood that all references to the date of such extension of credit or similar language in the Additional Loan Conditions shall be deemed to refer to the effective date of such Incremental Amendment and incurrence of Incremental Term Loans with respect thereto), all the other conditions set forth in this Section 2.15. The Borrowing Agent will use the proceeds of the Incremental Term Loans for any purpose not prohibited by this Agreement.

(e) This Section 2.15 shall supersede any provisions in Section 2.8 or 12.12 to the contrary.

(f) If the Borrowers desire to request Incremental Term Loan Commitments or Incremental Term Loans, then prior to contacting or discussing any such proposed Incremental Term Loan Commitment or Incremental Term Loan with any Additional Lender (other than the existing Lenders at such time), the Borrowing Agent shall first deliver a written notice of such proposed Incremental Term Loan Commitment or Incremental Term Loan to the Administrative Agent (for further distribution to each Lender) (the "Incremental Notice"), which shall set forth the aggregate principal amount of Incremental Term Loans requested by the Borrowing Agent and shall otherwise comply with the following provisions of this Section 2.15(f). Each of the existing Lenders shall have ten (10) Business Days from the receipt of such Incremental Notice to notify the Borrowing Agent of such Lender's offer to make such proposed Incremental Term Loans (an "Incremental Offer"), which shall set forth the aggregate principal amount of

Incremental Term Loans being offered by such Lender. Each existing Lender will be deemed to have declined to make such proposed Incremental Term Loans if an Incremental Offer is not delivered prior to the expiration of the tenth Business Day following the receipt of such Incremental Notice. Each existing Lender that duly submits an Incremental Offer shall have the right to provide the Incremental Term Loan Commitments and Incremental Term Loans up to its pro rata share (such pro rata share being proportional to the aggregate principal amount of the outstanding Term Loans held by all Lenders that duly submit an Incremental Offer) of the Incremental Term Loan Commitments and Incremental Term Loans requested by the Borrowing Agent pursuant to the Incremental Notice but in no event shall any existing Lender be required to provide Incremental Term Loan Commitments and Incremental Term Loans in an aggregate principal amount greater than the aggregate principal amount of Incremental Term Loans offered by such Lender under its Incremental Offer. If the aggregate principal amount of Incremental Term Loans offered by all existing Lenders pursuant to their respective Incremental Offers is less than the aggregate principal amount of Incremental Term Loans requested by the Borrowing Agent under the Incremental Notice, then the Borrowing Agent may request Incremental Term Loans from Additional Lenders (other than the existing Lenders at such time) for a period of 60 days after the delivery of the Incremental Notice in an amount up to the aggregate principal amount of Incremental Term Loans requested by the Borrowing Agent under the Incremental Notice less the aggregate principal amount of Incremental Term Loans offered by all existing Lenders pursuant to their respective Incremental Offers.

2.16 Loan Modification Offers.

(a) The Borrowing Agent may on one or more occasions, by written notice to the Administrative Agent, make one or more offers (each, a "Loan Modification Offer") to all the Lenders holding one or more Tranches of Term Loans on the same terms to each such Lender (each Tranche subject to such a Loan Modification Offer, a "Specified Class") to make one or more Permitted Amendments pursuant to procedures reasonably specified by the Administrative Agent and reasonably acceptable to the Borrowers; provided that (i) any such offer shall be made by the Borrowers to all Lenders with Term Loans with a like final maturity date (whether under one or more Tranches) on a pro rata basis (based on the aggregate outstanding principal amount of the applicable Term Loans) and on the same terms to each such Lender, (ii) no Event of Default shall have occurred and be continuing at the time of any such offer, (iii) if the aggregate principal amount of Term Loans (calculated on the face amount thereof) in respect of which Lenders with such Term Loans shall have accepted the relevant Loan Modification Offer shall exceed the maximum aggregate principal amount of Term Loans offered to be extended by the Borrowers pursuant to such Loan Modification Offer, then the Term Loans of such Lenders with such Term Loans shall be extended ratably up to such maximum amount based on the respective principal amounts (but not to exceed actual holdings of record) with respect to which such Lenders with Term Loans have accepted such Loan Modification Offer and (iv) all documentation in respect of such Permitted Amendment (including the Loan Modification Amendment) shall be consistent with this Section 2.16 and the definition of Permitted Agreement, and all written communications by the Borrowing Agent generally directed to the Lenders in connection therewith shall be in form and substance consistent, in all material respects, with the foregoing and otherwise reasonably satisfactory to the Administrative Agent. Such notice shall set forth (i) the terms and conditions of the requested Permitted Amendment and (ii) the date on which such Permitted Amendment is requested to become effective (which

shall not be less than 10 Business Days nor more than 30 Business Days after the date of such notice, unless otherwise agreed to by the Administrative Agent); provided that, notwithstanding anything to the contrary, (1) assignments and participations of Specified Classes shall be governed by the same or, at the Borrowers' discretion, more restrictive assignment and participation provisions applicable to Term Loans set forth in Section 12.4, and (2) no voluntary or mandatory repayment of Specified Classes shall be permitted unless such repayment is accompanied by (x) prior to the termination or repayment in full of all Tranche A-1 Term Loan Obligations, repayment of all Tranche A-1 Term Loan Obligations and (y) after the termination or repayment in full of all Tranche A-1 Term Loan Obligations, at least pro rata repayment of all earlier maturing Term Loans (including previously extended Term Loans) (or all earlier maturing Term Loans (including previously extended Term Loans) shall otherwise be or have been terminated and repaid in full). Permitted Amendments shall become effective only with respect to the Term Loans and Term Loan Commitments of the Lenders of the Specified Class that accept the applicable Loan Modification Offer (such Lenders, the "Accepting Lenders") and, in the case of any Accepting Lender, only with respect to such Lender's Term Loans and Term Loan Commitments of such Specified Class as to which such Lender's acceptance has been made. No Lender shall have any obligation to accept any Loan Modification Offer. Any relevant Lender that does not respond to a Loan Modification Offer within the time period contemplated by the applicable Loan Modification Offer shall be deemed to have rejected such Loan Modification Offer. The election of any relevant Lender to accept any Loan Modification Offer shall not obligate any other Lender to so agree.

(b) A Permitted Amendment shall be effected pursuant to an amendment to this Agreement (a "Loan Modification Agreement") executed and delivered by the Borrowing Agent, each applicable Accepting Lender and the Administrative Agent. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Loan Modification Agreement; provided that no Permitted Amendment shall become effective unless, on the proposed effective date of such Permitted Amendment, (x) the Additional Loan Conditions shall be satisfied (with all references in such Section to any extension of credit being deemed to be references to the Permitted Amendment on the applicable date of effectiveness of the Permitted Amendment) and the Administrative Agent shall have received a certificate to that effect dated the applicable date of the Permitted Amendment and executed by an Authorized Officer of the Borrowing Agent and (y) to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of (i) board resolutions and officers' certificates consistent with those delivered on the Closing Date and reasonably satisfactory to the Administrative Agent and (ii) reaffirmation agreements and/or such amendments to the Security Documents as may be reasonably requested by the Administrative Agent in order to ensure that the Loans (after giving effect to the Loan Modification Agreement) are provided with the benefit of the applicable Loan Documents. No Loan Modification Agreement shall provide for any extension of a Specified Class in an aggregate principal amount that is less than $25,000,000 unless such minimum amount is waived by the Administrative Agent. Each Loan Modification Agreement may, without the consent of any Lender other than the applicable Accepting Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent and the Borrowers, to give effect to the provisions of this Section 2.16, including any amendments necessary to treat the applicable Term Loans and/or Term Loan Commitments of the Accepting Lenders as a new "Tranche" of loans and/or commitments hereunder; provided, that no Loan Modification Agreement may provide for

(i) any Specified Class to be secured by any Collateral or other assets of any Loan Party that does not also secure the Term Loans and (ii) so long as any Term Loans are outstanding, any mandatory or voluntary prepayment provisions that do not also apply to the Term Loans on a pro rata basis.

(c) This Section 2.16 shall supersede any provisions in Section 2.8 or 12.12 to the contrary and no conversion of Term Loans pursuant to any Loan Modification Agreement in accordance with this Section 2.16 shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

2.17 Refinancing Amendments.

(a) At any time after the Closing Date, the Borrowing Agent may obtain from any Lender or any Additional Lender Credit Agreement Refinancing Indebtedness in respect of all or any portion of any Tranche of the Term Loans then outstanding under this Agreement (which for this purpose, for the avoidance of doubt, will be deemed to include any then outstanding Refinancing Term Loans), in the form of Refinancing Term Loans or Refinancing Term Commitments, in each case pursuant to a Refinancing Amendment; provided that such Credit Agreement Refinancing Indebtedness (i) will rank pari passu or junior in right of payment and of security with the other Term Loans and Term Loan Commitments hereunder, (ii) have such pricing and optional prepayment terms as may be agreed by the Borrowing Agent and the Lenders thereof, will be guaranteed solely by Holdings and the Subsidiary Guarantors (or a person that becomes a Subsidiary Guarantor and any other Borrower) shall provide that each Tranche of Refinancing Term Loans shall be prepaid and repaid (or offered to be repaid in the case of Section 4.2(e)) on a pro rata basis with all voluntary prepayments and mandatory prepayments (other than amortization payments) of the other Tranches of Term Loans (or, as may be agreed to by the Lenders and Additional Lenders providing such Credit Agreement Refinancing Indebtedness in the respective Refinancing Amendment, otherwise provide for more favorable prepayment treatment for such other Tranches of the Term Loans than such Refinancing Loans), (iii) is not subject to any amortization prior to final maturity (other than nominal amortization in the amount of no greater than one percent per annum of the original stated principal amount of such Indebtedness on the date of Incurrence thereof) and (iv) otherwise be on terms and conditions (excluding pricing and optional prepayment or redemption terms but including customary asset sales or change of control mandatory redemption or prepayment provisions) substantially identical to, or less favorable to, the investors providing such Credit Agreement Refinancing Indebtedness than, those applicable to the Refinancing Term Loans; provided further that the terms and conditions applicable to such Credit Agreement Refinancing Indebtedness may provide for any additional or different financial or other covenants or other provisions that are agreed between the Borrowers and the Lenders thereof and applicable only during periods after the Latest Maturity Date that is in effect on the date such Credit Agreement Refinancing Indebtedness is issued, incurred or obtained. The effectiveness of any Refinancing Amendment shall be subject to the satisfaction on the date thereof of each of the Additional Loan Conditions and, to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of (i) board resolutions and officers' certificates consistent with those delivered on the Closing Date and otherwise reasonably satisfactory to the Administrative Agent and (ii) reaffirmation agreements and/or such amendments to the Security Documents as may be reasonably requested by the Collateral Agent

(including Mortgage amendments) in order to ensure that the Refinancing Term Loans (after giving effect to the Refinancing Amendment) are provided with the benefit of the applicable Loan Documents. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment. Each of the parties hereto hereby agrees that this Agreement and the other Loans Documents may be amended pursuant to a Refinancing Amendment, without the consent of any other Lenders, to the extent (but only to the extent) necessary to (i) reflect the existence and terms of the Credit Agreement Refinancing Indebtedness incurred pursuant thereto (including any amendments necessary to treat the Term Loans and Term Loan Commitments subject thereto as Refinancing Term Loans and/or Refinancing Term Commitments), (ii) provide certain class protection to the Lenders and Additional Lenders providing such Credit Agreement Refinancing Indebtedness with respect to voluntary prepayments and mandatory prepayments, (iii) make such other changes to this Agreement and the other Loan Documents consistent with the provisions and intent of Section 12.12(c) and (iv) effect such other amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrowers, to effect the provisions of this Section 2.17, and the Required Lenders hereby expressly authorize the Administrative Agent to enter into any such Refinancing Amendment.

(b) This Section 2.17 shall supersede any provisions in Section 2.8 or 12.12 to the contrary.

SECTION 3.
COMMITMENT FEES; FEES; REDUCTIONS OF COMMITMENTS

3.1 Fees.

(a) The Borrowing Agent agrees to pay to (i) the Administrative Agent for distribution to the respective Incremental Term Lenders such fees as may be agreed to as provided in Section 2.15 and (ii) the respective Tranche A-1 Term Lenders such fees as set forth in the Tranche A-1 Fee Letter.

(b) The Borrowing Agent agrees to pay to the Administrative Agent such fees in the amounts and at the times specified as may be agreed to in writing from time to time by Holdings or any of its Subsidiaries and the Administrative Agent, including the fees set forth in the Administrative Agent Fee Letter at the times and in the amounts specified therein.

3.2 Mandatory Reduction of Term Loan Commitments.

(a) The Total Initial Term Loan Commitment (and the Initial Term Loan Commitment of each Lender) shall terminate in its entirety on the Closing Date (after giving effect to the deemed Incurrence by the Borrowers of Initial Term Loans on such date).

(b) The Incremental Term Loan Commitments shall (i) be reduced on the date of the incurrence of such Incremental Term Loans by an amount equal to the Incremental Term Loans made on such date (after giving effect to the Incurrence of Incremental Term Loans on such date) and (ii) terminate in their entirety on the earlier of (x) the date on which all Incremental Term Loan Commitments have been funded and (y) the Termination Date.

(c) The Refinancing Term Commitments shall terminate in their entirety on the date of the Incurrence of such Refinancing Term Loans by an amount equal to the Refinancing Term Loans made on such date (after giving effect to the Incurrence of Refinancing Term Loans on such date).

SECTION 4.
PREPAYMENTS; PAYMENTS; TAXES

4.1 Voluntary Prepayments.

(a) The Borrowers may at any time and from time to time prepay the Term Loans, in whole or in part, in each case, without premium or penalty, upon irrevocable written notice delivered to the Administrative Agent no later than Noon (New York City time) three Business Days prior thereto, in the case of LIBOR Loans, and no later than Noon (New York City time) one Business Day prior to the date of such payment, in the case of Base Rate Loans, which notice shall specify the date and amount of prepayment, identify the Tranche of the prepayment of Term Loans and whether the prepayment is of LIBOR Loans or Base Rate Loans; provided, that if a LIBOR Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, such Borrower shall also pay any amounts owing pursuant to Section 2.12; and provided, further, that if such notice of prepayment indicates that such prepayment is to be funded with the proceeds of a Refinancing of the Term Facilities or otherwise conditioned upon the consummation of any other transaction or the occurrence of any event (including an acquisition or a Change of Control), such notice of prepayment may be revoked if such Refinancing is not consummated or such condition is not satisfied, subject to payment of any costs referred to in Section 2.12. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with accrued interest to such date on the amount prepaid. Prepayments shall be accompanied by accrued interest. Partial prepayments of Term Loans shall be in an aggregate principal amount of $1,000,000 and integral multiples of $1,000,000 in excess of that amount.

(b) All voluntary prepayments of a Tranche of Term Loans in accordance with this Section 4.1 shall be applied in the manner set forth in Section 4.2(d); provided that in no event shall any voluntary prepayment of Tranche A-2 Term Loans be made prior to payment in full of all outstanding Tranche A-1 Term Loans. Voluntary prepayments of any Tranche of Term Loans permitted hereunder shall be applied to the remaining scheduled installments of principal thereof pursuant to Section 2.4(a) in a manner determined at the discretion of the Borrowing Agent and specified in the notice of prepayment (and absent such direction, in direct order of maturity).

4.2 Mandatory Repayments.

(a) If any Indebtedness shall be incurred by Holdings or any of its Restricted Subsidiaries (other than any Indebtedness permitted to be incurred in accordance with Section 8.1 (excluding any Indebtedness incurred pursuant to Section 2.17)), not later than two Business Days after the incurrence of such Indebtedness, an amount equal to 100% of the Net

Cash Proceeds thereof shall be applied toward the prepayment of the Term Loans as set forth in this Section 4.2.

(b) If, for any Excess Cash Flow Period, there shall be Excess Cash Flow, an amount equal to the excess of (i) the applicable ECF Percentage of such Excess Cash Flow over the sum of (ii) with respect to the following subclauses (x), (y) and (z), to the extent not funded with the proceeds of long-term Indebtedness, the aggregate principal amount of all (x) optional prepayments of Term Loans (other than Term Loans Cancelled pursuant to Section 12.4) made, (y) optional prepayments of ABL Facility Loans (other than those in respect of any ABL Facility Loans to the extent there is not an equivalent permanent reduction in commitments under the ABL Facility), made and (z) the amount equal to all payments in cash actually paid by the Permitted Auction Purchaser in connection with Term Loans acquired by a Permitted Auction Purchaser and which have been Cancelled, in each case, during such Excess Cash Flow Period, shall, on the relevant Excess Cash Flow Application Date, be applied toward the prepayment of the Term Loans as set forth in this Section 4.2; provided that the amount pursuant to this Section 4.2(b) shall be no less than $0. Each such prepayment shall, commencing with the fiscal year ending January 31, 2019, be made on a date (an "Excess Cash Flow Application Date") no later than ten Business Days after the earlier of (i) the date on which the financial statements of Holdings referred to in Section 7.1(a), for the fiscal year with respect to which such prepayment is made, are required to be delivered and (ii) the date such financial statements are actually delivered.

(c) If on any date Holdings or any of its Restricted Subsidiaries shall receive Net Cash Proceeds from any Asset Sale or any Recovery Event (other than any Net Cash Proceeds received in respect of ABL Priority Collateral), then the [Applicable Percentage] of such Net Cash Proceeds shall be applied within five (5) Business Days of such date to prepay outstanding Term Loans in accordance with this Section 4.2; provided, that the Borrowers shall have the option, directly or through one or more of their Restricted Subsidiaries, to reinvest such Net Cash Proceeds within one year of receipt thereof (or, if later, 180 days after the date the a Borrower or a Restricted Subsidiary thereof has entered into a binding commitment to reinvest the Net Cash Proceeds thereof prior to the expiration of such one year period) in assets useful in the business of the Borrowers and their Restricted Subsidiaries or to make Permitted Acquisitions or other Investment permitted under Section 8.6 that constitutes the acquisition by the Borrowers or any Restricted Subsidiary of the Borrowers of the outstanding Capital Stock of Persons, or of all or substantially all of the assets of Persons or of a division or line of business of Persons; provided, further, that all such Net Cash Proceeds not so reinvested within such period must be applied in accordance with this Section 4.2(c) without giving effect to the proviso herein;

(d) Amounts to be applied in connection with prepayments made pursuant to Section 4.1 and this Section 4.2 and the application of proceeds pursuant to Section 10.3 shall be applied (i) first to the fees and expenses of Administrative Agent, (ii) second to the fees and expenses of the Tranche A-1 Term Lenders under the Tranche A-1 Term Loans, (iii) third to interest with respect to the Tranche A-1 Term Loans, (iv) fourth to principal with respect to the Tranche A-1 Term Loans, (v) fifth to fees and expenses of the Tranche A-2 Term Lenders under the Tranche A-2 Term Loans, (vi) sixth to interest with respect to the Tranche A-2 Term Loans, (vii) seventh to principal with respect to the Tranche A-2 Term Loans and (viii) eighth to the

extent proceeds remain after the application pursuant to the preceding clauses (i) through (ix) inclusive, and following the payment in full of the Obligations and to the extent that the ABL Agent shall have notified the Administrative Agent that any and all obligations under the ABL Facility shall have been paid in full, to the relevant Loan Party, their successors or assigns, or as a court of competent jurisdiction may otherwise direct or as otherwise required by the Intercreditor Agreement. In carrying out the foregoing, (A) amounts received shall be applied to each category in the numerical order provided until exhausted prior to the application to the immediately succeeding category, (B) each of the Lenders and other Persons entitled to payment under any category shall receive an amount equal to its pro rata share of amounts available to be applied thereunder and (C) no payments by a Guarantor and no proceeds of Collateral of a Guarantor shall be applied to Excluded Swap Obligations of such Guarantor. Amounts to be applied to a Tranche of Term Loans in connection with prepayments made pursuant to this Section 4.2 shall be applied shall be applied to the remaining scheduled installments of principal thereof pursuant to Section 2.4 in a manner determined at the discretion of the Borrowing Agent and specified in the notice of prepayment (and absent such direction, in direct order of maturity).

(e) The Borrowing Agent shall deliver to the Administrative Agent (who will notify each Lender) notice of each prepayment required under this Section 4.2 not less than three Business Days prior to the date such prepayment is required to be made (each such date, a "Mandatory Prepayment Date"). Such notice shall set forth (i) the Mandatory Prepayment Date, (ii) the principal amount of each Term Loan (or portion thereof) to be prepaid and (iii) the Type of each Term Loan being prepaid. The Administrative Agent will promptly notify each Lender holding Term Loans of each Tranche being prepaid of the contents of the Borrowers' repayment notice and of such Lender's pro rata share of the respective Tranche of Term Loans subject to such repayment. Each such Lender holding Term Loans under a Tranche may, except in the case of any repayment of Term Loans with proceeds of Indebtedness Incurred pursuant to Section 8.1(c) or Indebtedness Incurred pursuant to Section 2.17, reject all or a portion of its pro rata share of any mandatory repayment (such declined amounts, the "Declined Proceeds") of Term Loans of such Tranche required to be made pursuant to this Section 4.2 by providing written notice (each, a "Rejection Notice") to the Administrative Agent and the Borrowers no later than 5:00 P.M. (New York City time) one (1) Business Day prior to the Mandatory Prepayment Date ("Initial Rejection Notice Deadline"). Each Rejection Notice from a given Lender holding Term Loans under a Tranche shall specify the principal amount of the mandatory repayment of Term Loans of such Tranche to be rejected by such Lender. If a Lender holding Term Loans under a Tranche fails to deliver such Rejection Notice to the Administrative Agent within the time frame specified above or such Rejection Notice fails to specify the principal amount of the Term Loans of such Tranche to be rejected, any such failure will be deemed an acceptance of the total amount of such mandatory repayment of Term Loans of such Tranche to which such Lender is otherwise entitled. At the option of the Borrowers, any Declined Proceeds remaining with the Borrowers with respect to a Tranche of Term Loans may be offered within 10 Business Days of the Initial Rejection Notice Deadline by the Borrowers to the Lenders holding Term Loans of such Tranche not so declining such repayment on a pro rata basis in accordance with the principal amounts of the Term Loans under such Tranche of such Lenders (with such non-declining Lenders having the right to decline any repayment with Declined Proceeds). To the extent such non-declining Lenders elect to decline their pro rata share of such Declined Proceeds following an offer from the Borrowers pursuant to the immediately preceding sentence, any such Declined Proceeds remaining thereafter ("Remaining Declined Proceeds") shall increase the Available Amount.

(f) With respect to each repayment of Term Loans required by this Section 4.2, the Borrowing Agent (i) upon irrevocable written notice delivered to the Administrative Agent no later than Noon (New York City time) three Business Days prior thereto, in the case of LIBOR Loans, and no later than Noon (New York City time) one Business Day prior to the date of such payment, in the case of Base Rate Loans and (ii) may designate the Types of Term Loans of the respective Tranche which are to be repaid and, in the case of LIBOR Loans, the specific Borrowing or Borrowings of the respective Tranche pursuant to which such LIBOR Loans were made, provided that: (i) unless the Borrowing Agent complies with the provisions of Section 2.12, repayments of LIBOR Loans pursuant to this Section 4.2 may only be made on the last day of an Interest Period applicable thereto unless all LIBOR Loans of the respective Tranche with Interest Periods ending on such date of required repayment and all Base Rate Loans of the respective Tranche have been paid in full; (ii) if any repayment of LIBOR Loans made pursuant to a single Borrowing shall reduce the outstanding LIBOR Loans made pursuant to such Borrowing to an amount less than the Minimum Borrowing Amount applicable thereto, such Borrowing shall be automatically converted into a Borrowing of Base Rate Loans; and (iii) each repayment of any Term Loans made pursuant to a Borrowing shall be applied pro rata among such Term Loans. Notwithstanding the foregoing, at the election of the Borrowing Agent, the amount of any prepayment of Term Loans required under this Section 4.2 may be deposited in an escrow account on terms reasonably satisfactory to the Administrative Agent and applied to the prepayment of LIBOR Loans upon the expiration of the applicable Interest Period; provided, that if an Event of Default has occurred and is continuing, the Administrative Agent may, and upon the written direction from the Required Lenders, shall, apply any or all of such amounts then on deposit in such escrow account to the payment of such Term Loans, together with any amounts owing to the Lenders in accordance with the provisions of Section 2.12.

4.3 Method and Place of Payment. Except as otherwise specifically provided herein, all payments under this Agreement and under any Term Note shall be made to the Administrative Agent for the account of the Lender or Lenders entitled thereto not later than 1:00 P.M. (New York City time) on the date when due and shall be made in Dollars in immediately available funds at the Payment Office, and any payment received after such time may, in Administrative Agent's discretion, be deemed received on the next succeeding Business Day. Whenever any payment to be made hereunder or under any Term Note shall be stated to be due on a day which is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable at the applicable rate during such extension.

4.4 Taxes.

(a) Any and all payments by or on account of any obligation of any Loan Party under any 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 any such payment by a Withholding Agent, 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, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such

deductions and withholdings applicable to additional sums payable under this Section 4.4) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) 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 Lender and the Administrative Agent, within 10 days after 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) payable or paid by such Lender or Administrative Agent required to be withheld or deducted from a payment to such Lender or Administrative Agent and any reasonable 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 delivered to the Borrowing Agent 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) As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section **Error! Reference source not found.**, 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) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrowing Agent and the Administrative Agent, at the time or times reasonably requested by the Borrowing Agent or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrowing Agent 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 Borrowing Agent or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrowing Agent or the Administrative Agent as will enable the Borrowing Agent or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 4.4(e)(A), (B), and (D)) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender. Without limiting the generality of the foregoing:

(A) any Lender that is a U.S. Person shall deliver to the Borrowing Agent 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 Borrowing Agent or the Administrative Agent), executed

originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrowing Agent and the Administrative Agent (in such number of copies as shall be requested by the recipient) 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 Borrowing Agent or the Administrative Agent), whichever of the following is applicable:

(i) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(ii) executed originals of IRS Form W-8ECI;

(iii) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit 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, a "10 percent shareholder" of the Borrowing Agent within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN; or

(iv) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance 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 one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrowing Agent and the Administrative Agent (in such number of copies as shall be requested by the recipient) 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 Borrowing Agent or the Administrative Agent), executed originals 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 Borrowing Agent or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrowing Agent and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrowing Agent 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 Borrowing Agent or the Administrative Agent as may be necessary for the Borrowing Agent and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 4.4(e)(D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(E) Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrowing Agent and the Administrative Agent in writing of its legal inability to do so.

(f) If a Loan Party pays any additional amount or makes any indemnity payment under this Section 4.4 to a Lender or the Administrative Agent and such Lender or the Administrative Agent determines in its sole discretion exercised in good faith that it has received any refund of Indemnified Taxes or Other Taxes as to which it has been indemnified by such Borrower or any Guarantor (a "Refund"), such Lender or the Administrative Agent shall pay to a Loan Party, as the case may be, such Refund (but only to the extent of indemnity payments made under this Section 4.4 with respect to Indemnified Taxes and Other Taxes giving rise to such Refund) net of all out-of-pocket expenses (including Taxes) in respect of such Refund and without interest; provided, however, that (i) any Lender or the Administrative Agent may determine, in its sole discretion exercised in good faith consistent with its policies, whether to seek a Refund; (ii) any Taxes, costs, penalties, interest or other charges that are imposed on a Lender or the Administrative Agent as a result of a disallowance or reduction of any Refund with respect to which such Lender or the Administrative Agent has made a payment to a Borrower or the Guarantor pursuant to this Section 4.4(f) (and any interest or penalties imposed thereon) shall be treated as a Tax for which a Loan Party, as the case may be, is obligated to indemnify such Lender or the Administrative Agent pursuant to this Section 4.4 without any exclusions or defenses; (iii) nothing in this Section 4.4(f) shall require any Lender or the Administrative Agent to disclose any confidential information to the Borrowers or the Guarantor (including, without limitation, its tax returns); and (iv) no Lender or the Administrative Agent shall be required to pay any amounts pursuant to this Section 4.4(f) at any time which an Event of Default exists (provided that such amounts shall be credited against amounts otherwise owed under this Agreement by a Loan Party); and (v) notwithstanding anything to the contrary in this Section 4.4(f), in no event will the Lender or Administrative Agent be required to pay any amount to the Borrowers or Guarantors the payment of which would place the Lender or

Administrative Agent in a less favorable net after-tax position than the Lender or Administrative Agent would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid.

SECTION 5.
REPRESENTATIONS AND WARRANTIES

To induce the Administrative Agent and the Lenders to enter into this Agreement and to make the Term Loans, each of the Loan Parties hereby jointly and severally represents and warrants, (a) on the Closing Date, that the representations and warranties set forth below are true and correct in all material respects (without duplication of any materiality qualifiers set forth therein), and (b) on every date thereafter on which an extension of credit occurs, or the representation and warranties set forth are deemed to be made pursuant to Section 2.15 (*provided* that, in cases where the proceeds of the Incremental Term Loans shall be applied to finance a Permitted Acquisition or other Investments permitted under Section 8.6, the only representations and warranties that shall be made are the customary "specified representations" and "specified acquisition agreement representations"), 2.16 or 2.17, to the Administrative Agent and each Lender that:

5.1 Financial Condition.

(a) The unaudited pro forma consolidated balance sheet and related statement of income of the Company and its Subsidiaries as at [_____], 2017 (the "Pro Forma Financial Information"), copies of which have heretofore been furnished to each Lender, have been prepared giving effect (as if such events had occurred on such date) to (i) the consummation of the Transaction, (ii) the Term Loans to be made (or deemed made) on the Closing Date and the use of proceeds thereof and (iii) the payment of fees and expenses on the Closing Date in connection with the foregoing. The Pro Forma Financial Information presents fairly in all material respects on a pro forma basis the estimated results of operations of Holdings and its Restricted Subsidiaries as at [_____], 2017 assuming that the events specified in the preceding sentence had actually occurred at such date.

(b) The audited consolidated balance sheets of the Company and its Subsidiaries as at January 30, 2015 and January 30, 2016, and the related consolidated statements of income, stockholders' equity and cash flows for the fiscal years ended on January 30, 2015 and January 30, 2016, reported on by and accompanied by an unqualified report as to going concern or scope of audit from Deloitte & Touche LLP, copies of which have heretofore been furnished to each Lender, present fairly in all material respects the consolidated financial condition of the Company and its Subsidiaries as at such date, and the consolidated results of its operations and its consolidated cash flows for the respective fiscal years then ended. The unaudited consolidated balance sheet of the Company and its Subsidiaries at [_____], 2017 and the related consolidated statements of income and cash flows and changes in shareholders' equity of the Company and its Subsidiaries for the fiscal quarter ended [_____], 2017, copies of which have heretofore been furnished to each Lender, present fairly in all material respects the consolidated financial condition of the Company and its Subsidiaries at the date of such financial statements and the results for the period covered thereby, subject to year-end adjustments and the absence of footnotes. All such financial statements, including the related

schedules and notes thereto, have been prepared in accordance with GAAP (without giving effect to the parenthetical set forth in the definition thereof) applied consistently throughout the periods involved (except for the lack of footnotes and being subject to year-end adjustments). To the knowledge of the Loan Parties none of Holdings or any of its Restricted Subsidiaries has, as of the Closing Date after giving effect to the Transaction and excluding obligations under the Loan Documents, any material liabilities or obligations of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether or not due) which are not reflected in the most recent financial statements referred to in this paragraph as a result of any change, event, development, circumstance, condition or effect during the period from January 30, 2013 to and including the Closing Date.

5.2 No Change. Since the Petition Date, there has been no change in the financial condition, business, operations, or properties of Holdings and/or its Restricted Subsidiaries that has had, or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

5.3 Existence; Compliance with Law. Each of Holdings, the Borrowers and each other Restricted Subsidiary (a) is duly organized, validly existing and in good standing (to the extent such concept exists) under the laws of the jurisdiction of its organization except, solely in the case of any Restricted Subsidiary of any Borrowers that is not a Loan Party, where the failure to be duly organized, validly existing or in good standing could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (b) has the power and authority, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged except where the failure to have such power, authority or legal right could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (c) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification except where the failure to be so qualified or in good standing could not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect and (d) is in compliance with all Requirements of Law, except to the extent that the failure to comply therewith could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.4 Power; Authorization; Enforceable Obligations. After giving effect to the Confirmation Order and the Plan of Reorganization, each Loan Party has the power and authority, and the legal right, to make, deliver and perform the Loan Documents to which it is a party and, in the case of the Borrowers, to obtain extensions of credit hereunder. Each Loan Party has taken all necessary organizational action to authorize the execution, delivery and performance of the Loan Documents to which it is a party and, in the case of the Borrowers, to authorize the extensions of credit on the terms and conditions of this Agreement and to authorize the other Transaction. Each Loan Document has been duly executed and delivered on behalf of each Loan Party party thereto. This Agreement constitutes, and each other Loan Document upon execution will constitute, a legal, valid and binding obligation of each Loan Party party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws

affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

5.5 Consents. No Governmental Approval or consent or authorization of, filing with, notice to or other act by or in respect of, any other Person is required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, except (i) Governmental Approvals, consents, authorizations, filings and notices that have been obtained or made and are in full force and effect, (ii) the filings referred to in Section 5.19 and (iii) those, the failure of which to obtain or make could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.6 No Legal Bar; Approvals. After giving effect to the Confirmation Order and the Plan of Reorganization, the execution, delivery and performance of this Agreement and the other Loan Documents, the borrowings hereunder and the use of the proceeds thereof (i) will not violate, or conflict with, any Requirement of Law or any Contractual Obligation of Holdings or any of its Restricted Subsidiaries except such violations or conflicts as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (ii) will not result in, or require, the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law, any Organizational Documents of Holdings or any of its Restricted Subsidiaries or any Contractual Obligation of Holdings of or any of its Restricted Subsidiaries (other than the Liens created by the Security Documents or created by the ABL Facility Documents), except as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or (iii) will not violate, or conflict with, the Organizational Documents of Holdings or any of its respective Restricted Subsidiaries. Each of Holdings and each of its Restricted Subsidiaries is in compliance with all Requirements of Law, except such non-compliances as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.7 Litigation. After giving effect to the Confirmation Order and the Plan of Reorganization, no litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of any Loan Party, threatened (a) with respect to any of the Loan Documents or any of the transactions contemplated hereby or thereby, or (b) that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.8 No Default. No Default or Event of Default has occurred and is continuing or would immediately result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.9 Ownership of Property; Liens. After giving effect to the Confirmation Order and the Plan of Reorganization, each of Holdings and each of its Restricted Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, or easements or other limited property interests in, all real property necessary in the ordinary conduct of its business, free and clear of all Liens except for Liens permitted by Section 8.2 and except where the failure to have such title or interests could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

5.10 Intellectual Property. Except as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (a) the Loan Parties own and have properly recorded including full payment of all maintenance and renewal fees, or are licensed to use, pursuant to valid and enforceable written agreements, all Intellectual Property used in the conduct of the business of Holdings and its Restricted Subsidiaries as currently conducted, (b) no claim has been asserted and is pending by any Person challenging or questioning any Loan Party's use of any Intellectual Property or the validity or effectiveness of any Loan Party's Intellectual Property or alleging that the conduct of any Loan Party's business infringes or violates the rights of any Person, nor does Holdings or the Borrowers know of any valid basis for any such claim and (c) to the knowledge of the Loan Parties, no Person is infringing, violating or misappropriating any Loan Party's rights to any Intellectual Property.

5.11 Taxes. Each of Holdings and each of its Restricted Subsidiaries has filed or caused to be filed all Tax returns that are required to be filed and has paid all Taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other Taxes imposed on it or any of its property by any Governmental Authority (other than any (i) Taxes the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of Holdings or the relevant Restricted Subsidiary or (ii) with respect to which the failure to make such filing or payment could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect). No Tax Lien has been filed, and, to the knowledge of any of the Loan Parties, no audit, deficiency, assessment or other claim is being threatened in writing, with respect to any Taxes other than Liens or claims which could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.12 Use of Proceeds; Margin Regulations. (a) [Reserved].

(b) All proceeds of Incremental Term Loans will be used for the working capital, capital expenditures and other general corporate purposes (including Investments and Restricted Payments) of Holdings and its Restricted Subsidiaries.

(c) All proceeds of Term Loans Incurred pursuant to (i) Section 2.16 will be used for the purposes set forth in Sections 2.16 and (ii) Section 2.17 will be used for the purposes set forth in Section 2.17.

(d) No part of any Term Loan (or the proceeds thereof) will be used to purchase or carry any Margin Stock or to extend credit for the purpose of purchasing or carrying any Margin Stock. Neither the making of any Term Loan nor the use of the proceeds thereof will violate the provisions of Regulation T, U or X of the Board of Governors of the Federal Reserve System.

5.13 Labor Matters. Except as, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect: (a) there are no strikes, slowdowns, stoppages, unfair labor practice charges or other labor disputes against any of Holdings or any of its Restricted pending or, to the knowledge of any Loan Party, threatened; (b) hours worked by and payment made to employees of each of Holdings and each of its Restricted Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Requirement of Law dealing with such

matters and there are no other violations of the Fair Labor Standards Act or any other applicable Requirement of Law dealing with wage and hour matters; and (c) all payments due from any of Holdings or any of its Restricted Subsidiaries on account of employee health and welfare insurance have been paid or accrued as a liability on the books of Holdings or the relevant Restricted Subsidiary. The consummation of the Transaction will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which Holdings or any of its Restricted Subsidiaries is bound.

5.14 ERISA.

(a) Except as, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect:

(i) neither a Reportable Event nor a failure to meet the minimum funding standards of Section 412 or 430 of the Code or Section 302 or 303 of ERISA has occurred with respect to any Single Employer Plan or Multiemployer Plan during the five-year period prior to the date on which this representation is made or deemed made;

(ii) no Plan has applied for or received a waiver of the minimum funding standard or an extension of any amortization period within the meaning of Section 412 of the Code or Section 302 or 304 of ERISA;

(iii) each Plan has complied and is in compliance in form and operation with its terms and with the applicable provisions of ERISA and the Code (including without limitation the Code provisions compliance with which is necessary for any intended favorable tax treatment) and all other applicable laws and regulations;

(iv) no determination has been made that any Plan is, or is expected to be, considered an at-risk plan within the meaning of Section 430 of the Code or Section 303 of ERISA;

(v) all contributions required to be made with respect to a Plan or a Multiemployer Plan have been timely made or have been reflected on the most recent consolidated balance sheet filed prior to the date hereof or accrued in the accounting records of any Borrower, in accordance with and to the extent required by GAAP;

(vi) the administrator of a Plan has not provided a notice of intent to terminate such Plan pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a Plan amendment referred to in Section 4041(e) of ERISA) and no termination of a Plan has occurred, no proceedings have been instituted by the PBGC to terminate or appoint a trustee to administer any Single Employer Plan, and no Lien in favor of the PBGC or a Plan has arisen

(vii) none of Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity has had or is reasonably expected to have a complete or partial withdrawal from any Multiemployer Plan and none of Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity would become or would reasonably be expected to become subject to any material liability under ERISA if Holdings, any

such Borrowers, any such Subsidiary or any such Commonly Controlled Entity were to withdraw partially or completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made or deemed made;

(viii) no such Multiemployer Plan is or is reasonably expected to be in Reorganization or Insolvent and none of Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity has received any notice, and no Multiemployer Plan has received from Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity any notice that a Multiemployer Plan is in or is reasonably expected to be in endangered or critical status under Section 432 of the Code or Section 305 of ERISA;

(ix) each Plan (and each related trust, if any) which is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the IRS to the effect that it meets the requirements of Sections 401(a) and 501(a) of the Code or is comprised of a master or prototype plan that has received a favorable opinion letter from the IRS, and, nothing has occurred since the date of such determination that would adversely affect such determination (or, in the case of a Plan with no determination, nothing has occurred that would adversely affect the issuance of a favorable determination letter or otherwise adversely affect such qualification); and

(x) there has been no cessation of operations at a facility of Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity in the circumstances described in Section 4062(e) of ERISA; and

(xi) none of Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity has engaged in a non-exempt prohibited transaction within the meaning of Section 4975 of the Code or Section 406 of ERISA with respect to a Plan, and none of Holdings, the Borrowers, any Subsidiary nor any Commonly Controlled Entity has incurred any liability under Title IV of ERISA with respect to any Plan or any Multiemployer Plan (other than premiums due and not delinquent under Section 4007 of ERISA).

(b) There are no actions, suits or claims pending against or involving a Plan (other than routine claims for benefits) or, to the knowledge of Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity, threatened, which would reasonably be expected to be asserted successfully against any Plan and, if so asserted successfully, could reasonably be expected either singly or in the aggregate to result in a Material Adverse Effect.

(c) Except as, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, (i) each Non-U.S. Plan has been maintained in compliance with its terms and with the requirements of any and all applicable laws, statutes, rules, regulations and orders and has been maintained, where required, in good standing with applicable regulatory authorities, (ii) all contributions required to be made with respect to a Non-U.S. Plan as of the Closing Date have been timely made, and (iii) none of Holdings, the Borrowers or any Subsidiary has incurred any obligation in connection with the termination of, or withdrawal from, any Non-U.S. Plan.

5.15 Investment Company Act. Neither Holdings nor any of its Restricted Subsidiaries is an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

5.16 Subsidiaries. As of the Closing Date and after giving effect to the Transaction, Schedule 5.16 sets forth the name and jurisdiction of organization of each Subsidiary and, as to each such Subsidiary, the percentage of each class of Capital Stock owned by Holdings or any of its Subsidiaries and whether such Subsidiary is an Immaterial Subsidiary or a Subsidiary Guarantor.

5.17 Environmental Matters. Except as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect:

(a) the facilities and properties currently and, to the knowledge of any Loan Party, formerly owned, leased or operated by Holdings or any of its Restricted Subsidiaries (the "Properties") do not contain any Materials of Environmental Concern in amounts or concentrations or under circumstances so as has given rise to or would give rise to liability of Holdings or any of its Restricted Subsidiaries under, any Environmental Law;

(b) no Loan Party has received any written notice of violation, alleged violation, non-compliance, liability or potential liability under or compliance with Environmental Laws with regard to any of the Properties or the business operated by Holdings or any of its Restricted Subsidiaries, nor does any Loan Party have knowledge that any such notice will be received or is being threatened;

(c) Materials of Environmental Concern have not been Released, transported or disposed of from the Properties by or on behalf of Holdings or any of its Restricted Subsidiaries in violation of, or in a manner or to a location that has given rise to or would give rise to liability under, any Environmental Law, nor have any Materials of Environmental Concern been Released, generated, treated, stored or disposed of at, on or under any of the Real Properties or by Holdings or any of its Restricted Subsidiaries in violation of, or in a manner that has given rise to or would give rise to liability under, any applicable Environmental Law;

(d) no judicial proceeding or governmental or administrative action is pending or, to the knowledge of any Loan Party, threatened, under any Environmental Law to which Holdings or any of its Restricted Subsidiaries is named as a party, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to the Real Properties or the business operated by Holdings or any of its Restricted Subsidiaries;

(e) to the knowledge of any Loan Party, there are no past or present actions, activities, circumstances, conditions, events or incidents with respect to the Properties or the business operated by Holdings or any of its Restricted Subsidiaries, including, without limitation, the Release, emission, discharge, presence or disposal of any Material of Environmental Concern, that could form the basis of any judicial proceeding or governmental or administrative action against Holdings or any of its Restricted Subsidiaries or against any person or entity whose liability for any such action or order Holdings or any of its Restricted Subsidiaries has

retained or assumed either contractually or by operation of law, or otherwise result in any costs, liabilities or restrictions on ownership, occupancy, use or transferability of any property under Environmental Law; and

(f) Holdings, its Restricted Subsidiaries, the Real Property and all operations at the Real Property are in compliance with all applicable Environmental Laws.

The representations and warranties in this Section 5.17 are the sole representations and warranties of the Loan Parties with respect to any environmental, health or safety matters, including those relating to Environmental Laws or Materials of Environmental Concern.

5.18 Accuracy of Information, etc. No written data (other than information of a general economic or general industry nature) concerning Holdings or any of its Restricted Subsidiaries contained in this Agreement, any other Loan Document or any other document, certificate or statement furnished by or on behalf of any Loan Party to the Administrative Agent or the Lenders, or any of them, for use in connection with the transactions contemplated by this Agreement or the other Loan Documents, contained as of the date such statement, information, data document or certificate was so furnished, when taken as a whole, any untrue information or data of a fact in any material respect or omitted to state a fact necessary to make the information or data contained herein or therein not misleading in any material respect. The pro forma financial information, taken as a whole, contained in the materials referenced above are based upon good faith estimates and assumptions believed by management of Holdings in good faith to be reasonable at the time made, it being recognized by the Lenders that such financial information as it relates to future events is not to be viewed as fact, forecasts and projections are subject to uncertainties and contingencies, actual results during the period or periods covered by such financial information may differ from the projected results set forth therein by a material amount and no assurance can be given that any forecast or projections will be realized. As of the Closing Date, there is no fact known to any Loan Party which such party has not disclosed to Houlihan, the Administrative Agent, the Lenders or the Bankruptcy Court with respect to the Transactions which would reasonably be expected to have a Material Adverse Effect.

5.19 Security Documents.

(a) Each of the Security Documents is effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable first priority security interest (subject to Liens permitted hereunder) in the Collateral described therein and proceeds thereof, the enforceability of which is subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. In the case of (i) the Capital Stock described in the Security Agreement that are securities represented by stock certificates or otherwise constituting certificated securities within the meaning of Section 8-102(a)(15) of the New York UCC or the corresponding code or statute of any other applicable jurisdiction ("Certificated Securities"), when certificates representing such Capital Stock are delivered to the Collateral Agent along with instruments of transfer in blank or endorsed to the Collateral Agent, and (ii) the other Collateral described in clause (i) constituting personal property described in the Security Agreement, when financing statements and other filings, agreements and actions specified on Schedule 5.19(a) in appropriate form are executed

and delivered, performed or filed in the offices specified on Schedule 5.19(a), as the case may be, the Collateral Agent, for the benefit of the Secured Parties, shall have a fully perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in all Collateral that may be perfected by filing, recording or registering a financing statement or analogous document and the proceeds thereof (to the extent such Liens may be perfected by possession of the Certificated Securities by the Collateral Agent or such filings, agreements or other actions or perfection is otherwise required by the terms of any Loan Document), as security for the Obligations, in each case prior and superior in right to any other Person (except, in the case of Liens permitted hereunder). Other than as set forth on Schedule 5.19(a), as of the Closing Date, none of the Capital Stock of the Borrowers or any Subsidiary Guarantor that is a limited liability company or partnership is a Certificated Security.

(b) Each of the Mortgages delivered pursuant to Section 7.8(b) is, or upon execution and recording will be, effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable Lien on the Mortgaged Properties described therein and proceeds thereof, the enforceability of which is subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. When the Mortgages are recorded in the recording offices for the applicable jurisdictions in which the Mortgaged Properties are located, each such Mortgage shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in the Mortgaged Properties and the proceeds thereof, as security for the Obligations (as defined in the relevant Mortgage), in each case prior and superior in right to any other Person other than holders of Liens permitted hereunder. The UCC fixture filings on form UCC-1 for filing under the UCC in the appropriate jurisdictions in which the Mortgaged Properties covered by the applicable Mortgages are located, will be effective upon filing to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in the fixtures created by the Mortgages and described therein, and when the UCC fixture filings are filed in the recording offices for the applicable jurisdictions in which the Mortgaged Properties are located, each such UCC fixture filing shall constitute a fully perfected security interest in the fixtures, as security for the Obligations (as defined in the relevant Mortgage), in each case prior and superior in right to any other Person other than holders of Liens permitted hereunder. Schedule 5.19(b) lists, as of the Closing Date, each parcel of owned real property located in the United States and held by Holdings or any of its Restricted Subsidiaries, noting thereon each such property that has a fair market value, in the reasonable opinion of Holdings, in excess of $10,000,000.

5.20 Solvency. After giving effect to the Confirmation Order and the Plan of Reorganization, the Borrowing Agent and its Subsidiaries, on a consolidated basis, are, and after giving effect to the Transaction and the incurrence of all Indebtedness and obligations being incurred in connection herewith and therewith and the other transactions contemplated hereby and thereby, will be, Solvent.

5.21 Patriot Act; OFAC.

(a) To the extent applicable, each of Holdings and its Restricted Subsidiaries is in compliance, in all material respects, with the Patriot Act.

(b) Holdings represents that neither Holdings nor any of its Restricted Subsidiaries nor any director, officer, or employee thereof, nor, to its knowledge, any, agent, affiliate or representative of Holdings or any Restricted Subsidiary, is an individual or entity that is, or is owned or controlled by a Person that is:

(i) listed in the annex to, or it otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing effective September 24, 2001 (the "Executive Order");

(ii) listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) prohibited from dealing or otherwise engaging in any transaction by any laws with respect to terrorism or money laundering;

(iv) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order;

(v) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union or Her Majesty's Treasury ("HMT"), (collectively, "Sanctions"),

(vi) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Cuba, Iran, North Korea and Syria).

(c) Holdings represents and covenants that it will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person:

(i) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

5.22 Business and Property of the Loan Parties. Upon and after the Closing Date, no Loan Party nor any of their Subsidiaries proposes to engage in any business other than those businesses in which such entity is engaged on the date of this Agreement or that are reasonably related thereto (including any expansion of businesses in which such entity is engaged on the date of this Agreement) and activities necessary to conduct the foregoing. On the Closing Date the Loan Parties and their Subsidiaries will own all the property and possess all of the rights and consents necessary for the conduct of such businesses.

SECTION 6.
CONDITIONS PRECEDENT

6.1 Conditions to Initial Extension of Credit. The agreement of each Lender to make the initial extension of credit requested to be made by it under this Agreement on the Closing Date is subject to the satisfaction or waiver in accordance with Section 12.12, prior to or concurrently with the making of such extension of credit on the Closing Date, of the following conditions precedent:

(a) Loan Documents. The Administrative Agent shall have received (i) this Agreement, executed and delivered by the Borrowers, Holdings, and each Subsidiary Guarantor and each Person listed on Schedule I, (ii) the Security Agreement, executed and delivered by each Loan Party party thereto, (iii) the ABL/Term Loan Intercreditor Agreement executed and delivered by the Collateral Agent and the ABL Agent (in its capacity as collateral agent under the ABL Facility Documents) and a duly authorized officer of each Loan Party, (iv) each other Security Document executed and delivered by each Loan Party party thereto to the extent required to be delivered on the Closing Date and (v) for the account of each of the Lenders that has requested same at least one Business Day prior to the Closing Date, the appropriate Term Note executed and delivered by the Borrowers.

(b) No Default. Borrowers and each other Loan Party shall be in compliance in all material respects with all the terms and provisions set forth herein and in each other Loan Document on its part to be observed or performed, and, at the time of and immediately after giving effect to any Borrowing and the application of the proceeds thereof, no Default shall have occurred and be continuing on such date.

(c) [Reserved].

(d) Insurance Certificates. The Administrative Agent shall have received a copy of, or a certificate as to coverage under, the insurance policies required by Section 7.5 and the applicable provisions of the Security Documents, each of which shall be endorsed or otherwise amended to include a customary lender's loss payable endorsement and to name the Administrative Agent as additional insured, in form and substance satisfactory to the Required Lenders.

(e) Transaction. Concurrently with the deemed funding of the Initial Term Loans hereunder and the ABL Facility Loans pursuant to the ABL Facility Documents, the Transaction shall have been consummated.

(f) Pro Forma Financial Information; Financial Statements. The Lenders shall have received (i) the Pro Forma Financial Information and (ii) the historical financial statements described in Section 5.1(b). [The Administrative Agent and each of the Lenders acknowledge that the Pro Forma Financial Information and the audited historical financial statements referred to in Section 5.1(b) were received prior to the Closing Date].

(g) Fees. On the Closing Date, the Lenders and the Administrative Agent shall have received all Fees and other amounts due and payable on or prior to the Closing Date, including all reasonable and documented (in summary form) out-of-pocket fees, costs,

disbursements and expenses of (i) the Agents including, without limitation, all amounts owing under the Administrative Agent Fee Letter (limited, in the case of counsel, to all reasonable fees, costs, disbursements and expenses of the Agents' outside counsel, Norton Rose Fulbright US LLP ("NRF")), and (ii) the Lenders including, without limitation, all amounts owing under the Tranche A-1 Fee Letter (limited, in the case of counsel, financial advisors and other outside professional advisors to all reasonable fees, costs, disbursements and expenses of the Lenders' outside counsels, Akin Gump Strauss Hauer & Feld LLP ("Akin") and King & Spalding LLP ("K&S") and (iii) Houlihan Lokey Capital, Inc. ("Houlihan"), as financial advisor to the Lenders (pursuant to that certain letter of engagement dated as of January 26, 2017, by and between K&S, the Borrowers and Houlihan, and (iv) any other professional advisors retained by the Administrative Agent, or the Lenders or their respective counsel, including the fees, charges and disbursements of one firm of local counsel for the Administrative Agent, the Collateral Agent or the Lenders and other professional advisors, all of which shall have been paid in full in cash, to the extent invoiced to the Borrowers no later than one (1) Business Day prior to the Closing Date.

(h) Closing Certificates; Organizational Documents; Good Standing Certificates. The Administrative Agent shall have received a certificate of each Loan Party, dated the Closing Date signed by the Secretary or any Assistant Secretary of such Loan Party and attested to by an Authorized Officer of such Loan Party, with the following insertions and attachments: (i) certified organizational authorizations, incumbency certifications, the certificate of incorporation or other similar organizational document of each Loan Party certified by the relevant authority of the jurisdiction of organization of such Loan Party and bylaws or other similar organizational document of each Loan Party certified as being in full force and effect on the Closing Date, (ii) a good standing certificate (long form, to the extent available) for each Loan Party from its jurisdiction of organization and (iii) a Perfection Certificate of each Loan Party, dated as of the Closing Date, signed by an Authorized Officer of such Loan Party.

(i) Legal Opinions. The Administrative Agent shall have received a legal opinion of Kirkland & Ellis LLP, special counsel to the Loan Parties which opinion shall be addressed to the Administrative Agent, the Collateral Agent and the Lenders and shall be in form and substance reasonably satisfactory to the Administrative Agent and Required Lenders.

(j) Perfected Liens.

(i) Except as set forth on Schedule 7.17, the Collateral Agent shall have obtained a valid security interest in the Collateral covered by the Security Agreement (to the extent and with the priority contemplated therein and in the ABL/Term Loan Intercreditor Agreement); and all documents, instruments, filings, recordations and searches reasonably necessary in connection with the perfection (to the extent required by the terms of any Loan Document) and, in the case of the filings with the United States Patent and Trademark Office and the United States Copyright Office, protection of such security interests shall have been executed and delivered or made, or, in the case of UCC filings, written authorization to make such UCC filings shall have been delivered to the Collateral Agent.

(ii) The Administrative Agent shall have received (A) the Certificated Securities pledged pursuant to the Security Agreement, together with an undated stock power for each such Certificated Security executed in blank by a duly Authorized Officer of the pledgor thereof, and (B) each promissory note (if any) required to be pledged to the Administrative Agent pursuant to the Security Agreement endorsed (without recourse) in blank (or accompanied by an executed transfer form in blank) by the pledgor thereof.

(k) UCC Filings. The Administrative Agent shall have received copies of recent Lien and judgment searches in each jurisdiction reasonably requested by the Administrative Agent with respect to the Loan Parties (none of which shall cover any of the Collateral except (x) to the extent evidencing Liens permitted under Section 8.2 or (y) those which are to be discharged on or prior to the Closing Date pursuant to documentation satisfactory to the Administrative Agent (at the direction of the Required Lenders).

(l) Solvency Certificate. The Administrative Agent shall have received a solvency certificate from the chief financial officer of the Borrowers in the form of Exhibit J, which demonstrates that the Borrowing Agent and its Restricted Subsidiaries, on a consolidated basis, are, and immediately after giving effect to the Confirmation Order and the Transaction and the other transactions contemplated hereby, will be, Solvent.

(m) Mortgage Certificates. The Administrative Agent and the Lenders shall have received, with respect to all Mortgaged Property, (i) a flood hazard certificate acceptable to the Lenders in their sole discretion and (ii) an insurance certificate confirming that the relevant Loan Party has obtained flood insurance satisfactory to the Lenders in their sole discretion.

(n) Patriot Act. The Administrative Agent and the Lenders shall have received, at least five days prior to the Closing Date, all documentation and other information about the Borrowers and the Guarantors as has been reasonably requested in writing at least ten days prior to the Closing Date by the Administrative Agent and such Lenders that they reasonably determine is required by Governmental Authorities under applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act.

(o) Representations and Warranties. The representations and warranties set forth herein shall be true and correct in all material respects (without duplication of any materiality qualifiers set forth therein) as of the Closing Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects (without duplication of any materiality qualifiers set forth therein) as of such earlier date.

(p) No MAE. Since the Petition Date, there has been no change, event, development, circumstance, condition or effect that individually or in the aggregate has had, or would reasonably be expected to have, a Material Adverse Effect.

(q) Confirmation Order. The Confirmation Order shall have been entered in form and substance reasonably acceptable to the Administrative Agent and the Required Lenders and shall not have been vacated, reversed, modified, amended or stayed.

(r) Closing Date. All conditions precedent to the "Effective Date" under and as defined in the Plan of Reorganization (other than the occurrence of the Closing Date hereunder) shall have been satisfied or duly waived.

(s) Plan of Reorganization. The Administrative Agent shall have received evidence reasonably satisfactory to the Administrative Agent and the Required Lenders (i) demonstrating the satisfaction of any transaction contemplated by the Plan of Reorganization to occur on the effective date of the Plan of Reorganization and (ii) no motion, action or proceeding by any creditor or other party-in-interest to the Chapter 11 Cases which could materially adversely affect the Plan of Reorganization, the consummation of the Plan of Reorganization, the business or operations of the Loan Parties or the transactions contemplated by the Loan Documents, as determined by the Required Lenders in good faith, shall be pending.

(t) Officer's Certificate. On the Closing Date, the Administrative Agent shall have received a certificate, in form reasonably acceptable to the Administrative Agent, dated the Closing Date and signed on behalf of each Borrower by the chairman of the board, the chief executive officer, the president, the chief financial officer or any vice president of such Borrower, certifying on behalf of such Borrower that, taking into account the penultimate paragraph of this Section 6.1, (i) all of the conditions in clauses (b), (e), (f), (n) and (o) of this Section 6.1 have been satisfied or waived on such date (other than any certification that any such conditions have been satisfied or waived to the extent subject to the satisfaction of the Administrative Agent or the Lenders) and (ii) either (x) all necessary governmental approvals and/or governmental consents in connection with the Transaction, the other transactions contemplated hereby and the granting of Liens under the Loan Documents have been obtained and remain in effect or (y) that no consents, licenses or approvals of any Governmental Authority are required in connection with the execution, delivery and performance by the Borrowers under the Loan Documents to which it is a party other than those that have been obtained and remain in effect.

In determining the satisfaction of the conditions specified in this Section 6.1, to the extent any item is required to be satisfactory to any Lender, such item shall be deemed satisfactory to each Lender which has not notified the Administrative Agent in writing prior to the occurrence of the Closing Date that the respective item or matter does not meet its satisfaction. Upon the deemed initial funding of the Initial Term Loans, then the Closing Date shall have been deemed to have occurred, regardless of any subsequent determination that one or more of the conditions thereto had not been met (although the occurrence of the Closing Date shall not release Holdings or the Borrowers from any liability for failure to satisfy one or more of the applicable conditions contained in this Section 6.1).

The acceptance of the benefits of each extension of credit hereunder shall constitute a representation and warranty by Holdings and the Borrowers to the Administrative Agent and each of the Lenders that all the conditions specified in this Section 6.1 (with respect to extensions of credit on the Closing Date) and applicable to such extensions of credit are satisfied as of that time, unless waived in accordance with Section 12.12. All of the Term Notes, certificates, legal opinions and other documents and papers referred to in this Section 6.1, unless otherwise specified, shall be delivered to the Administrative Agent at the Notice Office for the account of each of the Lenders.

SECTION 7.
AFFIRMATIVE COVENANTS

Holdings and the Borrowing Agent hereby jointly and severally agree that, until all Term Loan Commitments have been terminated and the principal of and interest on each Term Loan, all fees and all other expenses or amounts payable under any Loan Document shall have been paid in full (other than contingent indemnification and reimbursement obligations for which no claim has been made), each of Holdings and the Borrowing Agent shall, and shall cause each of its Restricted Subsidiaries to:

7.1 Financial Statements. Furnish to the Administrative Agent (who shall promptly furnish to each Lender):

(a) as soon as available, but in any event within 120 days after the end of each fiscal year of the Borrowing Agent (or, for the fiscal year ended January 31, 2017, on or prior to December 31, 2017), (i) a copy of the audited consolidated balance sheet of the Borrowing Agent and its Subsidiaries as at the end of such year and the related audited consolidated statements of income and of cash flows for such year, setting forth in each case in comparative form the figures for the previous year (to the extent available with respect to any fiscal quarter or fiscal year ended prior to, or a portion of which occurs prior to, the Closing Date) and certified by an independent certified public accountants of recognized national standing, together with an opinion of such accounting firm (which opinion shall be without a "going concern" qualification (other than, (i) with respect to such financial statements for the fiscal year ending on January 30, 2018, any such qualification or exception related to the Chapter 11 Cases or (ii) any such qualification to the "going concern" opinion that is solely resulting from the impending Maturity Date or the final stated maturity of any Indebtedness permitted hereunder) or exception and without any qualification or exception as to scope of audit), and (ii) management's discussion and analysis with respect to such financial statement, including (to the extent available with respect to any fiscal year ended prior to, or a portion of which occurs prior to, the Closing Date) comparisons to the comparable periods in previous years;

(b) as soon as available, but in any event not later than 45 days after the end of the first three fiscal quarter of Borrowing Agent of each fiscal year, (i) the unaudited consolidated balance sheet of the Borrowing Agent and its Subsidiaries and the related unaudited consolidated statements of income and of cash flows for such quarter and the portion of the fiscal year through the end of such quarter, certified by an Authorized Officer as fairly stating in all material respects the financial position of the Borrowing Agent and its Subsidiaries and, in accordance with GAAP for the period covered thereby (subject to normal year end audit adjustments and the absence of footnotes) and (ii) management's discussion and analysis with respect to such financial statement, including (to the extent available with respect to any fiscal quarter ended prior to, or a portion of which occurs prior to, the Closing Date) comparisons to the comparable periods in previous years and budgeted amounts, including (to the extent available with respect to any fiscal quarter ended prior to, or a portion of which occurs prior to, the Closing Date) comparisons to the comparable periods in previous years; and

(c) concurrently with the delivery of any financial statements pursuant to Sections 7.1(a) and (b) above, a reconciliation statement or other statement reasonably

acceptable to the Administrative Agent reflecting the adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) from such consolidated financial statements.

All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and (except as otherwise provided below) in accordance with GAAP applied consistently (except to the extent any such inconsistent application of GAAP has been approved by such accountants (in the case of clauses (a) and (b) above) or Authorized Officer (in the case of clause (b) above), as the case may be, and disclosed in reasonable detail therein) consistently throughout the periods reflected therein and with prior periods.

7.2 Certificates; Other Information. Furnish to the Administrative Agent (other than in the case of clause (f) below, who shall promptly furnish to each Lender), or, in the case of clause (e) below, the Administrative Agent or requesting Lender, as the case may be:

(a) Promptly upon the request of the Administrative Agent, in connection with the delivery of any financial statements or other information pursuant to Section 7.1 or this Section 7.2, confirmation of whether such statements or information contain any Private Lender Information. Holdings, the Borrowing Agent and each Lender acknowledge that certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Borrowing Agent, Holdings, their respective Subsidiaries or their securities) and, if documents or notices required to be delivered pursuant to Section 7.1 or this Section 7.2 or otherwise are being distributed through IntraLinks/IntraAgency, SyndTrak or another relevant secure website or other information platform (the "Platform"), any document or notice that the Borrowing Agent has indicated contains Private Lender Information shall not be posted on that portion of the Platform designated for such public-side Lenders. If the Borrowing Agent has not indicated whether a document or notice delivered pursuant to Section 7.1 or this Section 7.2 contains Private Lender Information, the Administrative Agent reserves the right to post such document or notice solely on that portion of the Platform designated for Lenders who wish to receive Private Lender Information with respect to the Borrowing Agent, Holdings, their respective Subsidiaries and their securities. Holdings and the Borrowing Agent further acknowledge and agree, at the reasonable request of the Administrative Agent, to assist in the preparation of a version materials and presentations to be used in connection with the syndication of the Term Facility to potential Lenders who do not wish to receive Private Lender Information, consisting exclusively of Public Lender Information;

(b) concurrently with the delivery of any financial statements pursuant to Sections 7.1(a), (b) and (c) other than with respect to any period ending prior to the Closing Date, a Compliance Certificate (i) stating that, to the best of the Authorized Officer's knowledge, Holdings and its Restricted Subsidiaries during such period has observed or performed all of its covenants and other agreements contained in this Agreement or the other Loan Documents to which it is a party to be observed, performed or satisfied by it, and such Authorized Officer has obtained no knowledge of any Event of Default except as specified in such Compliance Certificate, (ii) to the extent not previously disclosed to the Administrative Agent, a description of any change in the jurisdiction of organization of any Loan Party, (iii) a description of each event, condition or circumstance during the last fiscal quarter covered by such Compliance Certificate requiring a mandatory prepayment under Section 4.2, (iv) certifying a list of names of all Immaterial Subsidiaries, that each Subsidiary set forth on such list individually qualifies as an

Immaterial Subsidiary and that all such Subsidiaries in the aggregate do not exceed the limitation set forth in clause (ii) of the definition of the term "Immaterial Subsidiary", (v) certifying a list of names of all Unrestricted Subsidiaries and that each Subsidiary set forth on such list individually qualifies as an Unrestricted Subsidiary, (vi) setting forth the Total Leverage Ratio calculated on a Pro Forma Basis, for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination with the calculation thereof in reasonable detail (v) solely in the case of financial statements delivered pursuant to Section 7.1(a), setting forth the Consolidated Capital Expenditure, the amount of Excess Cash Flow for such fiscal year and the applicable ECF Percentage for such fiscal year, in each case, together with the calculation thereof in reasonable detail;

(c) as soon as available, and in any event no later than 120 days after the end of each fiscal year of Holdings, a budget of Holdings and its Restricted Subsidiaries for the then-current fiscal year, containing, among other things, a pro forma balance sheet, statement of income and statement of cash flows for each quarter of such fiscal year, which budget shall be based on reasonable estimates, information and assumptions that are reasonable at the time in light of the circumstances then existing, it being understood that projections are subject to uncertainties and there is no assurance that any projections will be realized;

(d) promptly after Holdings' or any of its Restricted Subsidiaries' receipt thereof, a copy of any "management letter" received from its certified public accountants and management's response thereto;

(e) promptly following the Administrative Agent's or any Lender's request therefor, all documentation and other information that such Lender reasonably requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering or terrorist financing rules and regulations, including the Patriot Act; and

(f) as promptly from time to time following the Administrative Agent's request therefor, such other information regarding the operations, business affairs and financial condition of Holdings, the Borrowing Agent or any Restricted Subsidiary, or compliance with the terms of any Loan Document, as the Administrative Agent may reasonably request.

7.3 Payment of Taxes. Pay and discharge all material Taxes imposed upon it or upon its income or profits, or upon any properties belonging to it, in each case on a timely basis, and all lawful material claims which, if unpaid, might become a Lien upon any of its properties; provided that Holdings, the Borrowers and their Restricted Subsidiaries shall not be required to pay any such Tax or Tax claim (i) which is being contested in good faith and by proper proceedings if it has maintained adequate reserves with respect thereto in accordance with GAAP and (ii) with respect to which the failure to make such payment could not reasonably be expected to have a Material Adverse Effect.

7.4 Maintenance of Existence; Compliance. (a) (i) Preserve, renew and keep in full force and effect its organizational existence under the laws of its jurisdiction of organization or formation and (ii) take all reasonable action to maintain or obtain all Governmental Approvals and all other all rights, privileges and franchises, in each case necessary or desirable in the normal conduct of its business, except, in each case, as otherwise permitted hereunder and

except, (x) in the case of clause (i) (in respect of Restricted Subsidiaries that are not Loan Parties) and (ii) above, to the extent that failure to do so could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (y) in connection with a transaction permitted by Sections 8.3 and 8.4; (b) comply in all material respects with all Requirements of Law (including Environmental Laws) except to the extent that failure to comply therewith could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (c) comply with all Governmental Approvals except to the extent that failure to do so could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

7.5 Maintenance of Property; Insurance.

(a) (i) Keep all property useful and necessary in its business in good working order and condition, ordinary wear and tear and casualty and condemnation excepted, except to the extent the failure to do so could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (ii) preserve or renew all of its Intellectual Property, except to the extent (x) such Intellectual Property is no longer used in the conduct of the business of the Loan Parties, (y) the Borrowing Agent determines in its good faith business judgment that it is not commercially reasonable to preserve or renew such Intellectual Property, taken as a whole, or (z) such non-renewal or non-preservation is otherwise permitted under this Agreement or the other Loan Documents, (iii) maintain with financially sound and reputable insurance companies, insurance with respect to its properties and businesses in a manner consistent with industry practice for companies similarly situated owning similar properties and engaged in similar businesses (it being agreed by the Administrative Agent that the insurance policies, the amounts of coverage and the companies used by the Loan Parties and their Subsidiaries on the Closing Date are satisfactory to the Administrative Agent and that, solely to the extent and in the amounts and manner in place on the Closing Date in all material respects as set forth on Schedule 7.5, the Loan Parties and their Subsidiaries may continue to use self insurance to satisfy the requirements in this Section 7.5 and that, as of the Closing Date, such self insurance program complies with the requirements in this Section 7.5), and (iv) ensure that subject to the ABL/Term Loan Intercreditor Agreement at all times the Collateral Agent for the benefit of the Secured Parties, shall be named as an additional insured with respect to liability policies (other than worker's compensation policies and public liability policies) and the Collateral Agent for the benefit of the Secured Parties and shall be named as loss payee with respect to the property insurance (other than public property policies) maintained by the Borrowing Agent and each Subsidiary Guarantor.

(b) Subject to the ABL/Term Loan Intercreditor Agreement, Holdings will, and will cause each of its Restricted Subsidiaries to, at all times keep its property constituting Collateral insured in favor of the Collateral Agent as loss payee and/or additional insured (subject to the exceptions in the immediately preceding paragraph), as applicable, and all policies or certificates (or certified copies thereof) with respect to such insurance (and any other insurance maintained by Holdings and/or such Restricted Subsidiaries) (i) shall be endorsed to the Collateral Agent's reasonable satisfaction for the benefit of the Collateral Agent (including, without limitation, by naming the Collateral Agent as loss payee and/or additional insured, as applicable) and (ii) shall state that such insurance policies shall not be canceled without at least thirty (30) days' prior written notice (or if such cancellation is by reason of nonpayment of

premium, at least ten (10) days' prior written notice) thereof by the respective insurer to the Collateral Agent (unless it is such insurer's policy not to provide such a statement).

7.6 Inspection of Property; Books and Records; Discussions. Keep proper books of records and accounts in which entries full, true and correct in all material respects in conformity with all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities and from which financial statements conforming with GAAP can be derived and (ii) permit, at the Borrowers' expense, representatives of the Administrative Agent (and, if a Lender requests to accompany the Administrative Agent, such Lender) to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time during normal business hours, upon reasonable prior notice, and as often as may reasonably be desired and to discuss the business, operations, properties and financial condition of Holdings and its Restricted Subsidiaries with employees of the Borrowers and its Restricted Subsidiaries and with the independent certified public accountants of Holdings and its Restricted Subsidiaries so long as the Borrowers shall have been given the reasonable opportunity to participate in such discussions; provided, that notwithstanding the foregoing, (i) any such visit or inspection shall be conducted through the Administrative Agent, (ii) unless an Event of Default shall have occurred and be continuing, such visits and inspections shall be limited to two (2) times in any twelve month period and only one (1) such time shall be at the Borrowers' expense and (iii) nothing in this Section 7.6 shall require Holdings or its Subsidiaries to take any action that would violate a confidentiality agreement or waive any attorney-client or similar privilege.

7.7 Notices. Upon actual knowledge thereof by an Authorized Officer, promptly give notice to the Administrative Agent (who shall promptly furnish to each Lender) of:

(a) the occurrence of any Default or Event of Default

(b) any default or event of default under ABL Facility or Indebtedness (other than the Obligations) in an aggregate principal amount exceeding $15,000,000 ("Material Indebtedness") Incurred pursuant to Section 8.1(c) or (d);

(c) any litigation, investigation or proceeding that may exist at any time involving Holdings or any Restricted Subsidiary, that (i) could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or (ii) relates to any Loan Document;

(d) the following events, promptly and in any event within 10 days after Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity knows or has reason to know thereof: (i) the occurrence of any Reportable Event with respect to any Single Employer Plan, (ii) a failure to make any required contribution to a Single Employer Plan or a Multiemployer Plan or Non-U.S. Plan, (iii) the creation of any Lien in favor of the PBGC or a Plan, (iv) any withdrawal from, or the termination, Reorganization or Insolvency of, any Multiemployer Plan that would result in the imposition of a withdrawal liability, (v) the institution of proceedings or the taking of any other action by the PBGC or Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity or any Multiemployer Plan with respect to the withdrawal from, or the termination, Reorganization or Insolvency of, any Single

Employer Plan or Multiemployer Plan, (vi) that a Single Employer Plan has failed to satisfy the minimum funding standard within the meaning of Section 412 of the Code or Section 302 of ERISA, or an application may be or has been made for a waiver or modification of the minimum funding standard (including any required installment payments) or an extension of any amortization period under Section 412 of the Code or Section 302 or 304 of ERISA with respect to a Single Employer Plan, (vii) that a determination has been made that any Single Employer Plan is, or is expected to be, considered an at-risk plan within the meaning of Section 430 of the Code or Section 303 of ERISA, (viii) that a Multiemployer Plan is in or is reasonably expected to be in endangered or critical status under Section 305 of ERISA, (ix) that any contribution required to be made with respect to a Single Employer Plan, Multiemployer Plan or Non-U.S. Plan has not been timely made, (x) that a non-exempt prohibited transaction within the meaning of Section 4975 of the Code or Section 406 of ERISA has occurred with respect to a Plan, (xi) the adoption of, or the commencement of contributions to, any Single Employer Plan by Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity, (xii) the cessation of operations at a facility of Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity in the circumstances described in Section 4062(e) of ERISA, or (xiii) the adoption of any amendment to a Single Employer Plan that results in an increase in contribution obligations of Holdings, the Borrowers, any Subsidiary or any Commonly Controlled Entity; and in each case in clauses (i) through (xiii) above, such event or occurrence, together with all other such events or conditions, if any, has had, or could reasonably be expected to have, a Material Adverse Effect;

(e) any change in the financial condition, business, operations, assets or liabilities of Holdings or any of its Restricted Subsidiaries that has had, or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; and

(f) any of the following environmental matters to the extent that such environmental matters, either individually or in the aggregate would have a Material Adverse Effect:

(i) any pending or threatened Environmental Claim against Holdings or any of its Subsidiaries or any Real Property owned, leased or operated by Holdings or any of its Subsidiaries;

(ii) any condition or occurrence on or arising from any Real Property owned, leased or operated Holdings or any of its Subsidiaries that (a) results in noncompliance by Holdings or any of its Subsidiaries with any applicable Environmental Law or (b) could reasonably be expected to form the basis of an Environmental Claim against Holdings or any of its Subsidiaries or any such Real Property;

(iii) any condition or occurrence on any Real Property owned, leased or operated by Holdings or any of its Subsidiaries that would cause such Real Property to be subject to any restrictions on the ownership, lease, occupancy, use or transferability by Holdings or any of its Subsidiaries of such Real Property under any Environmental Law; or

(iv) the taking of any removal or remedial action to the extent required by any Environmental Law or any Governmental Authority in response to the Release or threatened Release of any Materials of Environmental Concern on any Real Property owned, leased or operated by Holdings or any of its Subsidiaries.

Each notice pursuant to this Section 7.7 shall be accompanied by a statement of an Authorized Officer of the Borrowers setting forth details of the occurrence referred to therein and stating what action the relevant Person proposes to take with respect thereto.

7.8 Additional Collateral, etc.

(a) With respect to any property (to the extent included in the definition of Collateral) acquired at any time after the Closing Date by any Loan Party (other than any property described in paragraph (b), (c) or (d) below) as to which the Collateral Agent, for the benefit of the Secured Parties, does not have a perfected Lien, promptly execute and deliver to the Collateral Agent such amendments to the Security Agreement or such other documents as the Collateral Agent reasonably deems necessary to grant to the Collateral Agent, for the benefit of the Secured Parties, a security interest in such property and take all actions reasonably necessary or advisable to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected (if and to the extent the assets subject to the applicable Security Document can be perfected by the actions required, and to the extent required, by such Security Document) first priority (with respect to Term Priority Collateral) security interest (subject to the ABL/Term Loan Intercreditor Agreement and Liens permitted hereunder) in such property, including the filing of UCC financing statements in such jurisdictions as may be required by the Security Agreement or by law or as may reasonably be requested by the Collateral Agent.

(b) With respect to any Real Property designated as a "Mortgaged Property" on Schedule 7.8(b) hereto (each an "Initial Mortgaged Property") and any interest in any Real Property for which a mortgage has been granted under the ABL Facility (unless the ABL Facility has been terminated in accordance with its terms), any interest in any Real Property having a fair market value (together with improvements thereof) of at least $10,000,000 acquired in fee after the Closing Date by any Loan Party (or owned by any Restricted Subsidiary that becomes a Loan Party after the Closing Date) (such Real Property being "Additional Real Property")), within 90 days after the Closing Date for each Initial Mortgaged Property (as such date may be extended from time to time by the Administrative Agent in its sole discretion) and promptly after the grant of a mortgage on such Real Property pursuant to the ABL Facility (or in the case of any Additional Real Property, no later than 90 days after the acquisition thereof, as may be extended by the Administrative Agent in its reasonable discretion) (i) execute and deliver a Mortgage, in favor of the Collateral Agent, for the benefit of the Secured Parties, covering such interest in Real Property, along with a corresponding UCC fixture filing for filing in the applicable jurisdiction, each in form and substance reasonably satisfactory to the Collateral Agent, as may be necessary to create a valid, perfected and subsisting Lien, subject to the ABL/Term Loan Intercreditor Agreement and Liens permitted under Section 8.2, against such Real Property, (ii) provide the Lenders as addressee, for their benefit or as insured (as the case may be), with title, extended coverage and insurance, ALTA surveys, such affidavits, certificates, instruments of indemnification, legal opinions, either (a) a "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination evidencing that the Mortgaged Property is not in

a flood zone or (b) evidence of flood insurance as required by the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as amended and in effect, and such other information, documentation (including, but not limited to, appraisals, environmental reports, and to the extent applicable, using commercially reasonable efforts, subordination agreements), certifications, in each case, which have been provided to the ABL Agent under the ABL Facility with respect to such Real Property (or in the case of Additional Real Property, as may be reasonably requested by the Administrative Agent).

(c) With respect to any new Subsidiary Guarantor created or acquired after the Closing Date (or any Restricted Subsidiary that becomes a Subsidiary Guarantor after the Closing Date), promptly, and in any event within 30 days of such creation or acquisition (or, in the case of any Restricted Subsidiary that becomes a Subsidiary Guarantor, the date that such Restricted Subsidiary becomes a Subsidiary Guarantor) (as such date may be extended from time to time by the Administrative Agent in its sole discretion) (i) execute and deliver to the Collateral Agent such amendments to this Agreement and the Security Agreement as the Collateral Agent deems reasonably necessary or advisable to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected first priority security interest (subject to the ABL/Term Loan Intercreditor Agreement) in the Capital Stock of such new Subsidiary Guarantor that is owned by any Loan Party, (ii) deliver to the Collateral Agent the certificates representing such Capital Stock (if any), together with undated stock powers, in blank, executed and delivered by a duly Authorized Officer of the relevant Loan Party and (iii) cause such new Subsidiary Guarantor (a) to execute and deliver to the Collateral Agent (x) a Guarantor Joinder Agreement or such comparable documentation requested by the Collateral Agent to become a Subsidiary Guarantor, (y) a joinder agreement to the Security Agreement, substantially in the form annexed thereto and (z) to the extent requested by the Administrative Agent a customary joinder agreement to any Intercreditor Agreement then in effect, (b) to take such actions reasonably necessary or advisable to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected (if and to the extent the assets subject to the applicable Security Document can be perfected by the actions required, and to the extent required, by such Security Document) first priority security interest (subject to the ABL/Term Loan Intercreditor Agreement) in the Collateral described in the Security Agreement with respect to such new Subsidiary Guarantor, including the filing of UCC financing statements in such jurisdictions as may reasonably be required by the Security Agreement or by law or as may be requested by the Collateral Agent and (c) to deliver to the Collateral Agent (i) a certificate of such Subsidiary Guarantor, substantially in the form of the certificate provided by the Loan Parties on the Closing Date pursuant to Section 6.1(i), with appropriate insertions and attachments and (ii) if reasonably requested by the Collateral Agent, a legal opinion from counsel to such new Subsidiary Guarantor in form and substance reasonably satisfactory to the Collateral Agent.

(d) With respect to any new Restricted Subsidiary which is an Excluded Foreign Subsidiary described in clause (i) of the definition of Excluded Foreign Subsidiary created or acquired after the Closing Date by any Loan Party, promptly (i) execute and deliver to the Collateral Agent such amendments to the Security Agreement as the Collateral Agent reasonably deems necessary or advisable to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected first priority security interest (subject to Liens permitted under Section 8.2) in no more than 65% of the total outstanding voting Capital Stock of any such Excluded Foreign Subsidiary and 100% of the total outstanding non-voting Capital Stock of any

such Excluded Foreign Subsidiary and (ii) deliver to the Collateral Agent the certificates (if any) representing such Capital Stock, together with undated stock powers, in blank, executed and delivered by a duly Authorized Officer of the relevant Loan Party.

(e) With respect to any new Non-Guarantor Subsidiary created or acquired after the Closing Date by any Loan Party (but excluding any Unrestricted Subsidiary, any Excluded Foreign Subsidiary and any Subsidiary which would be a Subsidiary Guarantor but for clause (vii) in the definition thereof to the extent a pledge of the Capital Stock of such entity is prohibited by its Organizational Documents or requires the consent of any Person (other than Holdings or any of its Restricted Subsidiaries) party thereto which consent has not been obtained), promptly (i) execute and deliver to the Collateral Agent such amendments to this Agreement and the Security Agreement as the Collateral Agent deems necessary or advisable to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected first priority security interest (subject to Liens permitted under Section 8.2) in the Capital Stock of such Non-Guarantor Subsidiary that is owned by any Loan Party and (ii) deliver to the Collateral Agent the certificates representing such Capital Stock (if any), together with undated stock powers, in blank, executed and delivered by a duly Authorized Officer of the relevant Loan Party. Notwithstanding anything to the contrary in the foregoing clauses (c) and (d), the Borrowing Agent may notify the Agent at any time that the Borrowers desire to join an Excluded Foreign Subsidiary as a Subsidiary Guarantor under this Agreement and the other Loan Documents, and, in any such case, cause such Excluded Foreign Subsidiary to (i) become a Subsidiary Guarantor by executing and delivering to the Collateral Agent a Guarantor Joinder Agreement along with such other documentation as the Collateral Agent deems reasonably appropriate for effecting such joinder, (ii) grant a Lien in favor of the Collateral Agent for the ratable benefit of the Secured Parties on the assets and other personal property of such Excluded Foreign Subsidiary of the same type that constitute Collateral for purposes of the Security Documents (other than with respect to any Excluded Assets of such Excluded Foreign Subsidiary but without giving effect to any provision of the definition of Excluded Assets that would otherwise result in such Excluded Foreign Subsidiary (and its tangible and intangible personal property) constituting an Excluded Asset) and (iii) enter into (A) any such amendments, modifications, or other changes to this Agreement and any other Loan Document reasonably requested by the Collateral Agent in its reasonable discretion in order to address any matters in connection with, or related to, such Excluded Foreign Subsidiary becoming a Subsidiary Guarantor under the Loan Documents and (B) in the case of any Collateral of such Excluded Foreign Subsidiary that is located outside the continental United States, any local security documents or other agreements necessary to effect the Collateral Agent's security interest in such jurisdiction as determined by the Collateral Agent in its reasonable discretion. Each of the Lenders hereby authorize the Collateral Agent to enter into any such amendments, modifications, or other changes to this Agreement or any of the other Loan Documents solely to implement the foregoing.

(f) Within fifteen (15) days following an Event of Default (or such later date as the Administrative Agent may agree) in the case of all lockboxes and deposit accounts and bank or securities accounts of each Loan Party (other than Excluded Accounts), obtain and deliver to the Administrative Agent, account control agreements in form and substance reasonably satisfactory to the Administrative Agent (each an "Account Control Agreement"); provided, that notwithstanding any of the foregoing, so long as the ABL Facility remains outstanding and in effect, no Loan Party shall be required to deliver Account Control Agreements

for lockboxes, deposit accounts and bank or securities accounts which are not required to be subject to Cash Management Agreements (as defined in the ABL Facility) under Section [6.13] of the ABL Facility.

(g) Promptly upon the entering into of any security agreements or pledge agreements governed by, or with respect to assets maintained in, jurisdictions other than the United States to secure obligations under the ABL Facility, then at such time, the applicable Loan Party shall deliver a similar security agreement or pledge agreement, in form and substance reasonably satisfactory to the Administrative Agent, in favor of the Collateral Agent.

7.9 Credit Ratings. Each of Holdings and the Borrowers shall obtain public ratings for the Term Facility from each of S&P and Moody's within twenty (20) days of the Closing Date, and thereafter, shall use commercially reasonable efforts to maintain at all times a credit rating by each of S&P and Moody's in respect of the Term Facility provided for under this Agreement and a corporate rating by S&P and a corporate family rating by Moody's for the Borrowers, in each case, with no requirement to maintain any specific minimum rating (it being understood and agreed that "commercially reasonable efforts" shall in any event include the payment by the Borrowers of customary rating agency fees and reasonable cooperation with information and data requests by Moody's and S&P in connection with their ratings process).

7.10 Further Assurances. At any time or from time to time upon the request of the Administrative Agent, at the expense of the Borrowers but subject to the limitations set forth in the Loan Documents and this Agreement, promptly execute, acknowledge and deliver such further documents and do such other acts and things as the Administrative Agent may reasonably request in order to effect fully the purposes of the Loan Documents. In furtherance and not in limitation of the foregoing, the Loan Parties shall take such actions as the Administrative Agent may reasonably request from time to time (including, without limitation, the execution and delivery of guarantees, security agreements, pledge agreements, mortgages, deeds of trust, stock powers, financing statements and other documents, the filing or recording of any of the foregoing, and the delivery of stock certificates and other Collateral with respect to which perfection is obtained by possession, in each case to the extent required by the applicable Loan Documents) to ensure that the Obligations are guaranteed by the Guarantors and are secured by substantially all of the assets (other than those assets specifically excluded by the terms of this Agreement and the other Loan Documents) of such Loan Parties on a first priority basis (subject to the ABL/Term Loan Intercreditor and Liens permitted under Section 8.2).

7.11 Designation of Unrestricted Subsidiaries. The board of directors of Holdings may, at any time after the Closing Date, designate any Restricted Subsidiary of the Borrowers as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary (a "Subsidiary Designation"); provided that (i) immediately before and after such designation, no Event of Default shall have occurred and be continuing, (ii) immediately before and after giving effect to such designation, the Total Leverage Ratio, determined on a Pro Forma Basis, shall not exceed [__]:1.00, (iii) no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it is a "restricted subsidiary" immediately after giving effect to any such designation hereunder for purposes of any documentation governing Indebtedness permitted under Section 8.1(b) or (c), (iv) in the case of a designation of a Restricted Subsidiary as an Unrestricted Subsidiary, such Subsidiary to be so designated shall satisfy all of the requirements of an "Unrestricted

Subsidiary" as set forth in the definition thereof, (v) in the case of a designation of an Unrestricted Subsidiary as a Restricted Subsidiary, on the date of such designation, all representations and warranties herein and in the other Loan Documents shall be true and correct in all material respects (without duplication of any "materiality" qualifiers set forth therein) with the same effect as though such representations and warranties had been made on and as of the date of such designation (both before and after giving effect thereto), unless stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date, (vi) the status of any such Subsidiary as a Restricted Subsidiary or an Unrestricted Subsidiary shall at all times be the same under this Agreement and the ABL Facility Documents and (vii) no Unrestricted Subsidiary may engage in any transaction described in Section 8.5 or 8.7 if the Borrowers are prohibited from engaging in such transaction. The designation of any Restricted Subsidiary as an Unrestricted Subsidiary after the Closing Date shall constitute an Investment (in a non-Subsidiary) by the applicable Loan Party and their respective Restricted Subsidiaries therein at the date of designation in an amount equal to the fair market value of all outstanding Investments owned by the Borrowers and their Restricted Subsidiaries in the respective Subsidiary at the time that such Subsidiary is designated an Unrestricted Subsidiary. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute (x) the incurrence at the time of designation of any Investment, Indebtedness or Liens of such Subsidiary existing at such time, and (y) a return on any Investment by the applicable Loan Party in Unrestricted Subsidiaries pursuant to the preceding sentence in an amount equal to the fair market value at the date of such designation of such Loan Party's Investment in such Subsidiary. Each Unrestricted Subsidiary has entered into a tax sharing agreement with Holdings (or any Parent Company), or will enter into such an agreement upon becoming an Unrestricted Subsidiary, requiring such Unrestricted Subsidiary to pay the amount of tax the Unrestricted Subsidiary would be required to pay in respect of federal, state, provincial, municipal and local income taxes for such fiscal year were the Unrestricted Subsidiary to pay such taxes on a standalone basis. Notwithstanding the foregoing, neither the Borrowers nor Holdings shall be permitted to be an Unrestricted Subsidiary. Any Subsidiary Designation by the board of directors of Holdings shall be evidenced to the Administrative Agent by promptly filing with the Administrative Agent a copy of the resolution of the board of directors of Holdings giving effect to such designation and a certificate of an Authorized Officer of the Borrowers certifying that such designation complied with the foregoing provisions, and containing the calculations of compliance (in reasonable detail) with preceding clause (ii).

7.12 Use of Proceeds. The Borrowers shall use the proceeds of the Term Loans only as provided in Section 5.12.

7.13 Compliance with Environmental Law.

(a) Holdings will comply, and will cause each of its Subsidiaries to comply, with all Environmental Laws and permits applicable to, or required by, the ownership, lease or use of its Real Property now or hereafter owned, leased or operated by Holdings or any of its Subsidiaries and will promptly pay or cause to be paid all costs and expenses incurred in connection with such compliance, except for such noncompliances or failure to pay as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Neither Holdings nor any of its Subsidiaries will generate, use, treat, store, Release or dispose of, or permit the generation, use, treatment, storage, Release or disposal of Materials of

Environmental Concern on any Real Property now or hereafter owned, leased or operated by Holdings or any of its Subsidiaries, or transport or permit the transportation of Materials of Environmental Concern to or from any such Real Property, except for such generation, use, treatment, storage, Release, disposal, or transport as could not reasonably be expected to have a Material Adverse Effect.

(b) (i) After the receipt by the Administrative Agent or any Lender of any notice of the type described in Section 7.7(f), (ii) after 15 days have passed since receipt of written notice from Administrative Agent or any Lender that Holdings or any of its Subsidiaries are not in compliance with Section 7.13(a) and such non-compliance has not been corrected, or (iii) in the event that the Administrative Agent or the Lenders have exercised any of the remedies pursuant to Section 10, Holdings will (in each case) provide, at the sole expense of the Borrowers and at the written request of the Administrative Agent, a Phase I environmental site assessment report concerning any such related Mortgaged Property, prepared by an environmental consulting firm reasonably approved by the Administrative Agent indicating, where relevant, the presence or absence of Materials of Environmental Concern and the likely cost of any removal or remedial action in connection with such Materials of Environmental Concern on such Mortgaged Property. If the Borrowers fail to provide the same within forty-five (45) days after such request was made, the Administrative Agent may order the same, the cost of which shall be borne by the Borrowers, and the Borrowers shall grant and hereby grant to the Administrative Agent and the Lenders and their respective agents reasonable access to such related Mortgaged Property to undertake such an assessment at any reasonable time upon reasonable written notice to Holdings, all at the sole expense of the Borrowers.

7.14 Quarterly Lender Calls. Within 20 Business Days of the Administrative Agent's receipt of each quarterly financial report furnished pursuant to Section 7.1(b) (or such later date as may be agreed by the Administrative Agent), upon request of the Required Lenders, hold a telephonic meeting via conference call, to review the Company's consolidated financial results for the previous fiscal quarter, and the financial condition of the Company and its Subsidiaries for such fiscal quarter.

7.15 Post-Closing Deliveries. The Borrowing Agent hereby agrees to deliver to Administrative Agent, in form and substance reasonably satisfactory to Administrative Agent, the items described on Schedule 7.15 hereof on or before the dates specified with respect to such items, or such later dates as may be agreed to by Administrative Agent, acting at the direction of the Required Lenders in their sole discretion. All representations and warranties contained in this Agreement and the other Loan Documents shall be deemed modified to the extent necessary to effect the foregoing (and to permit the taking of the actions described above within the time periods required above and in Schedule 7.15, rather than as elsewhere provided in the Loan Documents), provided that (x) to the extent any representation and warranty would not be true because the foregoing actions were not taken on the Closing Date, the respective representation and warranty shall be required to be true and correct in all material respects at the time the respective action is taken (or was required to be taken) in accordance with the foregoing provisions of this Section 7.15 (and Schedule 7.15) and (y) all representations and warranties relating to the Collateral Documents shall be required to be true in all material respects immediately after the actions required to be taken by this Section 7.15 (and Schedule 7.15) have been taken (or were required to be taken).

SECTION 8.
NEGATIVE COVENANTS[8]

Holdings and the Borrowing Agent hereby jointly and severally agree that, until all Term Loan Commitments have been terminated and the principal of and interest on each Term Loan, all fees and all other expenses or amounts payable under any Loan Document shall have been paid in full (other than contingent indemnification and reimbursement obligations for which no claim has been made), each of Holdings and the Borrowing Agent shall not, and shall not permit any of their respective Restricted Subsidiaries to, directly or indirectly:

8.1 Indebtedness. Incur any Indebtedness, except:

(a) Indebtedness pursuant to any Loan Document;

(b) Indebtedness in respect of (i) the ABL Facility Incurred pursuant to the ABL Facility Documents in an aggregate principal amount not to exceed $300,000,000, plus any amounts of interest, fees, expenses and indemnification obligations under the ABL Facility and (ii) Indebtedness constituting Permitted Incremental Equivalent Debt and any Permitted Refinancing incurred, issued or otherwise obtained to refinance (in whole or in part) such Indebtedness (and any Permitted Refinancing Indebtedness in respect thereof);

(c) (I) Indebtedness in the form of senior secured term loans or senior unsecured loans of the Loan Parties constituting Credit Agreement Refinancing Indebtedness; provided that (i) in the case of secured Indebtedness, such Indebtedness shall only be secured (a) (x) on a pari passu basis by Collateral securing the Obligations or (y) on a junior-lien basis by Collateral securing the Obligations (with the Liens granted to secure obligations under such Indebtedness to be, for the avoidance of doubt, (I) with respect to the Term Priority Collateral, junior to Liens granted to secure the Obligations but senior to Liens granted to secure Indebtedness under the ABL Facility and (II) with respect to the ABL Priority Collateral, junior to Liens granted to secure both the Obligations and Indebtedness under the ABL Facility) and (b) by Liens on the Collateral and the security agreements relating to such Indebtedness are substantially the same as the Security Documents (with such differences as are reasonably satisfactory to the Administrative Agent), (ii) immediately before and after giving effect to such Incurrence of Indebtedness and the use of proceeds thereof, no Event of Default shall have occurred and be continuing, (iii) at the time of such Incurrence, such Indebtedness has a final stated maturity at least 91 days later than the Latest Maturity Date then in effect, (iv) at the time of such Incurrence, such Indebtedness has a Weighted Average Life to Maturity at least six months greater than the Weighted Average Life to Maturity of the Tranche of Term Loans with the longest Weighted Average Life to Maturity then in effect, (v) in the case of unsecured Indebtedness, such Indebtedness is not secured by any Lien on any property or assets of Holdings or any of its Subsidiaries, (vi) such Indebtedness is not guaranteed by any Subsidiaries other than the Subsidiary Guarantors, (viii) such Indebtedness is not subject to any amortization prior to final maturity and is not subject to mandatory redemption or prepayment (except (x) customary asset sales or change of control provisions substantially identical to, or less favorable to, the investors providing such Indebtedness than, those applicable to the Term Loans and (y)

[8] NTD: Subject to additional carveouts to permit certain tax restructuring transactions.

nominal amortization in the amount of no greater than one percent per annum of the original stated principal amount of such Indebtedness on the date of Incurrence thereof), (ix) such Indebtedness shall otherwise be on terms and conditions (excluding pricing and optional prepayment or redemption terms but including customary asset sales or change of control mandatory redemption or prepayment provisions) substantially identical to, or less favorable to, the investors providing such Indebtedness than, those applicable to the Term Loans then outstanding; provided, that a certificate of an Authorized Officer of the Borrowers delivered to the Administrative Agent at least five Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, certifying that the Borrowers have determined in good faith that the terms of such Indebtedness satisfy the requirements of this clause (ix) shall be conclusive evidence that such terms satisfy such requirements unless the Administrative Agent notifies the Borrowers within such period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), (x) the Net Cash Proceeds of such Indebtedness are used to repay the Term Loans or shall be issued in exchange for Term Loans as directed by the Borrowers so long as that any Term Loans that are so exchanged shall be immediately cancelled and (xi) such Indebtedness shall not have an aggregate principal amount (including any unutilized commitments) greater than the aggregate principal amount (including any unutilized commitments) of the existing Term Loans or any then existing Permitted Refinancing of Indebtedness previously Incurred under, and in accordance with the requirements of, this clause (c) being exchange for, or extended, renewed, replaced, repurchased, retired or refinanced in whole or in part, and (II) any Permitted Refinancing of Indebtedness previously Incurred under, and in accordance with the requirements of, this clause (c) so long as, at the time any Indebtedness is Incurred under this sub-clause (II), such Indebtedness would satisfy the requirements set forth in clauses (i), (iii), (iv), (v), (vi), (viii), (x) and (xi) of the proviso to clause (c)(I) above if such Indebtedness had been Incurred under clause (c)(I) at the such time; provided that the holders of such Indebtedness or a Representative acting on behalf of the holders of such Indebtedness shall have become party to the ABL/Term Loan Intercreditor Agreement or an Other Intercreditor Agreement (or any Intercreditor Agreement shall have been amended or replaced in a manner reasonably acceptable to the Administrative Agent, which results in such applicable Representative having rights to share in the Collateral on a junior-lien basis);

(d) [Reserved];

(e) (I) Indebtedness (including, without limitation, Capital Lease Obligations) secured by Liens permitted by Section 8.2(k); provided that, immediately after giving effect to any Incurrence of Indebtedness under this clause (e)(I), the aggregate principal amount of Indebtedness outstanding under this clause (e) shall not exceed the greater of $25,000,000 and 2.00% of Consolidated Total Assets at such time and (II) any Permitted Refinancing of Indebtedness previously Incurred under, and in accordance with the requirements of, this clause (e);

(f) Indebtedness of (w) Holdings to another Loan Party for the purposes of making the payments set forth in Sections 8.5 and 8.8 (x) the Borrowers to any Subsidiary of the Borrowers, (y) any Restricted Subsidiary of the Borrowers to the Borrowers or any other

Subsidiary thereof, provided that the aggregate principal amount of Indebtedness owed by any Restricted Subsidiary that is a Non-Guarantor Subsidiary or Excluded Foreign Subsidiary to the Borrowers or any other Loan Party shall not exceed at any time outstanding the amount permitted to be invested in Restricted Subsidiaries that are Non-Guarantor Subsidiaries or Excluded Foreign Subsidiaries pursuant to clauses (d), (h) (q), (w), (x) and (y) of Section 8.6, and (z) any Restricted Subsidiary that is a Non-Guarantor Subsidiary or Excluded Foreign Subsidiary to any other Restricted Subsidiary that is a Non-Guarantor Subsidiary, Excluded Foreign Subsidiary or any Unrestricted Subsidiary, provided further that (i) any such Indebtedness owed to a Loan Party pursuant to this clause (f) shall be evidenced by an Intercompany Note and shall, subject to the ABL/Term Loan Intercreditor Agreement, be pledged pursuant to the Security Agreement and (ii) any such Indebtedness of a Loan Party pursuant to this clause (f) shall be subordinated to the Obligations on the terms of the Intercompany Note;

(g) Subject to the last paragraph of this Section 8.1, (I) Indebtedness of Foreign Subsidiaries that are Restricted Subsidiaries; provided, that, immediately after giving effect to any Incurrence of Indebtedness under this clause (g)(I), the aggregate principal amount of Indebtedness outstanding under this clause (g)(I) shall not exceed the greater of $[75,000,000] and [●]% of Consolidated Total Assets at such time; and (II) any Permitted Refinancing of Indebtedness previously Incurred under, and in accordance with the requirements of, this clause (g);

(h) Indebtedness consisting of Guarantee Obligations by the Borrowers or any Guarantor of Indebtedness otherwise permitted to be Incurred by a Loan Party under this Section 8.1 (other than Section 8.1(p), (s), (t) or (w));

(i) (I) Indebtedness outstanding on the Closing Date and listed on Schedule 8.1(i) (as reduced by any repayments of principal thereof other than with the proceeds of a Permitted Refinancing) and (II) any Permitted Refinancing of Indebtedness previously Incurred under, and in accordance with the requirements of, this clause (i);

(j) Indebtedness in respect of Swap Agreements entered into to hedge or mitigate risks to which the Borrowers or any Restricted Subsidiary has exposure and not for speculative purposes;

(k) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance or similar obligations, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business;

(l) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds, performance and completion guarantees, import and export custom and duty guarantees and similar obligations, or obligations in respect of letters of credit or bank acceptances or similar instruments related thereto, in each case provided in the ordinary course of business or with the construction or improvement of Stores;

(m) Indebtedness of the Borrowers and their Restricted Subsidiaries consisting of obligations under deferred compensation, purchase price, earn outs or other similar arrangements incurred by such Person in connection with (i) the Transaction, (ii) Permitted Acquisitions or any other Investments permitted hereunder and (iii) in the ordinary course of business;

(n) Cash Management Obligations and Guarantee Obligations in respect thereof, [Other Liabilities] (as defined in the ABL Facility), Indebtedness in respect of employee credit card programs and purchasing card programs in the ordinary course of business, and other Indebtedness in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements in each case in connection with deposit accounts, in the ordinary course of business;

(o) Indebtedness 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;

(p) (I) Indebtedness assumed in connection with Permitted Acquisitions or another Investment permitted hereunder and Indebtedness secured by assets purchased by a Loan Party or Restricted Subsidiary in a Permitted Acquisition or pursuant to another Investment permitted by Section 8.6 that is assumed by such Loan Party or such Restricted Subsidiary; provided that (i) immediately before and after giving effect to such assumption, no Event of Default shall have occurred and be continuing and (ii) such Indebtedness is not incurred to finance or in contemplation of any such acquisition and (II) any Permitted Refinancing of Indebtedness previously Incurred under, and in accordance with the requirements of, this clause (p);

(q) Indebtedness constituting customary indemnification obligations in connection with sales, dispositions and Permitted Acquisitions permitted under this Agreement;

(r) [reserved];

(s) guarantees by Holdings, the Borrowers and their Restricted Subsidiaries in the ordinary course of business of the obligations of suppliers, customers, franchisees and licensees of the Borrowers and their Restricted Subsidiaries;

(t) Indebtedness to the extent constituting Attributable Debt arising in Sale Leaseback Transactions permitted by Section 8.9 or any industrial revenue bond issued to finance or refinance Indebtedness secured by any Real Property;

(u) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in ordinary course of business; provided, that such Indebtedness is extinguished within five Business Days of its Incurrence;

(v) additional Indebtedness of the Borrower and its Subsidiaries; provided that, immediately after giving effect to any of Incurrence of Indebtedness under this clause (v), the sum of the aggregate principal amount of Indebtedness outstanding under this clause (v) shall

not exceed, together with any Indebtedness Incurred pursuant to Section 8.1(z), the greater of $25,000,000 and [__]% of Consolidated Total Assets at such time;

(w) to the extent constituting Indebtedness, judgments, decrees, attachments or awards not constituting an Event of Default under Section 10.1(h);

(x) Indebtedness representing Taxes that are not overdue by more than sixty (60) days or are being contested in compliance with Section 7.3;

(y) Indebtedness in respect of Holdings and its Subsidiaries' automobile leasing benefit program for certain employees;

(z) Indebtedness representing the present value of the total obligations of the Loan Parties or their Restricted Subsidiaries in respect of any industrial revenue bond financing issued for benefit of any Loan Party or any Restricted Subsidiary with respect to the Kansas Headquarters or Guarantee Obligations thereof, which Indebtedness shall be subordinated to the Obligations in a manner reasonably satisfactory to the Administrative Agent;

(aa) Indebtedness of Borrower or any of its Restricted Subsidiaries secured on a junior lien basis in right of security with the Obligations or unsecured that complies with the Applicable Requirements, so long as no Event of Default is continuing or would result from the incurrence of such Indebtedness; provided, that, the aggregate principal amount of such Indebtedness shall not exceed an amount so long as on and as of the date of such Incurrence the Total Leverage Ratio (determined on a Pro Forma Basis, assuming all previously established and simultaneously established revolving credit facilities under this Section 8.1(aa) are fully drawn and excluding the cash proceeds of any such Indebtedness) is no more than [___]:1.00 at the time of incurrence; provided, further, for purposes of the calculations in this Section 8.1(aa), (A) a borrowing of the maximum amount of loans available under the ABL Facility shall be assumed and (B) to the extent the proceeds of any Indebtedness incurred under this Section 8.1(aa) are used to repay Indebtedness, pro forma effect shall be given to such repayment of Indebtedness.

(bb) [reserved]; and

(cc) additional Indebtedness of the Company and its Subsidiaries incurred to fund a Permitted Acquisition in an aggregate principal amount not exceed $75,000,000.

Notwithstanding anything herein to the contrary, if any Foreign Subsidiary that is a Restricted Subsidiary desires to Incur Indebtedness under Section 8.1(g) in an aggregate principal amount in excess of $5,000,000 individually or in a series of related transactions (and $15,000,000 in the aggregate during the term of this Agreement when taken together with any other Indebtedness Incurred under Section 8.1(g)), then prior to contacting or discussing any such proposed Indebtedness with any lender or other financial institution, the Borrowing Agent shall first deliver a written notice of such proposed Incurrence of Indebtedness to the Administrative Agent (for further distribution to each Lender) (the "Foreign Indebtedness Notice"), which shall set forth the aggregate principal amount of Indebtedness intended to be incurred by such Foreign Subsidiary under Section 8.1(g) and shall otherwise comply with the following provisions of this paragraph. Each of the existing Lenders shall have ten (10) Business Days from the receipt of such Foreign Indebtedness Notice to notify the Borrowing Agent of

such Lender's offer to fund such Indebtedness (a "Foreign Indebtedness Offer"), which shall set forth the aggregate principal amount of Indebtedness being offered to be funded by such Lender. Each existing Lender will be deemed to have declined to fund such Indebtedness if a Foreign Indebtedness Offer is not delivered prior to the expiration of the tenth Business Day following the receipt of such Foreign Indebtedness Notice. Each existing Lender that duly submits Foreign Indebtedness Offer shall have the right to fund such Indebtedness under Section 8.1(g) up to its pro rata share (such pro rata share being proportional to the aggregate principal amount of the outstanding Term Loans held by all Lenders that duly submit a Foreign Indebtedness Offer) of the Indebtedness proposed to be Incurred by such Foreign Subsidiary pursuant to the Foreign Indebtedness Notice but in no event shall any existing Lender be required to fund Indebtedness in an aggregate principal amount greater than the aggregate principal amount of Indebtedness offered by such Lender under its Foreign Indebtedness Offer. If the aggregate principal amount of Indebtedness offered by all existing Lenders pursuant to their respective Foreign Indebtedness Offers is less than the aggregate principal amount of Indebtedness proposed to be Incurred under the Foreign Indebtedness Notice, then such Foreign Subsidiary may Incur Indebtedness from other lenders of financial institutions for a period of 60 days after the delivery of the Incremental Notice in an amount up to the aggregate principal amount of Indebtedness proposed to be Incurred under the Foreign Indebtedness Notice less the aggregate principal amount of Indebtedness offered by all existing Lenders pursuant to their respective Foreign Indebtedness Offers.

8.2 Liens. Create, Incur, assume or suffer to exist any Lien upon or with respect to any property or assets (real or personal, tangible or intangible), whether now owned or hereafter acquired, except:

(a) Liens on the Collateral securing Indebtedness of the Loan Parties Incurred pursuant to Section 8.1(c), so long as the holders of such Indebtedness and their Representatives are at all times subject to each Intercreditor Agreement required to be entered into pursuant to Section 8.1(c) and, if applicable, the definition of "Permitted Refinancing";

(b) Liens, whether or not securing Indebtedness, in an amount not to exceed at any time outstanding the greater of [$25,000,000] and [●]% of Consolidated Total Assets;

(c) Liens on Collateral created pursuant to the ABL Facility Documents, securing Indebtedness Incurred pursuant to Section 8.1(c) and Indebtedness Incurred pursuant to Section 8.1(j) or (n), in favor of the ABL Agent, so long as same is at all times subject to the ABL/Term Loan Intercreditor Agreement;

(d) Liens on cash or Cash Equivalents securing obligations under Swap Agreements permitted hereunder;

(e) Liens for Taxes that are not yet due or which are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established in accordance with GAAP;

(f) carriers', warehousemen's, landlord's, mechanics', materialmen's, repairmen's, suppliers', construction contractors' and sub-contractors' or other like Liens arising

in the ordinary course of business that are not overdue for a period of more than 60 days or that are being contested in good faith by appropriate proceedings, and Liens on fixtures and movable tangible property located on real property leased or subleased from landlords, lessors and mortgagees;

(g) pledges or deposits in the ordinary course of business (i) in connection with workers' compensation, unemployment insurance and other social security legislation or (ii) securing liability for reimbursement or indemnification obligations of insurance carriers providing property, casualty or liability insurance to Holdings, the Borrowers or any Restricted Subsidiary;

(h) (i) deposits to secure or relating to the performance of bids, trade contracts (other than Indebtedness for borrowed money), government contracts, leases, utilities, statutory obligations, surety, stay, customs and appeal bonds, performance bonds and other obligations of a like nature (including, without limitation, those to secure health and safety obligations) incurred in the ordinary course of business and (ii) Liens securing the financing of insurance premiums with respect thereto incurred in the ordinary course of business;

(i) easements, covenants, conditions, rights-of-way, restrictions (including zoning restrictions), building code and land use laws, encroachments, protrusions, title exceptions, survey exceptions and other similar encumbrances on real property that do not secure any Indebtedness for borrowed money and do not materially detract from the value of the affected real property or materially interfere with the ordinary conduct of business of the Borrowers and its Restricted Subsidiaries taken as a whole, and such other minor title defects or survey matters that are disclosed by current surveys that, in each case, do not materially and adversely interfere with the current use of such real property;

(j) Liens (i) in existence on the Closing Date listed on Schedule 8.2(j) and (ii) securing any Permitted Refinancing of Indebtedness secured by Liens referenced on Schedule 8.2(j);

(k) Liens securing Indebtedness of the Borrowers and their Restricted Subsidiaries incurred pursuant to Section 8.1(e) to finance the acquisition of fixed or capital assets (including, without limitation, the acquisition, construction or improvement of Real Property owned by a Loan Party) or Indebtedness Incurred pursuant to Section 8.1(e)(II); provided that (i) such Liens shall be created within 180 days following the acquisition of such fixed or capital assets or such Permitted Refinancing, (ii) such Liens do not at any time encumber any property of the Loan Parties other than the property financed by such Indebtedness and accessions thereto and (iii) in the case of any Indebtedness Incurred pursuant to Section 8.1(e)(II), the amount of Indebtedness secured thereby is not increased (except by an amount equal to accrued interest, a reasonable premium or other reasonable amount paid in connection with such Permitted Refinancing, as applicable, and fees and expenses reasonably incurred in connection therewith);

(l) Liens created pursuant to any Loan Document;

(m) any interest or title of a lessor or sublessor under any lease or sublease or secured by a lessor's or sublessor's interests under leases or subleases;

(n) Liens (i) in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business or (ii) on specific items of inventory or other goods or assets and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances or letters of credit issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods or assets in the ordinary course of business;

(o) Liens on property of any Restricted Subsidiary that is a Foreign Subsidiary, CFC Holdco and/or Non-Guarantor Subsidiary, which Liens secure Indebtedness or other obligations of the applicable Restricted Subsidiary not prohibited under this Agreement (other than Indebtedness of any Loan Party);

(p) Liens in respect of the exclusive and non-exclusive licensing of patents, copyrights, trademarks and other Intellectual Property rights in the ordinary course of business;

(q) Liens arising out of Sale Leaseback Transactions permitted by Section 8.9; provided that such Liens do not at any time encumber any property other than the property financed by such Indebtedness and accessions thereto;

(r) Liens arising from precautionary UCC financing statements or similar filings made in respect of operating leases entered into by the Borrowers and its Restricted Subsidiaries or, to the extent permitted under the Loan Documents, the consignment of goods to a Borrower or its Restricted Subsidiaries;

(s) ground leases in respect of real property on which facilities owned or leased by the Borrowers and their Restricted Subsidiaries are located;

(t) licenses, sublicenses, leases or subleases with respect to any assets granted to third Persons in the ordinary course of business; provided that the same do not in any material respect interfere with the business of the Borrowers and their Restricted Subsidiaries taken as a whole;

(u) Liens in respect of judgments or decrees that do not constitute an Event of Default under Section 10.1(h);

(v) bankers' Liens, rights of setoff and similar Liens existing solely with respect to cash and Cash Equivalents on deposit in one or more deposit, securities, investment or similar accounts, in each case granted in the ordinary course of business in favor of the bank or banks where such accounts are maintained, securing amounts owing to such bank with respect to cash management or other account arrangements, including those involving pooled accounts and netting arrangements or sweep accounts of the Borrowers and their Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Borrowers and their Restricted Subsidiaries; provided that in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(w) Liens solely on any cash earnest money deposits made in connection with any letter of intent or purchase agreement in connection with an Investment permitted hereunder;

(x) (i) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into in the ordinary course of business or Liens arising by operation of law under Article 2 of the New York UCC and (ii) rights of setoff against credit balances of Holdings or any of its Subsidiaries with credit card issuers or credit card processors to Holdings or any of its Subsidiaries in the ordinary course of business;

(y) Liens and other matters of record shown on any title policies delivered pursuant to this Agreement;

(z) Liens on Capital Stock of Unrestricted Subsidiaries;

(aa) Liens arising in connection with (i) zoning, building, entitlement and other land use regulations by Governmental Authorities with which the normal operation of the business complies, and (ii) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct of the business of Holdings and its Restricted Subsidiaries, taken as a whole;

(bb) Liens on property or assets acquired pursuant to a Permitted Acquisition or an Investment permitted hereunder, or on property or assets of a Restricted Subsidiary of the Borrowers in existence at the time such Restricted Subsidiary or property is acquired pursuant to a Permitted Acquisition, provided that (x) any Indebtedness that is secured by such Liens is permitted hereunder and (y) such Liens are not incurred in connection with, or in contemplation or anticipation of, such Permitted Acquisition or such Investment permitted hereunder and do not attach to any property or assets of Holdings or any other property or assets of the Borrowers or any of their Restricted Subsidiaries other than the property and assets subject to such Liens at the time of such Permitted Acquisition (and the proceeds and products thereof and accessions thereto and after-acquired property subjected to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition or Investment), together with any extensions, renewals and replacements of the foregoing, so long as the Indebtedness secured by such Liens is permitted hereunder and such extension, renewal or replacement does not encumber any assets or properties of Holdings or additional assets or properties of the Borrowers or any of their Restricted Subsidiaries (other than the proceeds or products or accessions of the assets subject to such Lien and after-acquired property subjected to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition or Investment);

(cc) possessory Liens in favor of brokers and dealers arising in connection with the acquisition or disposition of Investments owned as of the Closing Date and Investments permitted by Section 8.6, provided that such Liens (i) attach only to such Investments and (ii) secure only obligations incurred in the ordinary course and arising in connection with the acquisition or disposition of such Investments and not any obligation in connection with margin financing;

(dd) encumbrances referred to in Schedule B of the Mortgage Policies (as defined in the ABL Facility Documents) insuring the Mortgages;

(ee) Liens deemed to exist in connection with investments in repurchase agreements meetings the requirements of Cash Equivalents;

(ff) Liens on amounts deposited as "security deposits" (or their equivalent) in the ordinary course of business in connection with actions or transactions not prohibited by this Agreement;

(gg) Liens arising by operation of law under Article 4 of the UCC in connection with collection of items provided for therein;

(hh) Liens on any amounts held by a trustee in the funds and accounts under an indenture securing any industrial revenue bonds issued for the benefit of a Loan Party or any Restricted Subsidiary to the extent such Indebtedness is permitted under Section 8.01(z);

(ii) [reserved].

(jj) Liens securing any Permitted Incremental Equivalent Debt or any Indebtedness incurred pursuant to Section 8.1(aa), so long as the same is at all times subject to an Other Intercreditor Agreement; and

(kk) Liens securing the Indebtedness incurred pursuant to Section 8.1(cc).

8.3 Fundamental Changes. Enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), except that:

(a) any Restricted Subsidiary of a Borrower may be merged or consolidated with or into a Borrower (provided that such Borrower shall be the continuing or surviving entity) or with or into any Subsidiary Guarantor (provided that a Subsidiary Guarantor shall be the continuing or surviving entity) and (ii) any Restricted Subsidiary that is not a Loan Party may be merged or consolidated with or into another Restricted Subsidiary that is not a Loan Party;

(b) (x) any Subsidiary Guarantor may Dispose of any or all of its assets (i) to the Borrower or any Subsidiary Guarantor (upon voluntary liquidation, dissolution or otherwise) or (ii) pursuant to a Disposition permitted by Section 8.4 and (y) any Restricted Subsidiary of the Borrowers that is not a Subsidiary Guarantor may Dispose of any or all of its assets to (i) the Borrowers, any Subsidiary Guarantor or any Restricted Subsidiary and/or direct or indirect joint venture of the Borrowers (upon voluntary liquidation, dissolution or otherwise) or (ii) pursuant to a Disposition permitted by Section 8.4;

(c) any Investment by the Borrowers and their Restricted Subsidiaries permitted by Section 8.6 may be structured as a merger, consolidation or amalgamation (provided that (x) if a Borrower is a party to such merger, consolidation or amalgamation, such Borrower shall be the continuing or surviving corporation thereof, (y) if a Subsidiary Guarantor is a party to such merger, consolidation or amalgamation (and such Borrower is not a party thereto), a Subsidiary Guarantor shall be the continuing or surviving Person thereof; and (z) if a Restricted Subsidiary that is not a Loan Party is a party to such merger, consolidation or amalgamation (and such Borrower is not a party thereto), a Restricted Subsidiary shall be the continuing or surviving Person thereof);

(d) any Restricted Subsidiary of the Borrowers may liquidate or dissolve or change its legal form if the Borrowers determine in good faith that such liquidation or dissolution or change its legal form is in the best interests of the Borrowers and is not adverse to the Lenders in any material respect; provided that (i) if a Subsidiary Guarantor liquidates or dissolves in accordance with this Section 8.3(d), (x) all or substantially all of its assets shall be transferred to, or otherwise assumed by, a Borrower or another Subsidiary Guarantor, (ii) if a Restricted Subsidiary that is not a Subsidiary Guarantor liquidates or dissolves in accordance with this Section 8.3(d), all or substantially all of its assets shall be transferred to, or otherwise assumed by, a Borrower or a Restricted Subsidiary of a Borrower and (iii) in the case of a liquidation or dissolution of a Subsidiary Guarantor, no Event of Default shall have occurred and be continuing at such time;

(e) any merger, dissolution or liquidation not involving a Borrower or Holdings may be effected for the purposes of effecting a Disposition permitted by Section 8.4;

(f) in connection with a Permitted Acquisition, any Loan Party or any Restricted Subsidiary of a Loan Party may merge with or into or consolidate with any other Person or permit any other Person to merge with or into or consolidate with it; provided that in the case of any such merger or consolidation to which any Loan Party is a party, such Loan Party is the surviving Person;

(g) the merger or consolidation of Holdings or any of its Restricted Subsidiaries for the sole purpose, and with the sole material effect, of changing its state of organization within the United States (or, in the case of a Foreign Subsidiary, outside the United States if such entity's jurisdiction was outside the United States); provided, however, that (i) in the case of any merger or consolidation involving a Borrower or a Subsidiary Guarantor, a Borrower or a Subsidiary Guarantor shall be the surviving Person and (ii) in the case of any merger, consolidation or amalgamation involving any other Loan Party, a Loan Party shall be the surviving corporation; and

(h) any Foreign Subsidiary or Immaterial Subsidiary that is not a Loan Party may merge into any joint venture, Foreign Subsidiary or Immaterial Subsidiary that is not a Loan Party.

8.4 Disposition of Property. Dispose of any of its property, whether now owned or hereafter acquired, or, in the case of any Restricted Subsidiary of Holdings, issue or sell any shares of such Restricted Subsidiary's Capital Stock to any Person, except:

(a) the Disposition of obsolete, surplus, uneconomical, worn out or damaged property in the ordinary course of business and Dispositions in the ordinary course of business of property or, in the reasonable business judgment of a Loan Party, no longer used in the conduct of the business of the Borrowers and the other Restricted Subsidiaries (including allowing any registrations or any applications for registration of any immaterial intellectual property to lapse or go abandoned);

(b) the Disposition of inventory in the ordinary course of business;

(c) Dispositions permitted under Section 8.3;

(d) the sale or issuance of common Capital Stock of any Restricted Subsidiary of the Borrowers to a Borrower or any other Restricted Subsidiary of the Borrowers (provided that in the case of such issuance of common Capital Stock of a Restricted Subsidiary that is not a Wholly Owned Subsidiary, Capital Stock of such Restricted Subsidiary may be also issued to other owners thereof to the extent such issuance is not dilutive to the ownership of the Loan Parties), and the sale or issuance of a Borrowers' common Capital Stock to Holdings;

(e) the use, sale, exchange or other disposition of money or Cash Equivalents in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents;

(f) the exclusive or non-exclusive licensing or sublicensing of patents, trademarks, copyrights, and other Intellectual Property rights in the ordinary course of business;

(g) Dispositions which are required by court order or regulatory decree or otherwise required or compelled by regulatory authorities;

(h) licenses, sublicenses, space leases, leases or subleases with respect to any real or personal property or assets granted to third Persons in the ordinary course of business; provided that either (i) the same do not in any material respect interfere with the business of the Borrowers and their Restricted Subsidiaries, taken as a whole, or materially detract from the value of the relative assets of the Borrowers and their Restricted Subsidiaries, taken as a whole, or (ii) such transaction is at arm's length;

(i) Dispositions to, between or among the Borrowers and any Subsidiary Guarantors;

(j) Dispositions (x) between or among any Restricted Subsidiary that is not a Subsidiary Guarantor and any other Restricted Subsidiary or joint venture that is not a Subsidiary Guarantor, (y) by a Restricted Subsidiary that is not a Subsidiary Guarantor to a Borrower or any other Subsidiary Guarantor, or (z) by any Loan Party to a Subsidiary and/or joint venture that is not a Loan Party so long as, in the case of the foregoing clause (z), the fair market value of all Dispositions pursuant hereto, together with the Dispositions permitted under Section 8.4(ee), do not exceed $10,000,000 in the aggregate during the term of this Agreement and no Event of Default shall have occurred and be continuing or otherwise result therefrom;

(k) the compromise, settlement or write-off of accounts receivable or sale of overdue accounts receivable for collection (i) in the ordinary course of business or (ii) acquired in connection with a Permitted Acquisition consistent with prudent business practice;

(l) Dispositions constituting (i) Investments permitted under Section 8.6, (ii) Restricted Payments permitted under Section 8.5, (iii) Sale Leaseback Transactions permitted under Section 8.9 or (iv) Liens permitted under Section 8.2;

(m) (i) Dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset or (ii) a Disposition consisting of or subsequent to a total loss or constructive total loss of property;

(n) Dispositions of property to the extent that such property is exchanged for credit against the purchase price of similar replacement property;

(o) the unwinding of any Swap Agreements;

(p) [reserved];

(q) Dispositions of Investments in joint ventures to the extent required by, or pursuant to, customary buy/sell arrangements between the applicable joint venture party as set forth in the joint venture arrangements or similar binding agreements among such joint venture party;

(r) Dispositions of other property; provided that (A) no Event of Default shall have occurred and be continuing or would otherwise result therefrom, (B) such Disposition or series of related Dispositions pursuant to this clause (r) shall not constitute a Disposition of all or substantially all of the assets of Holdings and its Restricted Subsidiaries, (C) the Net Cash Proceeds of such Disposition shall be applied in accordance with Section 4.2(c), (D) with respect to any single Disposition or a series of related Dispositions for an aggregate consideration in excess of $5,000,000, not less than 75% of the consideration payable to the Borrowers and their Restricted Subsidiaries in connection with such Disposition is in the form of cash or Cash Equivalents; provided that, for the purposes of this clause (D), the following shall be deemed to be cash: (x) any liabilities that are not Indebtedness (as shown on a Borrower's or such Restricted Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto) of the Borrowers or such Restricted Subsidiary, other than liabilities that are by their terms subordinated to the payment in cash of the Obligations under the Loan Documents, that are assumed by the transferee with respect to the applicable Disposition and for which Holdings, the Borrowers and the Restricted Subsidiaries shall have been validly released by all applicable creditors in writing, (y) any securities received by the Borrowers or such Restricted Subsidiary from such transferee that are converted by the Borrowers or such Restricted Subsidiary into cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received in the conversion) within 180 days following the consummation of the applicable Disposition; and (z) any Designated Non-Cash Consideration in respect of such Disposition having an aggregate fair market value, taken together with the Designated Non-Cash Consideration in respect of all other Dispositions, not in excess of $5,000,000 (with the fair market value of each item of Designated

Non-Cash Consideration being measured as of the time received), and (E) the consideration payable to the Borrowers and its Restricted Subsidiaries in connection with any such Disposition is equal to the fair market value of such property (as determined by the Borrowers in good faith) and (F) concurrently with the consummation of such Disposition, an Authorized Officer of the Borrowers shall deliver to the Administrative Agent a certificate executed by such Authorized Officer certifying as to the accuracy of the foregoing conditions;

(s) any exchange of property of the Borrowers or their Restricted Subsidiary (other than Capital Stock or other Investments) which qualifies as a like kind exchange pursuant to and in compliance with Section 1031 of the Code or any other substantially concurrent exchange of property by the Borrowers or any Restricted Subsidiary (other than Capital Stock or other Investments) for property (other than Capital Stock or other Investments) of another person; provided that (a) such property is useful to the business of the Borrowers or such Restricted Subsidiary, (b) the Borrowers or such Restricted Subsidiary shall receive reasonably equivalent or greater market value for such property (as reasonably determined by the Borrowers in good faith) and (c) such property will be received by the Borrowers or such Restricted Subsidiary substantially concurrently with its delivery of property to be exchanged;

(t) the Disposition of any Unrestricted Subsidiary;

(u) bulk sales or other Dispositions of the Inventory and equipment of a Loan Party or its Restricted Subsidiaries not in the ordinary course of business in connection with Store closings so long as such transactions are on an arm's length basis;

(v) as long as no Event of Default then exists or would immediately arise therefrom, Dispositions of non-core Real Property that is (A) (i) with respect to Real Property owned as of the Closing Date, not currently used in the operations of the business or (ii) with respect to Real Property acquired in connection with a Permitted Acquisition, the continued ownership of which the Borrowing Agent has determined in its good faith business judgment would not be commercially reasonable to retain or (B) Real Property that is associated with the permitted closure of Stores or distribution centers, of any Loan Party or any Restricted Subsidiary owned as of the Closing Date (or Dispositions of any Person or Persons created to hold such Real Property or the Capital Stock in such Person or Persons), in each case of the foregoing subclauses (A) or (B), including leasing or subleasing transactions, Sale Leaseback Transactions, Synthetic Lease Obligation transactions and other similar transactions involving any such Real Property pursuant to leases on market terms, and, in any event, Dispositions constituting Permitted Sale Leaseback Transactions;

(w) cancellations or Dispositions of any Indebtedness owed to a Loan Party by another Loan Party or any other Subsidiary and/or joint venture that is not a Loan Party to any other Restricted Subsidiary and/or joint venture that is not a Loan Party; provided that after giving effect to such Disposition, such Indebtedness would otherwise be permitted under Section 8.1;

(x) Disposition of property with respect to an insurance claim from damage to such property where the insurance company provides a Loan Party or its Restricted Subsidiary

the value of such property (minus any deductibles and fees) in cash or with replacement property in exchange for such property;

(y) Dispositions of property no longer used in the business of the Loan Parties (as determined in the good faith business judgment of such Loan Party) to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds (to the extent needed to do so) of such Disposition are reasonably promptly applied to the purchase price of such replacement property;

(z) Dispositions consisting of the unwinding of franchise arrangements or the conversion of franchise arrangements into joint ventures;

(aa) any grant of an option to purchase, lease or acquire property, so long as the Disposition resulting from the exercise of such option would otherwise be permitted hereunder;

(bb) licenses for the conduct of third party retail licensed departments within a Store operated by a Loan Party in exchange for royalty fees relating thereto carried out in the ordinary course of business; provided that such Loan Party shall provide evidence or other documentation relating to such license following reasonable written request from the Administrative Agent and to the extent requested by the Administrative Agent, the Loan Parties shall cause such third party to enter into an intercreditor agreement with the Administrative Agent on terms and conditions reasonably satisfactory to the Administrative Agent;

(cc) Dispositions of Intellectual Property that is not required to be preserved or renewed pursuant to Section 7.5(a)(ii);

(dd) Dispositions in connection with the settlement of claims or disputes and the settlement, release or surrender of tort or other litigation claims; and

(ee) other Dispositions so long as the aggregate fair market value of all assets Disposed of in reliance upon this clause (ee) shall not exceed, together with Section 8.4(j), $10,000,000 in the aggregate after the Closing Date.

8.5 Restricted Payments. Declare or pay any dividend or distribution on any Capital Stock of Holdings or its Restricted Subsidiaries, whether now or hereafter outstanding, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of Holdings or its Restricted Subsidiaries, whether now or hereafter outstanding, or pay any management or similar fees to any holders of the Capital Stock of Holdings or any of their respective Affiliates, or make any other distribution in respect of any Capital Stock of Holdings or its Restricted Subsidiaries, either directly or indirectly, whether in cash or property or in obligations of Holdings or its Restricted Subsidiaries (collectively, "Restricted Payments"), except that:

(a) any Wholly Owned Subsidiary (which is a Restricted Subsidiary) of a Borrower may make Restricted Payments (other than issuances of Disqualified Capital Stock) to Holdings, the Borrowers or any other Restricted Subsidiary and any non-Wholly Owned

Subsidiary (other than an Unrestricted Subsidiary) may make Restricted Payments (other than issuances of Disqualified Capital Stock) ratably to the holders of such non-Wholly Owned Subsidiary's Capital Stock;

(b) so long as no Event of Default shall have occurred and be continuing or would otherwise result therefrom and the Total Leverage Ratio, on a Pro Forma Basis, shall not exceed [3.00]:1.00, the Borrowers may make Restricted Payments to Holdings to permit Holdings to make, and Holdings may make, cash Restricted Payments to holders of Capital Stock of Holdings with the proceeds of such cash Restricted Payment; provided, that the aggregate amount of Restricted Payments by the Borrowers to Holdings under this Section 8.5(b) shall not at any time exceed the Available Amount at such time;

(c) Cashless exercises of options and warrants shall be permitted;

(d) the Borrowers may make cash Restricted Payments to Holdings to permit Holdings to make, and Holdings may make Restricted Payments or make distributions to any Parent Company thereof to permit such Parent Company, and the subsequent use of such payments by such Parent Company, to repurchase, redeem or otherwise acquire for value Qualified Capital Stock of Holdings or such Parent Company held by officers, directors or employees or former officers, directors or employees (or their transferees, estates or beneficiaries under their estates) of Holdings or its Restricted Subsidiaries, upon their death, disability, retirement, severance or termination of employment or service; provided that (x) the aggregate cash consideration paid for all such redemptions and payments shall not exceed, in any fiscal year, $5,000,000 (with unused amounts in any fiscal year being carried over to succeeding fiscal years subject to a maximum (without giving effect to the following proviso) of $10,000,000 in any fiscal year) and (y) the only consideration paid by Holdings in respect of such redemptions or purchase shall be cash; provided, further, that such amount in any fiscal year may be increased by any amount not to exceed, without duplication, (x) the aggregate amount of loans made by Holdings and any of its Restricted Subsidiaries pursuant to Section 8.6(h) that are repaid in connection with such purchase, redemption or other acquisition of such Capital Stock of such direct parent, plus (y) to the extent Not Otherwise Applied, the amount of any Net Cash Proceeds received by or contributed to a Borrower from the issuance and sale after the Closing Date of Qualified Capital Stock of Holdings (or such direct parent) to officers, directors or employees of Holdings or its Restricted Subsidiaries that have not been used to make any such repurchases, redemptions or payments under this clause (d), plus (z) the net cash proceeds of any "key-man" life insurance policies of Holdings or its Restricted Subsidiaries that have not been used to make any repurchases, redemptions or payments under this clause (d);

(e) [Reserved];

(f) after a Qualified Public Offering, Restricted Payments constituting cash dividends of Holdings may be made pursuant to this Section 8.5 within 60 days after date of declaration of any such Restricted Payment if such Restricted Payment was permitted on the date of declaration thereof (irrespective of whether a Default or an Event of Default exists, so long as no Event of Default was occurring and continuing on the date of such declaration);

(g) the Borrowers and their Subsidiaries may make Restricted Payments to, or make loans to, Holdings in amounts required for Holdings to pay (and Holdings may pay Restricted Payments, or make loans, in respect of amounts relating to any Parent Company), in each case, without duplication:

(i) pay franchise or similar taxes and other fees, taxes and expenses required to maintain Holdings' or any Parent Company's corporate or other entity existence;

(ii) pay income and similar taxes attributable to Holdings, the Borrowers and each Restricted Subsidiary that are not payable directly by Holdings, the Borrowers or such Restricted Subsidiary, as applicable, which amount shall not exceed the sum of (i) the combined income and similar taxes that would be paid if the Borrowers, Holdings and each Restricted Subsidiary were a separate group of corporations filing income and similar tax returns on a consolidated or combined basis with Holdings as the common parent of such affiliated group (taking into account any applicable net operating loss carry forwards within the meaning of Section 172 of the Code and capital loss carry forwards within the meaning of Section 1212 of the Code, available to reduce such taxes) and (ii) any amount actually received from its Unrestricted Subsidiaries that are attributable to the income and similar taxes of such Unrestricted Subsidiaries that are not payable directly by such Unrestricted Subsidiaries;

(iii) salary, bonus and other benefits payable to officers and employees of Holdings or any Parent Company to the extent such salaries, bonuses and other benefits are attributable to the ownership or operation of the Borrowers and their Restricted Subsidiaries; and

(iv) general corporate operating and overhead costs and expenses of Holdings or any Parent Company (including, without limitation, expenses for legal, administrative and accounting services provided by third parties) to the extent such costs and expenses are attributable to the ownership or operation of the Borrowers and their Restricted Subsidiaries;

(h) the Loan Parties and their Restricted Subsidiaries may declare and make dividend payments or other distributions payable solely in Capital Stock (other than Disqualified Capital Stock);

(i) the Borrowers may make Restricted Payments the proceeds of which are applied to the purchase or other acquisition by Holdings of all or substantially all of the property and assets or business of any Person, or of assets constituting a business unit, a line of business or division of such Person, or of all of the Capital Stock in a Person that; provided that if such purchase or other acquisition had been made by the Borrowers, it would have constituted a Permitted Acquisition (after giving effect to the clause (B) of the further proviso below) permitted to be made pursuant to Section 8.6(e); provided further that (A) such Restricted Payment shall be made concurrently with the consummation of such purchase or other acquisition and (B) Holdings shall, contemporaneously with the consummation thereof, cause (1) all property acquired (whether assets or Capital Stock) and any liabilities assumed to be

contributed to the Borrowers or any Restricted Subsidiary or (2) the merger (to the extent permitted in Section 8.4) into the Borrowers or any Restricted Subsidiary of the Person formed or acquired in order to consummate such purchase or other acquisition;

(j) after a Qualified Public Offering, the Borrowers may pay cash dividends to Holdings to permit Holdings to pay, and Holdings may pay, (i) cash in lieu of fractional shares in connection with any dividend, split or combination of the Capital Stock of Holdings and (ii) cash in lieu of fractional shares in connection with any conversion request by a holder of convertible Indebtedness to the extent such conversion is permitted under this Agreement;

(k) after a Qualified Public Offering, the Borrowers may make cash Restricted Payments to Holdings to permit Holdings to make, and Holdings may make, cash Restricted Payments to its equity holders or the equity holders in an aggregate amount not exceeding 6.0% per annum of the Net Cash Proceeds received by Holdings from such Qualified Public Offering; provided that (x) no Event of Default is continuing or would result therefrom and (y) the Available Amount shall be reduced by a corresponding amount of any such Restricted Payments;

(l) so long as no Event of Default shall have occurred and be continuing or would otherwise result therefrom, (i) additional Restricted Payments the aggregate amount of which shall not at any time exceed $10,000,000 in the aggregate and (ii) additional payments on account of the purchase, redemption, defeasance, retirement or other acquisition of Capital Stock of Holdings (or any Parent Company) in an amount not to exceed $10,000,000 in any fiscal year (with unused amounts in any fiscal year being carried over to succeeding fiscal years subject to a maximum of $40,000,000 in any fiscal year);

(m) the Loan Parties and each Restricted Subsidiary may make Restricted Payments consisting of Dispositions permitted by Section 8.4 of the type described, and subject to the limitations contained, in the definition thereof;

(n) the Loan Parties and each Restricted Subsidiary may make Restricted Payments to Holdings or any Subsidiary thereof for payments to satisfy their obligations to pay Taxes and other required amounts pursuant to any tax sharing agreements among the Loan Parties and their Subsidiaries or in respect of their joint ventures to the extent such Taxes and required amounts are attributable to the ownership or operations of the Loan Parties and their Subsidiaries or their joint ventures; provided that such Taxes and amounts shall be determined by reference to applicable Tax laws and on an arm's length basis; and

(o) the Distribution is made within 10 Business Days after the Closing Date.

Notwithstanding the above, any Restricted Payment made pursuant to this Section 8.5 (other than pursuant to Section 8.5(b)) to any Parent Company that is not a Sole Purpose Parent Company shall not exceed the ratable share of the amount to which such Restricted Payment relates that is solely attributable to the direct or indirect ownership or operation by such Parent Company of Holdings and its Restricted Subsidiaries.

8.6 Investments. Make any advance, loan, extension of credit (by way of guarantee or otherwise) or capital contribution to, or purchase any Capital Stock, bonds, notes, debentures or other debt securities of any Person (all of the foregoing, "Investments"), except:

(a) accounts receivable or notes receivable arising from extensions of trade credit granted in the ordinary course of business and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(b) Investments in cash and Cash Equivalents (or Investments that were Cash Equivalents when made, so long as Holdings and its Restricted Subsidiaries shall use commercially reasonable efforts to convert such Investments to Investments in cash or Cash Equivalents);

(c) loans and advances to employees, officers and directors of Holdings and its Restricted Subsidiaries (i) in the ordinary course of business for business related travel expenses, moving expenses and other similar expenses and (ii) in the ordinary course of business in an aggregate amount for Holdings and its Restricted Subsidiaries not to exceed $5,000,000 at any one time outstanding;

(d) Investments by the Borrowers and Subsidiary Guarantors in any Restricted Subsidiaries that are Foreign Subsidiaries; provided that, at the time of any such Investment, the aggregate amount of such Investment plus the aggregate amount of all other Investments pursuant to this clause (d) (determined without regard to write-downs or write-offs thereof and, in the case of Investments in the form of non-cash assets, taking the fair market value of such assets) shall not exceed the greater of $25,000,000 and 2.50% of Consolidated Total Assets at such time;

(e) (i) acquisitions by the Borrowers or any Restricted Subsidiary of the Borrowers of the outstanding Capital Stock of Persons, or of all or substantially all of the assets of Persons or of a division or line of business of Persons (including any Permitted Acquisition consummated pursuant to Section 8.5(i), each a "Permitted Acquisition"); provided that (i) no Event of Default has occurred or is continuing both immediately before and immediately after giving effect to such Permitted Acquisition, (ii) if the aggregate consideration (excluding any consideration paid in Qualified Capital Stock of Holdings or with the Available Amount) for such Permitted Acquisition, together with all other Permitted Acquisitions, exceeds $75,000,000 in the aggregate, the Total Leverage Ratio, on a Pro Forma Basis, shall not exceed 4.00:1.00 and (iii) after giving effect to such Permitted Acquisition, the aggregate fair market value of (I) all assets of all Persons and their Subsidiaries acquired pursuant to this clause (e) that do not become Subsidiary Guarantors pursuant to Section 7.8 plus (II) all assets and Property acquired by a Restricted Subsidiary that is not a Loan Party pursuant to this clause (e) shall not exceed in the aggregate, the sum of $75,000,000 plus the Available Amount actually used as consideration for the respective Permitted Acquisition to make purchases described in clauses (I) and (II) above and (ii) earnest money deposits made in connection with any letter of intent or purchase agreement entered into in connection with any Permitted Acquisition;

(f) (i) Investments in any Borrower or any Person that is a Subsidiary Guarantor or any newly created Restricted Subsidiary which becomes a Subsidiary Guarantor at the time of such Investment, (ii) Investments by any Loan Party and its Restricted Subsidiaries in their respective Subsidiaries and/or joint ventures outstanding on the Closing Date, (iii) additional Investments by any Loan Party and its Restricted Subsidiaries in Loan Parties (other

than Holdings) and (iv) additional Investments by Subsidiaries of the Loan Parties that are not Subsidiary Guarantors in any Loan Party or any Restricted Subsidiary and/or joint ventures that are not Subsidiary Guarantors;

(g) Investments by any Restricted Subsidiaries that are Non-Guarantor Subsidiaries or Foreign Subsidiaries in any other Restricted Subsidiaries that are Non-Guarantor Subsidiaries or Foreign Subsidiaries;

(h) (i) loans and advances to employees, officers and directors of Holdings and any of its Restricted Subsidiaries to the extent used to acquire Qualified Capital Stock of Holdings and to the extent such transactions are cashless and (ii) advances of payroll payments to employees in the ordinary course of business;

(i) Investments in the ordinary course of business consisting of prepaid expenses and endorsements of negotiable instruments for collection or deposit;

(j) Investments (including debt obligations and Capital Stock) received in settlement of amounts due to the Borrowers and their Restricted Subsidiaries effected in the ordinary course of business or owing to the Borrowers and their Restricted Subsidiaries as a result of insolvency or reorganization proceedings involving an account debtor or upon the foreclosure or enforcement of any Lien in favor of the Borrowers and their Restricted Subsidiaries or disputes with customers and suppliers;

(k) Investments in existence on the Closing Date and described in Schedule 8.6(k) and any modification, renewal or extension thereof, but not any increase in the amount thereof;

(l) Investments of any Person existing at the time such Person becomes a Restricted Subsidiary of a Borrower or consolidates or merges with such Borrower or its Restricted Subsidiaries (including in connection with a Permitted Acquisition) so long as such Investments were not made in contemplation of such Person becoming a Restricted Subsidiary or of such consolidation or merger;

(m) Investments paid for with consideration which consists solely of Capital Stock of Holdings or any Parent Company (other than Disqualified Capital Stock);

(n) unsecured guarantees by Holdings of the obligations of the Borrowers or any Restricted Subsidiary of leases (other than Capital Lease Obligations) or of other obligations that do not constitute Indebtedness, in each case entered into in the ordinary course of business;

(o) guarantees permitted by this Agreement;

(p) Investments resulting from the receipt of non-cash consideration received in connection with Dispositions permitted by Section 8.4;

(q) so long as (x) no Event of Default shall have occurred and be continuing or would otherwise result therefrom and (y) the Total Leverage Ratio, on a Pro Forma Basis,

shall not exceed [3.50]:1.00, the Borrowers and its Restricted Subsidiaries may make Investments in an amount not to exceed the Available Amount at the time of such Investment;

(r) advances of payroll payments to employees in the ordinary course of business and Investments made pursuant to employment and severance arrangements of officers and employees in the ordinary course of business and transactions pursuant to stock option plans and employee benefit plans and arrangements in the ordinary course of business;

(s) Investments in respect of prepaid expenses or lease, utility and other similar deposits in the ordinary course of business;

(t) Investments consisting of purchases and acquisitions of inventory, supplies, materials and equipment or purchases of contract rights or licenses or leases of Intellectual Property in the ordinary course of business;

(u) de minimis Investments made in connection with the incorporation or formation of any newly created Restricted Subsidiary; provided that any amounts in excess of such de minimis amount Invested in any such Restricted Subsidiary must be permitted under Section 8.6 other than under this clause (u);

(v) Investments consisting of Swap Agreements permitted under Section 8.1(j);

(w) in addition to Investments otherwise permitted by this Section 8.6, Investments by the Borrowers and its Restricted Subsidiaries; provided that, at the time of any such Investment, the aggregate amount of such Investment outstanding plus the aggregate amount of all other Investments outstanding pursuant to this clause (w) (determined without regard to write-downs or write-offs thereof and, in the case of Investments in the form of non-cash assets, taking the fair market value of such assets at the time of such Investment) shall not exceed the greater of (x) $25,000,000 and (y) [●]% of Consolidated Total Assets at such time;

(x) Investments by the Borrowers or any Restricted Subsidiary in any Restricted Subsidiary that is not a Loan Party so long as such Investment is part of a series of simultaneous Investments by Restricted Subsidiaries in other Restricted Subsidiaries that result in the proceeds of the initial Investment (in the same form of such initial Investment) being invested in one or more Loan Parties (other than Investment in the Capital Stock of such Loan Party);

(y) any Investments in a Restricted Subsidiary that is not a Loan Party or in a joint venture that is not a Restricted Subsidiary or Unrestricted Subsidiary, in each case to the extent such Investment is substantially contemporaneously returned in the same form as such original Investment pursuant to a dividend or other distribution from such Restricted Subsidiary or joint venture;

(z) Investments constituting Restricted Payments permitted pursuant to Sections 8.5(g) and (h);

(aa) Investments in the form of loans or advances to any Restricted Subsidiary of a Loan Party to the extent such loan or advance is otherwise permitted hereunder and does not exceed cash returned to the Loan Parties (through repatriation or otherwise) at the time such loan or advance is made so long as any promissory note received by a non-Loan Party in connection therewith is subordinated on terms acceptable to the Administrative Agent in its reasonable discretion (it being agreed that the terms of the Intercompany Note shall be acceptable);

(bb) Investments consisting of the unwinding of any franchise arrangements or the conversion of any franchise arrangement into a joint venture; and

(cc) the Investments described on Schedule 8.6(cc).

8.7 Payments and Modifications of Certain Debt Instruments; Modification to Organizational Documents.

(a) Make any optional prepayment, repayment or redemption with respect to any Indebtedness permitted by Section 8.1 that is subordinated in right of payment to the Obligations, except (i) the conversion of any such Indebtedness to Capital Stock (other than Disqualified Capital Stock) of Holdings or any Parent Company, (ii) intercompany Indebtedness permitted to be Incurred under Section 8.1(f) or permitted to be cancelled under Section 8.4, so long as no Event of Default has occurred and is continuing and or would result therefrom, and (iii) in accordance with the subordination terms thereof or the applicable subordination agreement relating thereto; provided that such Indebtedness may be Refinanced with the proceeds of a Permitted Refinancing permitted by Section 8.1.

(b) Make any optional prepayment, repayment or redemption with respect to any Indebtedness incurred in reliance on Section 8.1(c); other than the conversion of any such Indebtedness to Capital Stock (other than Disqualified Capital Stock) of Holdings or any Parent Company and any Permitted Refinancing pursuant to Section 8.1; provided that such Indebtedness may be Refinanced with the proceeds of a Permitted Refinancing permitted by Section 8.1.

(c) Amend or modify, or permit the amendment or modification of, any provision in respect of any of the Indebtedness incurred pursuant to Section 8.1(c) or any Permitted Refinancing thereof if at the time of such amendment or modification and after giving effect thereto, (i) the terms of such Indebtedness or Permitted Refinancing would not satisfy the criteria set forth in respect thereof in the definition of "Permitted Refinancing" or (ii) in the case of secured Indebtedness Incurred pursuant to Section 8.1(c), such amendment or modification is prohibited by any Intercreditor Amendment to which such Indebtedness is subject.

(d) Notwithstanding anything to the contrary herein, optional or mandatory prepayments, repayments or redemptions otherwise prohibited under Sections 8.7(a) and/or (b) shall be permitted in an aggregate amount equal to the Available Amount at the time thereof so long as (x) no Event of Default shall have occurred and be continuing or would immediately result therefrom, and (y) the Total Leverage Ratio, on a Pro Forma Basis, shall not exceed [3.00]:1.00.

(e) Amend or modify, or permit the amendment or modification of, any provision in respect of any of the Indebtedness incurred pursuant to Section 8.1(b) or any Permitted Refinancing thereof unless such amendment or modification is not prohibited by the ABL/Term Loan Intercreditor Agreement or Other Intercreditor Agreement.

(f) Amend, modify or change any Organizational Documents of Holdings or any of its Restricted Subsidiaries, unless such amendment, modification, change or other action contemplated by this clause (f) could not reasonably be expected to be adverse to the interests of the Lenders in any material respect.

8.8 Transactions with Affiliates. Directly or indirectly, enter into or permit to exist any transaction or contract (including any purchase, sale, lease or exchange of property, the rendering of any service or the payment of any management, advisory or similar fees) with or for the benefit of any Affiliate of any Loan Party (each an "Affiliate Transaction"), except (a) transactions between or among Holdings and its Restricted Subsidiaries, (b) transactions that are on terms and conditions not less favorable to Holdings or such Restricted Subsidiary as would be obtainable by Holdings or such Restricted Subsidiary at the time in a comparable arm's-length transaction from unrelated third parties that are not Affiliates, (c) any Restricted Payment permitted by Section 8.5, (d) fees and compensation (including severance), benefits and incentive arrangements (including pursuant to stock option and other employee benefit plans) paid or provided to, and any indemnity provided on behalf of, officers, directors or employees of Holdings, the Borrowers or any Subsidiary in the ordinary course of business, (e) the issuance or sale of any Capital Stock of Holdings (and the exercise of any options, warrants or other rights to acquire Capital Stock of Holdings) or any contribution to the capital of Holdings, (f) [reserved], (g) Investments in a Borrower's Subsidiaries and joint ventures (to the extent any such Subsidiary that is not a Restricted Subsidiary or any such joint venture is only an Affiliate as a result of Investments by Holdings and its Restricted Subsidiaries in such Subsidiary or joint venture) to the extent otherwise permitted under Section 8.6, (h) transactions between the Borrowers and any Restricted Subsidiary and any Person that is an Affiliate solely due to the fact that a director of such Person is also a director of Holdings (or any Parent Company), the Borrowers or any Restricted Subsidiary, (i) the issuance of Capital Stock by Holdings to any Parent Company, or to any director, officer, employee or consultant thereof, (j) advances for commissions, travel and other similar purposes in the ordinary course of business to directors, officers and employees, (k) transactions permitted hereunder, (l) intellectual property licensing arrangements in the ordinary course of business consistent with existing practice, (m) payments to satisfy their obligations to pay Taxes and other required amounts pursuant to any Tax sharing agreements among the Loan Parties and their Subsidiaries to the extent such Taxes and other required amounts are attributable to the ownership or operations of the Loan Parties and their subsidiaries, provided that such Taxes and amounts shall be determined by reference to applicable Tax laws and on an arm's length basis, (n) transactions between or among Holdings or its Restricted Subsidiaries, on the one hand, and Unrestricted Subsidiaries, on the other hand, so long as Holdings or the Restricted Subsidiary is receiving the more favorable terms; royalty-free licenses of any of the Loan Parties' or their Restricted Subsidiaries' trademarks, trade names and business systems by the Loan Parties to Subsidiaries that are not Loan Parties in the ordinary course of business and consistent with the practices in place on the Closing Date and arrangements of the type or nature set forth on Schedule 8.8 so long as consistent with the business practices of the Borrowing Agent and its Subsidiaries as in place on the Closing Date.

8.9 Sale Leaseback Transactions. Enter into any Sale Leaseback Transaction other than the Permitted Sale Leaseback Transactions or any Sale Leaseback Transaction permitted under Section 8.4(v).

8.10 Changes in Fiscal Periods. Without the prior written consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed), permit the fiscal year of the Borrowing Agent to end on a day other than the Saturday closest to January 31st of any calendar year or change the Borrowing Agent's method of determining fiscal quarters; provided, however, for the avoidance of doubt, such changes may be made with respect to a Person acquired in a Permitted Acquisition.

8.11 Negative Pledge Clauses. Enter into or suffer to exist or become effective any agreement that prohibits or limits the ability of Holdings or any Restricted Subsidiary to incur any Lien upon any of the Collateral, whether now owned or hereafter acquired, to secure its obligations under the Loan Documents to the extent required thereby to which it is a party other than (a) this Agreement and the other Loan Documents, the ABL Facility Documents, any document related to any Permitted Incremental Equivalent Debt or any document related to a Permitted Refinancing thereof, (b) any agreements evidencing or governing any purchase money Liens or Capital Lease Obligations otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby), (c) customary restrictions on the assignment of leases, licenses and contracts entered into in the ordinary course of business, (d) any agreement (including with respect to Indebtedness) in effect at the time any Person becomes a Restricted Subsidiary of the Borrowers; provided, that such agreement was not entered into in contemplation of such Person becoming a Restricted Subsidiary of the Borrowers, (e) customary restrictions and conditions contained in agreements relating to the sale of a Restricted Subsidiary of the Borrowers (or the assets of a Restricted Subsidiary of the Borrowers) pending such sale; provided, such restrictions and conditions apply only to the Restricted Subsidiary of the Borrowers that is to be sold (or whose assets are to be sold) and such sale is permitted hereunder), (f) [reserved], (g) restrictions under agreements evidencing or governing or otherwise relating to Indebtedness of any Restricted Subsidiaries that are Foreign Subsidiaries or Non-Guarantor Subsidiaries permitted under Section 8.1; provided that such Indebtedness is only with respect to the assets of any Restricted Subsidiaries that are Foreign Subsidiaries or Non-Guarantor Subsidiaries, (h) customary provisions in joint venture agreements, limited liability company operating agreements, partnership agreements, stockholders agreements and other similar agreements, (i) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of the business of the Borrowers and their Restricted Subsidiaries, (j) customary restrictions and conditions contained in agreements relating to the Disposition of property or assets or Capital Stock permitted hereunder by a Loan Party or a Restricted Subsidiary of a Loan Party pending such Disposition, provided such restrictions and conditions apply only to the property or assets of the Loan Party or the Restricted Subsidiary of a Loan Party that are to be Disposed and such Disposition is permitted hereunder, (k) customary restrictions on cash or other deposits imposed by customers under contracts entered into in the ordinary course of business Clauses Restricting Restricted Subsidiary Distributions, (l) Indebtedness permitted under Sections 8.1(w) and (cc), (m) any negative pledge incurred or provided in favor of any holder of any secured Indebtedness permitted hereunder, (n) customary anti-assignment provisions in licenses and other contracts restricting the sublicensing or assignment thereof or in contracts for the Disposition of any assets

or any Subsidiary of a Loan Party, provided that the restrictions in any such contract shall apply only to the assets or Subsidiary of a Loan Party that is to be Disposed of, (o) provisions in leases of real property that prohibit mortgages or pledges of the lessee's interest under such lease or restricting subletting or assignment of such lease, (p) any encumbrance or restriction contained in any agreement of a Person acquired in an Investment permitted hereunder, which encumbrance or restriction was in existence at the time of such Investment (but not created in contemplation thereof) and 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 and assets of the Person so acquired, (q) pursuant to Contractual Obligations that (y) exist on the Closing Date and (z) to the extent Contractual Obligations permitted by clause (z) are set forth in an agreement evidencing Indebtedness, are set forth in any agreement evidencing any Permitted Refinancing thereof so long as such Permitted Refinancing does not expand the scope of such Contractual Obligation, (r) pursuant to Indebtedness of any Restricted Subsidiary of Holdings that is not a Loan Party that is permitted by Section 8.1, (s) restrictions in connection with cash or other deposits permitted under Section 8.2, and (t) restrictions imposed by any agreement governing Indebtedness entered into after the Closing Date and permitted under Section 8.1 that are, taken as a whole, in the good faith judgment of the Borrowers, no more restrictive with respect to the Borrowers or any other Loan Party than customary market terms for Indebtedness of such type (and, in any event, are no more restrictive than the restrictions contained in this Agreement), so long as the Borrowers shall have determined in good faith that such restrictions will not affect its obligation or ability to make any payments required hereunder. Enter into or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Significant Restricted Subsidiary to (a) make Restricted Payments in respect of any Capital Stock of such Significant Restricted Subsidiary held by, or repay or prepay any Indebtedness owed to, the Borrowers or any other Significant Restricted Subsidiary of the Borrowers, (b) make loans or advances to, or other Investments in, a Borrower or any other Significant Restricted Subsidiary of such Borrower or (c) transfer any of its assets to a Borrower or any other Significant Restricted Subsidiary of such Borrower, except for such encumbrances or restrictions existing under or by reason of (i) any restrictions existing under the Loan Documents, (ii) any restrictions with respect to a Significant Restricted Subsidiary imposed pursuant to an agreement that has been entered into in connection with the Disposition of all or substantially all of the Capital Stock or assets of such Significant Restricted Subsidiary so long as such sale is permitted hereunder, (iii) customary restrictions on the assignment of leases, contracts and licenses entered into in the ordinary course of business, (iv) any agreement in effect at the time any Person becomes a Significant Restricted Subsidiary of any Borrower; provided that such agreement was not entered into in contemplation of such Person becoming a Significant Restricted Subsidiary of such Borrower, (v) restrictions of the nature referred to in clause (c) above under agreements governing purchase money liens or Capital Lease Obligations otherwise permitted hereby which restrictions are only effective against the assets financed thereby, (vi) agreements governing Indebtedness outstanding on the Closing Date and listed on Schedule 8.1(i) and any amendments, modifications, restatements, renewals, increases, supplements, refundings or Permitted Refinancings of those agreements, (vii) Liens permitted by Section 8.2 that limit the right of the Borrowers or any of their Significant Subsidiaries to dispose of the assets subject to such Liens, (viii) provisions with respect to the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, agreements in respect of sales of Capital Stock and other similar agreements entered into in connection with transactions permitted under this

Agreement, provided that such encumbrance or restriction shall only be effective against the assets or property that are the subject of such agreements, (ix) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Borrowers or any of its Significant Subsidiaries as in effect at the date of such acquisition, which encumbrance or restriction is not applicable to any Person, or the property or assets of any Person, other than the Person, or the properties or assets of such Person, so acquired, (x) restrictions under agreements evidencing or governing Indebtedness of any Significant Subsidiaries that are Foreign Subsidiaries or Non-Guarantor Subsidiaries permitted under Section 8.1; provided that such restrictions are only with respect to assets of any Significant Subsidiaries that are Foreign Subsidiaries or Non-Guarantor Subsidiaries, (xi) restrictions under agreements evidencing or governing Indebtedness permitted under Sections 8.1(b), (c), (d), (e), (g), (q) or (v) (to the extent, in the case of Section 8.1(v), such Indebtedness is of the type contemplated to be incurred under any of Sections 8.1(d) or (g)), (xii) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of the business of the Borrowers and their Significant Subsidiaries, (xiii) customary provisions in joint venture agreements or other similar agreements applicable to joint ventures and applicable solely to such joint venture entered into in the ordinary course of business, and (xiv) any restrictions regarding licenses or sublicenses by the Borrowers and the other Significant Subsidiaries of trademarks, service marks, trade names, copyrights, patents, franchises, licenses and other intellectual property rights in the ordinary course of business (in which case such restriction shall relate only to such right to intellectual property pursuant to such license or sublicense).

8.12 Lines of Business. With respect to the Borrowing Agent and each of its Restricted Subsidiaries, enter into any business, either directly or through any Restricted Subsidiary, except (a) for those businesses in which the Company and its Subsidiaries are engaged on the Closing Date or that are reasonably related, similar, ancillary, complementary or incidental thereto or reasonable extensions thereof and (b) with respect to Holdings, engage in any business or activity other than (i) the direct or indirect ownership of all outstanding Capital Stock in the Borrowing Agent and other Subsidiaries, (ii) maintaining its corporate or other entity existence, (iii) participating in tax, accounting and other administrative activities as the parent of the consolidated group of companies consisting of the Borrowing Agent and its Restricted Subsidiaries, (iv) the performance of obligations under the Loan Documents and the ABL Facility Documents, (v) making and receiving Restricted Payments, (vi) establishing and maintaining bank accounts, (vii) entering into employment agreements and other customary arrangements with officers and directors and performing the activities contemplated thereby, (viii) 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, (ix) the providing of indemnification to officers, managers and directors, (x) taking any other action permitted under the Loan Documents, the ABL Facility Documents, any document related to any Permitted Incremental Equivalent Debt or any document related to a Permitted Refinancing thereof, (xi) purchasing Qualified Capital Stock of its Subsidiaries, (xii) the making of loans to officers, directors and employees in exchange for its Qualified Capital Stock purchased by such officers, directors and employees pursuant to Section 8.6(h)(i) and the acceptance of notes relating thereto and (xiii) any activities incidental to the foregoing.

8.13 Consolidated Capital Expenditures. [Beginning with the first fiscal year set forth below, make or commit to make Consolidated Capital Expenditures for any fiscal year (or

shorter period) set forth below in excess of the amount set forth in the table below (the "Consolidated Capital Expenditure Limitation") with respect to such fiscal year (or shorter period):

Fiscal Period	Consolidated Capital Expenditure Limitation

; provided, however, in the event the Holdings, the Borrowing Agent and any of their respective Restricted Subsidiaries to do not expend the entire Consolidated Capital Expenditure Limitation in any fiscal year, Holdings, the Borrowing Agent and any of their respective Restricted Subsidiaries may carry forward to the immediately succeeding fiscal year [●]% of the unutilized portion. All Consolidated Capital Expenditures in any fiscal year shall first be applied to reduce the applicable Consolidated Capital Expenditure Limitation for such fiscal year and then to reduce the carry-forward from the previous fiscal year, if any.][9]

8.14 Total Leverage Ratio.[10] Beginning with the first fiscal quarter set forth below, suffer or permit the Total Leverage Ratio as of the day of any fiscal quarter set forth below to be greater than the correlative maximum ratio indicated:

Fiscal Quarter	Maximum Total Leverage Ratio

SECTION 9.
GUARANTEE

9.1 The Guarantee. Each Guarantor hereby jointly and severally guarantees, as a primary obligor and not as a surety, to each Secured Party and their respective successors and permitted assigns, the prompt payment in full when due (whether at stated maturity, by required prepayment, declaration, demand, by acceleration or otherwise) of (1) the principal of and interest (including any interest, fees, costs or charges that would accrue but for the provisions of the Bankruptcy Code after any bankruptcy or insolvency petition under the Bankruptcy Code or any similar law of any other jurisdiction) on (i) the Term Loans made by the Lenders to the Borrowers, and (ii) the Term Notes held by each Lender of the Borrowers and (2) all other Obligations from time to time owing to the Secured Parties by the Loan Parties (such obligations being herein called the "Guaranteed Obligations"). Each Guarantor hereby jointly and severally agrees that, if the Borrowers shall fail to pay in full when due (whether at stated maturity, by acceleration or otherwise) any of the Guaranteed Obligations, such Guarantor will promptly pay the same in cash, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

[9] To be determined.

[10] To be determined.

9.2 Obligations Unconditional. The obligations of the Guarantors under Section 9.1, respectively, shall constitute a guarantee of payment (and not of collection) and to the fullest extent permitted by applicable Requirements of Law, are absolute, irrevocable and unconditional, joint and several, irrespective of the value, genuineness, validity, regularity or enforceability of the Guaranteed Obligations of the Borrowers under this Agreement, the Term Notes, if any, or any other agreement or instrument referred to herein or therein, or any substitution, release or exchange of any other guarantee of or security for any of the Guaranteed Obligations, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety by any Guarantor, as applicable (except for payment in full). Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of any Guarantor hereunder, which shall, in each case, remain absolute, irrevocable and unconditional under any and all circumstances as described above:

(a) at any time or from time to time, without notice to any Guarantor, the time for any performance of or compliance with any of the Guaranteed Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of this Agreement or the Term Notes, if any, or any other agreement or instrument referred to herein or therein shall be done or omitted;

(c) the maturity of any of the Guaranteed Obligations shall be accelerated, or any of the Guaranteed Obligations shall be amended in any respect, or any right under the Loan Documents or any other agreement or instrument referred to herein or therein shall be amended or waived in any respect or any other guarantee of any of the Guaranteed Obligations or any security therefor shall be released or exchanged in whole or in part or otherwise dealt with;

(d) any Lien or security interest granted to, or in favor of any Lender or the Administrative Agent as security for any of the Guaranteed Obligations shall fail to be perfected; or

(e) the release of any other Guarantor pursuant to Section 9.8, or otherwise.

Each of the Guarantors hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that any Secured Party exhaust any right, power or remedy or proceed against the Borrowers or any Guarantor under this Agreement or the Term Notes, if any, or any other agreement or instrument referred to herein or therein, or against any other person under any other guarantee of, or security for, any of the Guaranteed Obligations. Each of the Guarantors waives any and all notice of the creation, renewal, extension, waiver, termination or accrual of any of the Guaranteed Obligations and notice of or proof of reliance by any Secured Party upon this guarantee made under this Section 9 (this "Guarantee") or acceptance of this Guarantee, and the Guaranteed Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred in reliance upon this Guarantee, and all dealings between the Borrowers and the Secured Parties shall likewise be conclusively presumed to have been had or consummated in reliance upon this Guarantee. This Guarantee shall be construed as a continuing, absolute, irrevocable and

unconditional guarantee of payment without regard to any right of offset with respect to the Guaranteed Obligations at any time or from time to time held by the Secured Parties and the obligations and liabilities of the Guarantors hereunder shall not be conditioned or contingent upon the pursuit by the Secured Parties or any other person at any time of any right or remedy against the Borrowers or against any other person which may be or become liable in respect of all or any part of the Guaranteed Obligations or against any collateral security or guarantee therefor or right of offset with respect thereto. This Guarantee shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon the Guarantors and the successors and assigns thereof, and shall inure to the benefit of the applicable Lenders, and their respective successors and permitted assigns, notwithstanding that from time to time during the term of this Agreement there may be no Guaranteed Obligations outstanding.

9.3 Reinstatement. The obligations of the Guarantors under this Section 9 shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of the Borrowers or any Loan Party in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise.

9.4 No Subrogation. Each Guarantor hereby agrees that until the payment and satisfaction in full in cash of all Guaranteed Obligations (other than contingent indemnification and reimbursement obligations for which no claim has been made) and the expiration and termination of the Term Loan Commitments under this Agreement it shall subordinate any claim and shall not exercise any right or remedy, direct or indirect, arising by reason of any performance by it of its guarantee in Section 9.1, whether by subrogation, right of contribution or otherwise, against the Borrowers or any other Guarantor of any of the Guaranteed Obligations or any security for any of the Guaranteed Obligations.

9.5 Remedies. Each Guarantor jointly and severally agrees that, as between the Guarantors and the Lenders, the obligations of the Borrowers under this Agreement and the Term Notes, if any, may be declared to be forthwith due and payable as provided in Section 10 (and shall be deemed to have become automatically due and payable in the circumstances provided in Section 10) for purposes of Section 9.1, notwithstanding any stay, injunction or other prohibition preventing such declaration (or such obligations from becoming automatically due and payable) as against the Borrowers or any Guarantor and that, in the event of such declaration (or such obligations being deemed to have become automatically due and payable, or the circumstances occurring where Section 10 provides that such obligations shall become due and payable), such obligations (whether or not due and payable by the Borrowers) shall forthwith become due and payable by the Guarantors for purposes of Section 9.1.

9.6 Continuing Guarantee. The Guarantee made by the Guarantors in this Section 9 is a continuing guarantee of payment, and shall apply to all Guaranteed Obligations whenever arising.

9.7 General Limitation on Guaranteed Obligations. In any action or proceeding involving any federal, state, provincial or territorial, corporate, limited partnership or limited liability company law, or any applicable state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any

Guarantor under Section 9.1 would otherwise be held or determined to be void, voidable, invalid or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 9.1, then, notwithstanding any other provision to the contrary, the amount of such liability of such Guarantor shall, without any further action by such Guarantor, any Loan Party or any other Person, be automatically limited and reduced to the highest amount (after giving effect to the right of contribution established in Section 9.9) that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding and would not constitute fraudulent conveyance.

The Guarantors confirm that it is the intention that this Guarantee not constitute a fraudulent transfer or conveyance for purposes of Debtor Relief Laws, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal, state or foreign law to the extent applicable to the obligations set forth herein.

9.8 Release of Subsidiary Guarantors and Pledges.

(a) A Subsidiary Guarantor shall be automatically released from its obligations hereunder in the event that (i) all the Capital Stock of such Subsidiary Guarantor shall be sold, transferred or otherwise disposed of to a Person other than Holdings or any of its Restricted Subsidiaries in a transaction permitted by Section 8, (ii) so long as no Event of Default then exists or would result therefrom, upon the designation of a Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with Section 7.11, or (iii) solely in the case of a Canadian Loan Party or the Puerto Rican Loan Party, such Canadian Loan Party or Puerto Rican Loan Party is released from its obligations under the ABL Facility. In connection with any such release of a Guarantor, the Administrative Agent shall promptly execute and deliver to such Guarantor, at such Guarantor's expense, all UCC termination statements and other documents that such Guarantor shall reasonably request to evidence such release.

(b) If (x) any voting Capital Stock issued by any Excluded Foreign Subsidiary described in clause (i) of the definition of Excluded Foreign Subsidiary is redeemed by such Excluded Foreign Subsidiary, (y) the Borrowers provide written notice to the Administrative Agent that the Borrowers have determined in accordance with clause (i) of the definition of Excluded Foreign Subsidiary that a Subsidiary has become an Excluded Foreign Subsidiary described in such clause (i), or (z) the Borrowers provide written notice to the Administrative Agent that a Foreign Subsidiary or a CFC Holdco has ceased to be an Excluded Foreign Subsidiary described in clause (i) of the definition of Excluded Foreign Subsidiary and has become an Excluded Foreign Subsidiary described in clause (ii) of the definition of Excluded Foreign Subsidiary, then such shares of the relevant issuer shall be automatically and without further action released from the security interests created by this Agreement so that the shares of voting Capital Stock of such Subsidiary subject to the security interests created by this Agreement shall not include more than 65% of the total outstanding voting Capital Stock of any Excluded Foreign Subsidiary described in clause (i) of the definition of Excluded Foreign Subsidiary or at any time include any shares of Capital Stock of any Excluded Foreign Subsidiary described in clause (ii) of the definition of Excluded Foreign Subsidiary and any certificates representing such released Capital Stock shall be returned to the applicable grantor.

9.9 Right of Contribution. At any time a payment in respect of the Guaranteed Obligations is made under this Guarantee, the right of contribution of each Subsidiary Guarantor against each other Subsidiary Guarantor shall be determined as provided in the immediately following sentence, with the right of contribution of each Subsidiary Guarantor to be revised and restated as of each date on which a payment (a "Relevant Payment") is made on the Guaranteed Obligations under this Guarantee. Each Subsidiary Guarantor hereby agrees that to the extent that a Subsidiary Guarantor shall have made payments in respect of the Guaranteed Obligations that, in the aggregate, exceed such Subsidiary Guarantor's Contribution Percentage (as defined below) of the aggregate payments made by all Subsidiary Guarantors (such excess, the "Aggregate Excess Amount"), each such Subsidiary Guarantor shall be entitled to seek and receive contribution from and against any other Subsidiary Guarantor hereunder which has not paid its Contribution Percentage of the aggregate payments made by all Subsidiary Guarantors (the "Aggregate Deficit Amount") on the date of such payment, in an amount equal to (x) a fraction, the numerator of which is the Aggregate Excess Amount paid by such Subsidiary Guarantor and the denominator of which is the Aggregate Excess Amount paid by all Subsidiary Guarantors, multiplied by (y) the Aggregate Deficit Amount. Each Subsidiary Guarantor's right of contribution shall be subject to the terms and conditions of Section 9.4. The provisions of this Section 9.9 shall in no respect limit the obligations and liabilities of any Subsidiary Guarantor to the Collateral Agent and the other Secured Parties, and each Subsidiary Guarantor shall remain liable to the Collateral Agent and the other Secured Parties for the full amount guaranteed by such Subsidiary Guarantor hereunder; provided, that no Subsidiary Guarantor may take any action to enforce such right until the Guaranteed Obligations have been irrevocably paid in full in cash and the Total Term Loan Commitment has been terminated, it being expressly recognized and agreed by all parties hereto that any Subsidiary Guarantor's right of contribution arising under this Section 9.9 against any other Subsidiary Guarantor shall be expressly junior and subordinate to such other Subsidiary Guarantor's obligations and liabilities in respect of the Obligations and any other obligations owing under this Guarantee. As used in this Section 9.9: (i) each Subsidiary Guarantor's "Contribution Percentage" shall mean the percentage obtained by dividing (x) Adjusted Net Worth (as defined below) of such Subsidiary Guarantor by (y) the aggregate Adjusted Net Worth of all Subsidiary Guarantors; (ii) the "Adjusted Net Worth" of each Subsidiary Guarantor shall mean the greater of (x) the Net Worth (as defined below) of such Subsidiary Guarantor and (y) zero; and (iii) the "Net Worth" of each Subsidiary Guarantor shall mean the amount by which the fair saleable value of such Subsidiary Guarantor's assets on the date of any payment by such Subsidiary Guarantor exceeds its existing debts and other liabilities (including contingent liabilities, but without giving effect to any Guaranteed Obligations arising under this Guarantee) on such date. Notwithstanding anything to the contrary contained above, any Subsidiary Guarantor that is released from this Guarantee pursuant to Section 9.8 hereof shall thereafter have no contribution obligations, or rights, pursuant to this Section 9.9, and at the time of any such release, if the released Subsidiary Guarantor had an Aggregate Excess Amount or an Aggregate Deficit Amount, same shall be deemed reduced to $0, and the contribution rights and obligations of the remaining Subsidiary Guarantors shall be recalculated on the respective date of releases (as otherwise provided above) based on the payments made hereunder by the remaining Subsidiary Guarantors.

9.10 Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this

Guaranty in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 9.10 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 9.10, or otherwise under this Guaranty, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until a discharge of Guaranteed Obligations. Each Qualified ECP Guarantor intends that this Section 9.10 constitute, and this Section 9.10 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

SECTION 10.
EVENTS OF DEFAULT

10.1 Events of Default. An "Event of Default" shall occur if any of the following events shall occur and be continuing; provided that any requirement for the giving of notice, the lapse of time, or both, has been satisfied (any such event, an "Event of Default"):

(a) a Borrower shall fail to pay any principal of any Term Loan when due in accordance with the terms hereof; or a Borrower shall fail to pay any interest on any Term Loan, any fee or any other amount payable hereunder or under any other Loan Document within five Business Days after any such interest or other amount becomes due in accordance with the terms hereof; or

(b) any representation or warranty made or deemed made by Holdings or its Restricted Subsidiaries herein or in any other Loan Document or that is contained in any certificate, document or other statement furnished by it at any time under or in connection with this Agreement or any such other Loan Document shall prove to have been inaccurate in any material respect (without duplication of any materiality qualifiers set forth therein) on or as of the date made or deemed made (or if any representation or warranty is expressly stated to have been made as of a specific date, inaccurate in any material respect as of such specific date); or

(c) any Loan Party shall default in the observance or performance of (i) any agreement contained in Section 7.4(a), Section 7.5, Section 7.6, Section 7.7(a), Section 7.12 or Section 8; provided that the covenant in Section 8.14 is subject to cure pursuant to Section 10.4; or

(d) any Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in paragraphs (a) through (c) of this Section 10.1), and such default shall continue unremedied for a period of (x) in the case of Section 7.1(c) and Section 7.4(a), 5 days and (y) otherwise, 30 days after the earlier of (i) the date on which an officer of a Loan Party first becomes aware of such default and (ii) the date on which the Administrative Agent or the Required Lenders give written notice thereof to the Borrowing Agent; or

(e) Holdings or any of its Restricted Subsidiaries shall (i) default in making any payment of any principal of any Material Indebtedness (including any Guarantee Obligation in respect of Material Indebtedness, but excluding the Term Loans); or (ii) default in making any

payment of any interest on any such Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (iii) default in the observance or performance of any other agreement or condition relating to any such Material Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to (x) cause, or to permit the holder or beneficiary of such Material Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause (determined without regard to whether any notice is required) such Material Indebtedness to become due prior to its stated maturity or (in the case of any such Material Indebtedness constituting a Guarantee Obligation) to become payable or (y) to cause (determined without regard to whether any notice is required) Holdings or any of its Restricted Subsidiaries to purchase or redeem or make an offer to purchase or redeem such Indebtedness prior to its stated maturity; provided that clause (iii) of this Section 10.1(e) shall not apply to secured Indebtedness that becomes due as a result of the voluntary Disposition of the property or assets securing such Indebtedness, if such Disposition is permitted hereunder and such Indebtedness that becomes due is paid upon such Disposition; provided, further, that (I) this clause (e) shall not apply to the extent there occurs under any Swap Agreement an Early Termination Date (as defined in such Swap Agreement, or any similar term in such Swap Agreement) resulting from any Termination Event (as defined in such Swap Agreement, or any similar term in such Swap Agreement) under such Swap Agreement as to which a Loan Party or any Restricted Subsidiary thereof is an Affected Party (as defined in such Swap Agreement, or any similar term in such Swap Agreement) (other than with respect to Termination Events or equivalent events pursuant to the terms of such Swap Agreements that are not the result of any default or breach thereunder by any Loan Party or any Restricted Subsidiary) unless the Swap Termination Value owed by the Loan Party or such Restricted Subsidiary as a result thereof is greater than $15,000,000 and (II) notwithstanding anything set forth herein, a breach of the financial covenant under [Section 7.15] of the ABL Facility shall not constitute an Event of Default under this Section 10.1(e) until the earliest to occur of (A) the date occurring on the 30th day following the breach of such covenant to the extent such breach remains uncured or waived under the ABL Facility, (B) the commitments under the ABL Facility shall have been terminated (except to the extent the ABL Facility has been refinanced or replaced) or the loans under the ABL Facility shall have been accelerated and (C) the ABL Agent, the collateral agent under the ABL Facility or any lender under the ABL Facility shall have exercised any remedies available to it under the ABL Facility; or

(f) (i) Holdings, the Borrowing Agent or any Significant Restricted Subsidiary shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or Holdings, the Borrowing Agent or any Significant Restricted Subsidiary shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against Holdings, the Borrowing Agent or any Significant Restricted Subsidiary any case, proceeding or other action of a nature referred to in clause (i) above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall

be commenced against Holdings, the Borrowing Agent or any Significant Restricted Subsidiary any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets that results in the entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) Holdings, the Borrowing Agent or any Significant Restricted Subsidiary shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) Holdings, the Borrowing Agent or any Significant Restricted Subsidiary shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(g) (i) any Person shall engage in any non-exempt "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) any Lien in favor of the PBGC or a Plan shall arise on the assets of Holdings, the Borrowing Agent, any Subsidiary, or any Commonly Controlled Entity, (iii) a Reportable Event shall occur with respect to any Plan, or proceedings by the PBGC shall commence to have a trustee appointed or to terminate a Plan, or a trustee shall be appointed, to administer or to terminate, any Plan, (iv) the administrator of a Plan shall provide a notice of intent to terminate such Plan pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a Plan amendment referred to in Section 4041(e) of ERISA) or any Single Employer Plan shall terminate for purposes of Title IV of ERISA, (v) Holdings, the Borrowing Agent, any Subsidiary or any Commonly Controlled Entity shall, or is reasonably likely to, incur any liability in connection with a partial or complete withdrawal from, or the Insolvency or Reorganization of, a Multiemployer Plan, (vi) a Plan has failed to satisfy the minimum funding standard within the meaning of Section 412 or 430 of the Code or Section 302 or 303 of ERISA, or an application may be or has been made for a waiver or modification of the minimum funding standard (including any required installment payments) or an extension of any amortization period under Section 412 of the Code or Section 302 or 304 of ERISA with respect to a Plan, (vii) a determination has been made that any Plan is, or is expected to be, considered an at-risk plan within the meaning of Section 430 of the Code or Section 303 of ERISA, (viii) a Multiemployer Plan is reasonably expected to be in endangered or critical status under Section 305 of ERISA or Holdings, the Borrowing Agent, any Subsidiary or Commonly Controlled Entity has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in Reorganization, Insolvent or has been determined to be in endangered or critical status within the meaning of Section 432 of the Code or Section 305 of ERISA, (ix) the cessation of operations at a facility of Holdings, the Borrowing Agent, any Subsidiary or any Commonly Controlled Entity in the circumstances described in Section 4062(e) of ERISA, or (x) any contribution required to be made with respect to a Plan, Multiemployer Plan or Non-U.S. Plan has not been timely made; and in each case in clauses (i) through (x) above, such event or condition, together with all other such events or conditions, if any, has had, or could reasonably be expected to have, a Material Adverse Effect; or

(h) one or more judgments or decrees shall be entered against Holdings or any of its Restricted Subsidiaries involving in the aggregate a liability (not paid or covered by insurance as to which the relevant reputable and solvent insurance company has been notified of the claim and has not denied coverage in writing) of $15,000,000 or more, and all such

judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or

(i) any material provision of the ABL/Term Loan Intercreditor Agreement, any Security Document or any other Loan Document shall cease, for any reason, to be in full force and effect, other than pursuant to the terms hereof or thereof, or as a result of acts or omissions of Administrative Agent, Lenders, their Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates (each, a "Related Party") or any Lien created by any such Security Document or any such Loan Document shall cease to be enforceable and of the same effect and priority purported to be created thereby (subject to any Intercreditor Agreement then in effect) with respect to any material portion of the Term Priority Collateral, other than pursuant to the terms hereof or thereof, or as a result of acts or omissions of Administrative Agent or any of its Related Parties; or

(j) the Guarantee contained in Section 9 shall cease, for any reason, to be in full force and effect, other than (x) as provided for in Section 9.8, (y) pursuant to the terms hereof or thereof, or (z) as a result of acts or omissions of Administrative Agent or any of its Related Parties, or any Loan Party or any of their Subsidiaries shall so assert in writing; or

(k) (i) any of the Obligations of the Loan Parties under the Loan Documents for any reason shall cease to be "Senior Indebtedness" (or any comparable term) or "Senior Secured Financing" (or any comparable term) under, and as defined in any documentation governing Subordinated Indebtedness in excess of $15,000,000 or (ii) the subordination provisions set forth in any documentation governing Subordinated Indebtedness in excess of $15,000,000 shall, in whole or in part, cease to be effective or cease to be legally valid, binding and enforceable against the holders of such Subordinated Indebtedness, if applicable, in each case, other than pursuant to the terms hereof or thereof, or as a result of acts or omissions of Administrative Agent or any of its Related Parties; or

(l) a Change of Control shall occur.

10.2 Action in Event of Default.

(a) Upon any Event of Default specified in Section 10.1(f), the Term Loan Commitments shall immediately terminate automatically and the Term Loans (with accrued interest thereon) and all other Obligations owing under this Agreement and the other Loan Documents shall automatically immediately become due and payable.

(b) If any other Event of Default under Section 10.1 occurs, then the Administrative Agent may, or at the request of the Required Lenders shall, take any or all of the following actions: (i) by notice to the Borrowing Agent, declare the Term Loans (with accrued interest thereon) and all other Obligations owing under this Agreement and the other Loan Documents to be due and payable forthwith, whereupon the same shall immediately become due and payable, (ii) the Administrative Agent, in its capacity as Collateral Agent, may enforce all Liens and security interests created pursuant to the Security Documents and (iii) the Administrative Agent may enforce on any Guarantee. Except as expressly provided above in this Section 10.2,

presentment, demand, protest and all other notices of any kind are hereby expressly waived by the Borrowing Agent.

10.3 Application of Proceeds.

(a) Subject to the ABL/Term Intercreditor Agreement, the Collateral Agent shall upon any exercise of remedies hereunder or under any Security Document apply the proceeds of any collection or sale of Collateral, together with all other moneys, in each case received by the Administrative Agent or the Collateral Agent hereunder (or, to the extent any Security Document executed by a Loan Party requires proceeds of collateral thereunder to be applied in accordance with the provisions of this Agreement), including any Collateral consisting of cash, in the manner set forth in Section 4.2(d).

(b) If any payment to any Secured Party pursuant to this Section 10.3 of its pro rata share of any distribution would result in overpayment to such Secured Party, such excess amount shall instead be distributed in respect of the unpaid Obligations of the other Secured Parties, with each Secured Party whose Obligations have not been paid in full to receive an amount equal to such excess amount multiplied by a fraction the numerator of which is the unpaid Obligations of such Secured Party and the denominator of which is the unpaid Obligations of all Secured Parties entitled to such distribution.

(c) Subject to the terms of the ABL/Term Intercreditor Agreement, all payments required to be made hereunder shall be made (x) if to Secured Parties (other than Secured Parties in respect of payments of Obligations under Secured Swap Agreement or Secured Cash Management Obligations), to the Administrative Agent for the account of such Secured Parties, (y) if to Secured Parties in respect of payments of Obligations under Secured Swap Agreements, to the trustee, paying agent or other similar representative (each, a "Representative") for such Secured Parties or, in the absence of such a Representative, directly to such Secured Parties and (z) if to the Secured Parties in respect of payments of Secured Cash Management Obligations, directly to such Secured Parties.

(d) For purposes of applying payments received in accordance with this Section 10.3, the Collateral Agent shall be entitled to rely upon (i) the Administrative Agent, (ii) the Representative or, in the absence of such a Representative, upon the applicable Secured Parties in respect of payments of Obligations under Secured Swap Agreements and (iii) the applicable Secured Parties in respect of payments of Secured Cash Management Obligations for a determination (which the Administrative Agent and each other Secured Party agrees (or shall agree) to provide upon request of the Collateral Agent) of the outstanding Obligations of the Loan Parties owed to the Secured Parties.

(e) Subject to the other limitations (if any) set forth herein and in the other Loan Documents, it is understood that the Loan Parties shall remain liable (as and to the extent set forth in the Loan Documents) to the extent of any deficiency between the amount of the proceeds of the Collateral and the aggregate amount of the Obligations of the Loan Parties.

(f) It is understood and agreed by each Loan Party and each Secured Party that the Collateral Agent shall have no liability for any determinations made by it in this

Section 10.3 (including, without limitation, as to whether given Collateral constitutes Term Priority Collateral or ABL Priority Collateral). Each Loan Party and each Secured Party also agrees that 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 of the ABL/Term Intercreditor Agreement, and the Collateral Agent shall be entitled to wait for, and may conclusively rely on, any such determination.

10.4 Borrowers' Right to Cure. Notwithstanding anything to the contrary contained in Section 10.1 or Section 10.2, in the event that the Borrowers fail (or, but for the operation of this Section 10.4, would fail) to comply with the requirements of the financial covenant set forth in Section 8.14, from the last day of the applicable fiscal quarter until the expiration of the 10th Business Day subsequent to the date the financial statements are required to be delivered pursuant to Sections 7.01(a) or (b), with respect to any fiscal quarter hereunder, the Holdings (or any Parent Company) may issue equity (provided such equity issuance does not result in a Change of Control and constitutes common equity or Qualified Capital Stock) for cash or otherwise receive cash contributions from its equityholders or from the Unrestricted Subsidiaries (a "Specified Equity Contribution") in order to remedy any Event of Default that has occurred with respect to Section 8.14 for such fiscal quarter. Upon such Specified Equity Contribution in accordance with the immediately preceding sentence, the amount of the net proceeds actually received by the Borrowers shall, solely for the purposes (and subject to the limitations) hereinafter described in this Section 10.4, increase Consolidated EBITDA with respect to such applicable fiscal quarter (and any subsequent period of four consecutive fiscal quarters that includes such fiscal quarter) and if, after giving effect to such increase in Consolidated EBITDA, the Borrowers shall then be in compliance with the requirements of Section 8.14, the Borrowers shall be deemed to have satisfied the requirements set forth therein as of the relevant four fiscal quarter period with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default that had occurred shall be deemed cured for purposes of this Agreement; provided (x) that such Net Cash Proceeds (i) are actually received by Borrower no later than 10 Business Days after the date on which financial statements are required to be delivered with respect to such fiscal quarter hereunder, and (ii) do not exceed the aggregate amount necessary to cure (by addition to Consolidated EBITDA) such Event of Default under Section 8.14 for such period. The parties hereby acknowledge that this Section 10.4 may not be relied on for purposes of calculating any financial ratios other than as applicable to Section 8.14 and shall not be included for purposes of determining pricing, fees or any financial ratio-based conditions (including, without limitation, compliance with any covenant or condition other than Section 8.14 itself which requires a determination of whether the financial covenant in Section 8.14 is satisfied, whether or not same would otherwise be applicable) or any baskets with respect to the covenants or conditions contained in this Agreement and (y) (i) in each four consecutive fiscal quarter period there shall be at least two fiscal quarters in which a cure set forth in this Section 10.4 is not exercised, (ii) a cure set forth in this Section 10.4 shall not be exercised more than five times during the term of this Agreement

SECTION 11.
ADMINISTRATIVE AGENT

11.1 Appointment. The Lenders hereby irrevocably designate and appoint Cortland as Administrative Agent (for purposes of Sections 11 and 12.1, the term "Administrative Agent" also shall include Cortland in its capacity as Collateral Agent pursuant to the Security Documents) to act as specified herein and in the other Loan Documents. Each Lender hereby irrevocably authorizes, and each holder of any Term Note by the acceptance of such Term Note shall be deemed irrevocably to authorize, the Administrative Agent to take such action on its behalf under the provisions of this Agreement, the other Loan Documents and any other instruments and agreements referred to herein or therein and to exercise such powers and to perform such duties hereunder and thereunder as are specifically delegated to or required of the Administrative Agent by the terms hereof and thereof and such other powers as are reasonably incidental thereto. The Administrative Agent may perform any of its respective duties hereunder by or through its officers, directors, agents, employees or affiliates. The provisions of this Section 11 are solely for the benefit of the Administrative Agent and the Lenders, and the Borrowers shall not have any rights as third party beneficiaries of any such provisions (except as provided in Section 11.9).

11.2 Nature of Duties.

(a) The Administrative Agent shall not have any duties or responsibilities except those expressly set forth in this Agreement and in the other Loan Documents. Neither the Administrative Agent nor any of its officers, directors, agents, employees or affiliates shall be liable for any action taken or omitted by it or them hereunder or under any other Loan Document or in connection herewith or therewith (i) if such action or omission was taken at the direction of the Required Lenders, or (ii) unless caused by its or their gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision). The duties of the Administrative Agent shall be mechanical and administrative in nature; the Administrative Agent shall not have by reason of this Agreement or any other Loan Document a fiduciary relationship in respect of any Lender or the holder of any Term Note; and nothing in this Agreement or in any other Loan Document, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect of this Agreement or any other Loan Document except as expressly set forth herein or therein.

(b) Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take, or not to take, any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the

Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the Automatic Stay under any Debtor Relief Law or that may affect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Borrower or any of their respective Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

11.3 Lack of Reliance on the Administrative Agent. Independently and without reliance upon the Administrative Agent, each Lender and the holder of each Term Note, to the extent it deems appropriate, acknowledges that it has made and shall continue to make (i) its own independent investigation of the financial condition and affairs of Holdings and its Subsidiaries in connection with the making and the continuance of the Term Loans and the taking or not taking of any action in connection herewith and (ii) its own appraisal of the creditworthiness of Holdings and its Subsidiaries and, except as expressly provided in this Agreement, the Administrative Agent shall not have any duty or responsibility, either initially or on a continuing basis, to provide any Lender or the holder of any Term Note with any credit or other information with respect thereto, whether coming into its possession before the making of the Term Loans or at any time or times thereafter. The Administrative Agent shall not be responsible to any Lender or the holder of any Term Note for any recitals, statements, information, representations or warranties herein or in any document, certificate or other writing delivered in connection herewith or for the execution, effectiveness, genuineness, validity, enforceability, perfection, collectability, priority or sufficiency of this Agreement or any other Loan Document or the financial condition of Holdings or any of its Subsidiaries or be required to make any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of this Agreement or any other Loan Document, or the financial condition of Holdings or any of its Subsidiaries or the existence or possible existence of any Default or Event of Default.

11.4 Certain Rights of the Administrative Agent. If the Administrative Agent requests instructions from the Required Lenders with respect to any act or action (including failure to act) in connection with this Agreement or any other Loan Document, the Administrative Agent shall be entitled to refrain from such act or taking such action unless and until the Administrative Agent shall have received instructions from the Required Lenders and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys, accountants, experts and other professional advisors selected by it; and the Administrative Agent shall not incur liability to any party by reason of so refraining. Without limiting the foregoing, neither any Lender nor the holder of any Term Note shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting hereunder or under any other Loan Document in accordance with the instructions of the Required Lenders. The Administrative Agent shall not be required to take any action under this Agreement or any other Loan Document, unless it is indemnified hereunder to its satisfaction.

11.5 Reliance. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any note, writing, resolution, notice, statement, certificate, telex, teletype or telecopier message (or other electronic communication), cablegram, radiogram, order or other document or telephone message signed, sent or made by any Person that the Administrative Agent believed to be the proper Person, and, with respect to all legal matters pertaining to this Agreement and any other Loan Document and its duties hereunder and thereunder, upon advice of counsel selected by the Administrative Agent.

11.6 Indemnification. (a) To the extent the Administrative Agent (or any affiliate thereof) is not timely reimbursed and indemnified by the Borrowing Agent, the Lenders will reimburse and indemnify the Administrative Agent (and any affiliate thereof), including without limitation in its capacity as Collateral Agent under the Loan Documents, in proportion to their respective "percentage" as used in determining the Required Lenders (determined as if there were no Defaulting Lenders) for and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, costs, expenses or disbursements of whatsoever kind or nature which may be imposed on, asserted against or incurred by the Administrative Agent (or any affiliate thereof) in performing its duties hereunder or under any other Loan Document or in any way relating to or arising out of this Agreement or any other Loan Document including, without limitation, taking or omitting to take any action or exercising any powers at the direction of 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 Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's (or such affiliate's) gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision).

(b) To the extent that the Loan Parties fail to pay any amount required to be paid by them to the Administrative Agent or the Collateral Agent under Section 12.1, each Lender severally agrees to pay to the Administrative Agent or the Collateral Agent, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or the Collateral Agent in its capacity as such. For purposes hereof, a Lender's "pro rata share" shall be determined based upon its outstanding Term Loans and unused Commitments at the time (in each case, determined as if no Lender were a Defaulting Lender).

(c) To the extent permitted by applicable law, no party hereto shall assert, and each hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or the use of the proceeds thereof.

(d) The provisions of this Section 11.6 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the expiration of the Commitments, the invalidity or unenforceability of any term or provision of this Agreement or

any other Loan Document, or any investigation made by or on behalf of the Administrative Agent, the Collateral Agent or any Lender. All amounts due under this Section 11.6 shall be payable on written demand therefor.

11.7 The Administrative Agent in its Individual Capacity. With respect to its obligation to make Term Loans under this Agreement, the Administrative Agent shall have the rights and powers specified herein for a "Lender" and may exercise the same rights and powers as though it were not performing the duties specified herein; and the term "Lender," "Required Lenders," "Majority Lender," "Additional Lender", "Incremental Term Lender" or any similar terms shall, unless the context clearly indicates otherwise, include the Administrative Agent in its respective individual capacities. The Administrative Agent and its affiliates may accept deposits from, lend money to, and generally engage in any kind of banking, investment banking, trust or other business with, or provide debt financing, equity capital or other services (including financial advisory services) to any Loan Party or any Affiliate of any Loan Party (or any Person engaged in a similar business with any Loan Party or any Affiliate thereof) as if they were not performing the duties specified herein, and may accept fees and other consideration from any Loan Party or any Affiliate of any Loan Party for services in connection with this Agreement and otherwise without having to account for the same to the Lenders.

11.8 Holders. The Administrative Agent may deem and treat the payee of any Term Note as the owner thereof for all purposes hereof unless and until a written notice of the assignment, transfer or endorsement thereof, as the case may be, shall have been filed with the Administrative Agent and recorded in the Register. Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is the holder of any Term Note shall be conclusive and binding on any subsequent holder, transferee, assignee or endorsee, as the case may be, of such Term Note or of any Term Note or Term Notes issued in exchange therefor.

11.9 Resignation by the Administrative Agent.

(a) The Administrative Agent may resign from the performance of all its respective functions and duties hereunder and/or under the other Loan Documents at any time by giving 15 Business Days' prior written notice to the Lenders and the Borrowing Agent. Such resignation shall take effect upon the appointment of a successor Administrative Agent pursuant to clauses (c) and (d) below or as otherwise provided below.

(b) The Required Lenders may, at any time, remove the Person serving as Administrative Agent by giving 15 Business Days' prior written notice to the Borrowing Agent and such Person. Such removal shall take effect upon the appointment of a successor Administrative Agent pursuant to clauses (c) and (d) below or as otherwise provided below.

(c) Upon any such notice of resignation or removal, the Required Lenders, in consultation with the Borrowing Agent, may appoint a successor Administrative Agent hereunder or thereunder reasonably acceptable to the Borrowing Agent, which acceptance shall not be unreasonably withheld or delayed; provided that the Borrowing Agent's approval shall not be required if a Significant Event of Default shall have occurred and be continuing; provided further that the Borrowing Agent shall not unreasonably withhold its approval of any successor

Administrative Agent if such successor is a commercial bank with a consolidated combined capital and surplus of at least $2.5 billion.

(d) If a successor Administrative Agent shall not have been so appointed within the 15 Business Day period following delivery of a notice of resignation, the Administrative Agent, in consultation with the Borrowing Agent, shall then appoint a successor Administrative Agent who shall serve as Administrative Agent hereunder or thereunder until such time, if any, as the Required Lenders appoint a successor Administrative Agent in accordance with clause (c) above.

(e) If no successor Administrative Agent has been appointed pursuant to clause (c) or (d) above by the 20th Business Day after the date of a notice of resignation or removal, as applicable, the Administrative Agent's resignation or removal, as applicable, shall become effective and 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, and the Required Lenders shall thereafter perform all the duties of the Administrative Agent hereunder and/or under any other Loan Document until such time, if any, as the Required Lenders appoint a successor Administrative Agent in accordance with clause (c) above; provided that in the case of any original Collateral held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such original Collateral until such time as a successor Administrative Agent is appointed pursuant to this Section 11.9.

(f) Upon a resignation or removal of the Administrative Agent pursuant to this Section 11.9, the Administrative Agent shall remain indemnified to the extent provided in this Agreement and the other Loan Documents and the provisions of this Section 11 (and the analogous provisions of the other Loan Documents) shall continue in effect for the benefit of the Administrative Agent for all of its actions and inactions while serving as the Administrative Agent.

11.10 Collateral Matters.

(a) Each Lender authorizes and directs the Collateral Agent to enter into (x) the Security Documents and the ABL/Term Loan Intercreditor Agreement and any Other Intercreditor Agreement for the benefit of the Lenders and the other Secured Parties, (y) any amendments, amendments and restatements, restatements or waivers of or supplements to or other modifications to the Security Documents and the ABL/Term Loan Intercreditor Agreement and any Other Intercreditor Agreement in connection with the incurrence by any Loan Party of Indebtedness pursuant to Section 8.1 or (c), as applicable or to permit such Indebtedness to be secured by a valid, perfected lien (with such priority as may be designated by the Borrowing Agent or relevant Subsidiary, to the extent such priority is permitted by Section 8.1(b) or (c), as applicable) and (z) any Incremental Amendment as provided in Section 2.15, any Loan Modification Agreement as provided in Section 2.16 and any Refinancing Amendment pursuant to Section 2.17). Each Lender hereby agrees, and each holder of any Term Note by the acceptance thereof will be deemed to agree, that, except as otherwise set forth herein, any action taken by the Required Lenders in accordance with the provisions of this Agreement or the Security Documents, and the exercise by the Required Lenders of the powers set forth herein or

therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders. The Collateral Agent is hereby authorized on behalf of all of the Lenders, without the necessity of any notice to or further consent from any Lender, from time to time prior to an Event of Default, to take any action with respect to any Collateral or Security Documents which may be necessary to perfect and maintain perfected the security interest in and liens upon the Collateral granted pursuant to the Security Documents and in the case of the ABL/Term Loan Intercreditor, any Other Intercreditor Agreement or any other Intercreditor Agreement to take all actions (and execute all documents) required or deemed advisable by it in accordance with the terms thereof.

(b) The Lenders hereby authorize the Collateral Agent, at its option and in its discretion, to release any Lien granted to or held by the Collateral Agent upon any Collateral (i) upon the occurrence of the Termination Date, (ii) constituting property being sold or otherwise disposed of (to Persons other than Holdings and its Subsidiaries) upon the sale or other disposition thereof in compliance with Section 8.4, (iii) if approved, authorized or ratified in writing by the Required Lenders (or all of the Lenders hereunder, to the extent required by Section 12.12) or (iv) as otherwise may be expressly provided in the relevant Security Documents. Upon request by the Administrative Agent at any time, the Lenders will confirm in writing the Collateral Agent's authority to release particular types or items of Collateral pursuant to this Section 11.10.

(c) The Collateral Agent shall have no obligation whatsoever to the Lenders or to any other Person to assure that the Collateral exists or is owned by any Loan Party or is cared for, protected or insured or that the Liens granted to the Collateral Agent herein or pursuant hereto have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to the Collateral Agent in this Section 11.10 or in any of the Security Documents, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, the Collateral Agent may act in any manner it may deem appropriate, in its sole discretion, given the Collateral Agent's own interest in the Collateral as one of the Lenders and that the Collateral Agent shall have no duty or liability whatsoever to the Lenders, except for its gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision).

(d) Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative 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 11.10. In each case as specified in this Section 11.10, the Administrative Agent will, at the Borrowing Agent's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the security interest granted under the Security Agreement and the other Loan Documents or to subordinate its interest in such item, or to release such Subsidiary Loan Party from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 11.10.

11.11 Delivery of Information. The Administrative Agent shall not be required to deliver to any Lender originals or copies of any documents, instruments, notices, communications or other information received by the Administrative Agent from any Loan Party, any Subsidiary, the Required Lenders, any Lender or any other Person under or in connection with this Agreement or any other Loan Document except (i) as specifically provided in this Agreement or any other Loan Document and (ii) as specifically requested from time to time in writing by any Lender with respect to a specific document, instrument, notice or other written communication received by and in the possession of the Administrative Agent at the time of receipt of such request and then only in accordance with such specific request.

11.12 Withholding. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any withholding tax applicable to such payment. If the IRS or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold tax from amounts paid to or for the account of any Lender for any other reason, or the Administrative Agent has paid over to the IRS applicable withholding tax relating to a payment to a Lender but no deduction has been made from such payment, such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as tax or otherwise, including any penalties or interest and together with any and all expenses incurred, unless such amounts have been indemnified by any Borrower, Guarantor or the relevant Lender.

11.13 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Term 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 Borrowing Agent) shall be entitled and empowered (but not obligated) 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 Term Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 3.1(a) or Section 12.1) allowed in such judicial proceeding;

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 3.1(a) or Section 12.1.

SECTION 12.
MISCELLANEOUS

12.1 Payment of Expenses, etc.

(a) The Borrowers, Holdings, and each Guarantor agree, jointly and severally, to pay all reasonable and documented (in summary form) out-of-pocket fees, costs, disbursements and expenses (i) incurred by (A) the Administrative Agent (including and limited, in the case of counsel, to) all reasonable fees, costs, disbursements and expenses of the Agents' primary outside counsel, initially NRF, and (B) the Lenders (limited, in the case of counsel, financial advisors and other outside professional advisors to all reasonable fees, costs, disbursements and expenses of the Lenders' counsels, Akin and K&S and Houlihan, as financial advisor to the Lenders, and (C) any other professional advisors retained by the Administrative Agent, or the Lenders or their respective counsel in connection with the negotiations, preparation, execution and delivery of the Loan Documents, including, without limitation, all due diligence, transportation, computer, duplication, messenger, audit, insurance, appraisal, valuation and consultant costs and expenses, and all search, filing and recording fees, incurred or sustained by the Administrative Agent and its counsel and professional advisors in connection with the Term Facility, the Loan Documents or the transactions contemplated thereby, the administration of the Term Facility and any amendment or waiver of any provision of the Loan Documents, (whether or not the transactions hereby or thereby contemplated shall be consummated) or (ii) incurred by the Administrative Agent, the Collateral Agent or any Lender in connection with the enforcement or protection of its rights in connection with this Agreement and the other Loan Documents, or in connection with any "workout" or restructuring transaction, in each case, including the reasonable and documented fees, charges and disbursements of NRF, Akin and K&S, and, in connection therewith, the fees, charges and disbursements of one firm of local counsel for the Administrative Agent, the Collateral Agent or any Lender and other professional advisors.

(b) The Loan Parties agree, jointly and severally, to indemnify the Administrative Agent, the Collateral Agent, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and to hold each Indemnitee harmless from, any and all actual losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, charges and disbursements, incurred by or asserted against any Indemnitee arising out of, in any way connected with, or as a result of (i) the execution or delivery of this Agreement or any other Loan Document or any agreement or instrument contemplated thereby, the performance by the parties thereto of their respective obligations thereunder or the consummation of the Transactions and the other transactions contemplated thereby (including fundings and deemed fundings under the Term Facility), (ii) the use of the proceeds of the Loans, or (iii) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto (and regardless of whether such matter is initiated by a third party or by the Borrowers, any other Loan Party or any of their respective Affiliates), or (iv) any Release or actual or alleged presence of Materials of Environmental Concern on, at or under any property currently or formerly owned, leased or operated by the Borrowers or any of the Subsidiaries, or any Environmental Claims related in any way to the Borrowers or the Subsidiaries; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related

expenses (A) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted primarily from the gross negligence or willful misconduct of such Indemnitee, or (B) resulted solely from a dispute solely among Indemnitees other than any claims against any Indemnitee in its capacity or in fulfilling its role as Administrative Agent or Collateral Agent. No Indemnitee shall have any liability (whether direct or indirect, in contract, tort or otherwise) to any Loan Party or any of its Related Parties for or in connection with the transactions contemplated hereby, except, with respect to any Indemnitee, to the extent such liability is found in a final non appealable judgment by a court of competent jurisdiction to have resulted solely from the gross negligence or willful misconduct of such Indemnified Party.

(c) To the extent that the Loan Parties fail to pay any amount required to be paid by them to the Administrative Agent or the Collateral Agent under paragraph (a) or (b) of this Section 12.1, each Lender severally agrees to pay to the Administrative Agent or the Collateral Agent, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or the Collateral Agent in its capacity as such. For purposes hereof, a Lender's "pro rata share" shall be determined based upon its outstanding Term Loans and unused Term Loan Commitments at the time.

(d) To the extent permitted by applicable law, no party hereto shall assert, and each hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or the use of the proceeds thereof.

(e) The provisions of this Section 12.1 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the expiration of the Term Loan Commitments hereunder, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Administrative Agent, the Collateral Agent or any Lender. All amounts due under this Section 12.1 shall be payable on written demand therefor.

12.2 Right of Setoff. In addition to any rights now or hereafter granted under applicable law or otherwise, and not by way of limitation of any such rights, upon the occurrence and during the continuance of an Event of Default, the Administrative Agent and each Lender is hereby authorized at any time or from time to time, without presentment, demand, protest or other notice of any kind to any Loan Party or to any other Person, any such notice being hereby expressly waived, to set off and to appropriate and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency but excluding any deposits in Excluded Accounts) and any other Indebtedness at any time held or owing by the Administrative Agent or such Lender (including, without limitation, by branches and agencies of the Administrative Agent or such Lender wherever located) to or for the credit or the account of Holdings or any of its Subsidiaries against and on account of the Obligations and liabilities of the Loan Parties to the Administrative Agent or such Lender under this Agreement or under any of

the other Loan Documents, including, without limitation, all interests in Obligations purchased by such Lender pursuant to Section 12.4, and all other claims of any nature or description arising out of or connected with this Agreement or any other Loan Document, irrespective of whether or not the Administrative Agent or such Lender shall have made any demand hereunder and although said Obligations, liabilities or claims, or any of them, shall be contingent or unmatured. To the extent permitted by law, each Participant also shall be entitled to the benefits of this Section 12.2 as though it were a Lender; provided that such Participant agrees to be subject to Section 12.6(b) as though it were a Lender.

12.3 Notices.

(a) Except as otherwise expressly provided herein, all notices and other communications provided for hereunder shall be in writing (including telegraphic, telecopier or cable communication or other electronic communication) and mailed, telegraphed, telecopied, cabled or delivered: if to any Loan Party, at the address specified opposite its signature below or in the other relevant Loan Documents; if to any Lender, at its address specified on Schedule II; and if to the Administrative Agent, at the Notice Office; or, as to any Loan Party or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties hereto and, as to each Lender, at such other address as shall be designated by such Lender in a written notice to the Borrowing Agent and the Administrative Agent. All such notices and communications shall, when mailed, telegraphed, telecopied, or cabled or sent by overnight courier, be effective when deposited in the mails, delivered to the telegraph company, cable company or overnight courier, as the case may be, or sent by telecopier, except that notices and communications to the Administrative Agent and the Borrowing Agent shall not be effective until received by the Administrative Agent or such Borrower, as the case may be.

(b) Notices and other communications to the Lenders and the other Secured Parties hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. Each of the Administrative Agent, Holdings and the Borrowing Agent may, in its 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.

12.4 Benefit of Agreement; Assignments; Participations.

(a) (i) Assignments. 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 Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of each affected Lender (and any attempted assignment or transfer by a Borrower without such consent shall be null and void).

Subject to the conditions set forth in paragraphs (a)(ii), (a)(iii) and (a)(iv) below, any Lender may assign to one or more Eligible Assignees (each, an "Assignee") all or a portion of its rights and obligations under this Agreement (including all or a portion of its Term Loan

Commitments and the Term Loans at the time owing to it and the Term Note or Term Notes (if any) held by it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrowing Agent, provided that, except with respect to consents regarding Disqualified Institutions, such consent shall be deemed to have been given if the Borrowing Agent has not responded within 5 Business Days after notice by the Administrative Agent or the respective assigning Lender, provided, further, that no consent of the Borrowing Agent shall be required (x) in the case of any Lender, for an assignment of any Term Loan or any Term Loan Commitment to a Lender, an Affiliate of a Lender, or an Approved Fund (as defined below), in each case, that is not a Disqualified Institution or (y) if an Event of Default has occurred and is continuing, any other Eligible Assignee; or

(B) the Administrative Agent, except, in the case of any Lender, with respect to an assignment of any Term Loan or any Term Loan Commitment to a Lender or an Affiliate of a Lender; and

(ii) Assignment Conditions. Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Term Loan Commitments or Term Loans under any Facility, the amount of the Term Loan Commitments or Term 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) shall not be less than $1,000,000 (provided that simultaneous assignments to or by two or more Approved Funds shall be aggregated for purposes of determining such amount) unless the Administrative Agent and the Borrowing Agent otherwise consent;

(B) 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); and

(C) the Assignee, if it is not already a Lender hereunder, shall deliver to the Administrative Agent an administrative questionnaire and the Internal Revenue Service forms described in Section 4.4(e) (including a U.S. Tax Compliance Certificate, as applicable, and any forms described in Section 4.4(e)(D), if applicable).

This Section 12.4(a) shall not prohibit any Lender from assigning all or any portion of its rights and obligations among separate facilities on a non-pro rata basis.

For the purposes of this Section 12.4, "Approved Fund" means any Person (other than a natural person or a Disqualified Institution) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is

administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

(iii) Assignments to Permitted Auction Purchasers. Each Lender acknowledges that each Permitted Auction Purchaser is an Eligible Assignee hereunder and may purchase or acquire Term Loans hereunder from Lenders from time to time (a) pursuant to Dutch Auctions open to all Lenders on a pro rata basis in accordance with the terms of this Agreement (including Section 12.4) or (b) notwithstanding Sections 10.3 or 12.6 or any other provision of this agreement, open market purchases on a non pro-rata basis ("Open Market Purchase"), in each case subject to the restrictions set forth in the definition of "Eligible Assignee" and, in the case of Dutch Auctions, subject to the restrictions set forth in the definition of "Dutch Auction," in each case, and subject to the following further limitations:

(A) [Reserved];

(B) each Permitted Auction Purchaser agrees that, notwithstanding anything herein or in any of the other Loan Documents to the contrary, with respect to any Auction Purchase or Open Market Purchase, (1) under no circumstances, whether or not any Loan Party is subject to a bankruptcy or other insolvency proceeding, shall such Permitted Auction Purchaser be permitted to exercise any voting rights or other privileges with respect to any Term Loans and any Term Loans that are assigned to such Permitted Auction Purchaser shall have no voting rights or other privileges under this Agreement and the other Loan Documents and shall not be taken into account in determining any required vote or consent and (2) such Permitted Auction Purchaser shall not receive information provided solely to Lenders by the Administrative Agent or any Lender and shall not be permitted to attend or participate in meetings attended solely by Lenders and the Administrative Agent and their advisors; rather all Term Loans held by any Permitted Auction Purchaser shall be automatically Cancelled immediately upon the purchase or acquisition thereof in accordance with the terms of this Agreement (including Section 12.4);

(C) at the time any Permitted Auction Purchaser is making purchases of Term Loans pursuant to a Dutch Auction or an Open Market Purchase it shall enter into an Assignment and Assumption;

(D) immediately upon the effectiveness of each Auction Purchase or such Open Market Purchase, a Cancellation (it being understood that such Cancellation shall not, except in the manner set forth in Section 4.2(b), constitute a mandatory or a voluntary repayment of Term Loans for purposes of this Agreement) shall be automatically irrevocably effected with respect to all of the Term Loans and related Obligations subject to such Auction Purchase or such Open Market Purchase for no consideration, with the effect that such Term Loans and related Obligations shall for all purposes of this Agreement and the other Loan Documents no longer be outstanding, and the Borrowers and the Guarantors shall no longer have any Obligations relating thereto, it being understood that such forgiveness and cancellation shall result in the Borrowers and the Guarantors being irrevocably and unconditionally released from all claims and

liabilities relating to such Obligations which have been so cancelled and forgiven, and the Collateral shall cease to secure any such Obligations which have been so cancelled and forgiven; and

(E) at the time of such Purchase Notice and Auction Purchase, no Event of Default shall have occurred and be continuing or would result therefrom.

If any Purchaser commences any Dutch Auction (and all relevant requirements set forth above which are required to be satisfied at the time of the commencement of such Dutch Auction have in fact been satisfied), and if at such time of commencement, the Purchaser reasonably believes that all required conditions set forth above which are required to be satisfied at the time of the purchase of Loans pursuant to such Dutch Auction shall be satisfied, then such Purchaser and the Loan Parties shall have no liability to any Lender for any termination of the respective Dutch Auction as a result of the failure to satisfy one or more of the conditions set forth above which are required to be met at the time which otherwise would have been the time of the purchase of Loans pursuant to the respective Dutch Auction, and any such failure shall not result in any Event of Default hereunder. With respect to all purchases of Loans pursuant to this Section 12.4, such purchases (and the payments made by the Purchaser and the Cancellation of the purchased Loans, in each case, in connection therewith) shall not be subject to any provisions hereunder that provides for the pro rata nature of payments to Lenders. Notwithstanding anything to the contrary herein, this Section 12.4(a)(iii) shall supersede any provisions in Section 12.6 to the contrary, and the Administrative Agent and the Lenders hereby consent to such Dutch Auctions, Open Market Purchases and the other transactions contemplated by this Section 12.4 (provided that no Lender shall have an obligation to participate in any such Dutch Auction or Open Market Purchase) and hereby (x) waive the requirements of any provision of this Agreement or any other Loan Document (including, without limitation, any provision that provides for the pro rata nature of payments to Lenders) that may otherwise prohibit any Dutch Auction, Open Market Purchase or any other transaction contemplated by this Section 12.4 and (y) agrees that purchases of the Loans by any Purchaser contemplated under this Section 12.4 shall not constitute Investments by the Loan Parties or their Subsidiaries.

(iv) [Reserved].

(v) Novation. Subject to acceptance and recording thereof pursuant to Section 12.4(a)(vi) below, from and after the effective date specified in each Assignment and Assumption the Assignee thereunder shall be a party hereto 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 2.11, 2.12, 4.4 and 12.1).

(vi) Acceptance and Register. Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Assignee, the Assignee's completed administrative questionnaire (unless the Assignee shall already be a

Lender hereunder) and all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act, together with (x) any processing and recordation fee which shall not exceed $3,500 (unless the Assignee shall already be a Lender hereunder); provided that such fee shall be payable only once in the event of simultaneous assignments to or by two or more Approved Funds that are administered or managed by the same entity or entities that are Affiliates of each other (y) any written consents to such assignment required by Section 12.4, the Administrative Agent shall promptly accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(b) (i) Any Lender may, without the consent of the Borrowing Agent or the Administrative Agent, sell participations in respect of Term Loans to one or more banks or other entities (other than the Borrowers or any of Holdings or the Borrowers' Affiliates, a natural person or a Disqualified Institution or Defaulting Lender) (a "Participant") in all or a portion of such Lender's rights and obligations with respect thereto; provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrowing Agent, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (1) requires the consent of each Lender directly affected thereby pursuant to the second proviso of Section 12.12(a) and (2) directly affects such Participant. Each Lender that sells a participation shall, acting solely for U.S. federal income tax purposes as the non-fiduciary agent of the Borrowing Agent, maintain a register on which it enters the name and address of each Participant and the commitment of, and the principal amounts (and stated interest) of, each Participant's interest in the Term Loans or other obligations under the Loan Documents, including, in particular, the principal amounts and stated interest of each Participant's interest in any Loan or other obligations under this Agreement (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Term Loan Commitments, Term Loans or its other obligations under any Loan Document) except to the extent that the relevant parties, acting reasonably and in good faith, determine that such disclosure is necessary to establish that such Term Loan Commitment, Term Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. Unless otherwise required by the IRS, any disclosure required by the foregoing sentence shall be made by the relevant Lender directly and solely to the IRS. The entries in the Participant Register shall be conclusive and binding absent manifest error, and such Lender shall treat each Person whose name is recorded in the

Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(ii) The Borrowing Agent agrees that (x) each Participant shall be entitled to the benefits of Sections 2.11 and 2.12 (subject to the requirements of those sections) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.4(a) and (y) each Participant shall be entitled to the benefits of Section 4.4 (subject to the requirements and limitations therein, including the requirements under Section 4.4(e) (it being understood that the documentation required under Section 4.4(e) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.4(a). Notwithstanding the foregoing, no Participant shall be entitled to receive any greater payment under Section 2.11 or 4.4 than the applicable participating Lender would have been entitled to receive in respect of the amount of the participation transferred by such participating Lender to such Participant had no such participation occurred, except to the extent such entitlement to receive a greater payment results from a Change in Tax Law that occurs after the Participant acquired the applicable participation. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.2.

(c) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (but not to the Borrowing Agent or any of Holdings' or the Borrowing Agent's Affiliates) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto or provide the respective pledgee or assignee any voting rights with respect to the pledged or assigned obligations.

(d) The Borrowing Agent, upon receipt of written notice from the relevant Lender, agrees to issue Term Notes to any Lender requiring Term Notes to facilitate transactions of the type described in Section 12.4.

(e) Each Lender, upon succeeding to an interest in Term Loan Commitments or Term Loans, as the case may be, represents and warrants as of the effective date of the applicable Assignment and Assumption that it is an Eligible Assignee.

(f) 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 hereof 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 or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

12.5 No Waiver; Remedies Cumulative. No failure or delay on the part of the Administrative Agent, the Collateral Agent or any Lender in exercising any right, power or privilege hereunder or under any other Loan Document and no course of dealing between the Borrowing Agent or any other Loan Party and the Administrative Agent, the Collateral Agent or any Lender shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under any other Loan Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights, powers and remedies herein or in any other Loan Document expressly provided are cumulative and not exclusive of any rights, powers or remedies which the Administrative Agent, the Collateral Agent or any Lender would otherwise have. No notice to or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Administrative Agent, the Collateral Agent or any Lender to any other or further action in any circumstances without notice or demand.

12.6 Payments Pro Rata.

(a) Except as otherwise provided in this Agreement, the Administrative Agent agrees that promptly after its receipt of each payment from or on behalf of the Borrowing Agent in respect of any Obligations hereunder, the Administrative Agent shall distribute such payment to the Lenders entitled thereto (other than any Lender that has consented in writing to waive its pro rata share of any such payment) pro rata (or in accordance with the Security Documents, as applicable) based upon their respective shares, if any, of the Obligations with respect to which such payment was received.

(b) Each of the Lenders agrees that, if it should receive any amount hereunder (whether by voluntary payment, by realization upon security, by the exercise of the right of setoff or banker's lien, by counterclaim or cross action, by the enforcement of any right under the Loan Documents, or otherwise), which is applicable to the payment of the principal of, or interest on, the Term Loans or Fees, of a sum which with respect to the related sum or sums received by other Lenders is in a greater proportion than the total of such Obligation then owed and due to such Lender bears to the total of such Obligation then owed and due to all of the Lenders immediately prior to such receipt, then such Lender receiving such excess payment shall purchase for cash without recourse or warranty from the other Lenders an interest in the Obligations of the respective Loan Party to such Lenders in such amount as shall result in a proportional participation by all the Lenders in such amount; provided that if all or any portion of such excess amount is thereafter recovered from such Lenders, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

(c) Notwithstanding anything to the contrary contained herein, the provisions of the preceding Sections 12.6(a) and (b) shall be subject to the provisions of this Agreement which (i) require, or permit, differing payments to be made to Non-Defaulting Lenders as opposed to Defaulting Lenders and (ii) permit disproportionate payments with respect to the Term Loans as, and to the extent, provided herein.

12.7 Calculations; Computations.

(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, except as otherwise specifically prescribed herein.

(b) If at any time any change in GAAP or in the application of GAAP would affect the computation of Excess Cash Flow or any financial ratio or financial term or definition set forth in any Loan Document and either the Borrowing Agent or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrowing Agent shall negotiate in good faith to amend (subject to the approval of the Required Lenders) such ratio or covenant to preserve the original intent thereof in light of such change in (or in the application of) GAAP; provided that, until so amended, (i) Excess Cash Flow and such ratio shall continue to be computed in accordance with GAAP prior to such change and (ii) the Borrowing Agent shall provide to the Administrative Agent financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of Excess Cash Flow or such ratio or financial covenant made before and after giving effect to such change in (or in the application of) GAAP as is reasonably necessary to demonstrate the calculation of Excess Cash Flow and compliance (or non-compliance) with such ratio.

(c) Notwithstanding anything to the contrary contained herein, (i) other than with respect to the delivery if financial statements pursuant to Sections 7.1(a), (b) and (c), (x) the consolidation of the accounts of Holdings and its Restricted Subsidiaries shall not include the consolidation of the accounts of any Unrestricted Subsidiary and (y) all financial calculations, definitions and computations shall made without the inclusion of any Unrestricted Subsidiary, for such purposes deeming any Unrestricted Subsidiary as not existing at the time any determination is made with respect to such financial calculation, definition or computation, (ii) all financial statements shall be prepared, and the Total Leverage Ratio and Total Leverage Ratio 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 or the application of FAS 133, FAS 150 or FAS 123r (to the extent that the pronouncements in FAS 123r result in recording an equity award as a liability on the consolidated balance sheet of Holdings and its Subsidiaries in the circumstance where, but for the application of the pronouncements, such award would have been classified as equity) and (iii) to the extent expressly provided herein, certain calculations shall be made on a Pro Forma Basis. For the avoidance of doubt, notwithstanding any changes in GAAP after the Closing Date that would require lease obligations that would be treated as operating leases as of the Closing Date to be classified and accounted for as Capital Lease Obligations or otherwise reflected on the consolidated balance sheet of Holdings and its Subsidiaries, such obligations shall continue to be excluded from the definition of Indebtedness.

(d) All computations of interest and other Fees hereunder shall be made on the basis of a year of 360 days (except for interest calculated by reference to the Prime Lending Rate, which shall be based on a year of 365 or 366 days, as applicable)for the actual number of

days (including the first day but excluding the last day) occurring in the period for which such interest or Fees are payable.

12.8 GOVERNING LAW; SUBMISSION TO JURISDICTION; VENUE; WAIVER OF JURY TRIAL.

(a) THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL, EXCEPT AS OTHERWISE PROVIDED IN ANY MORTGAGE, BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES). ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK, IN EACH CASE WHICH ARE LOCATED IN THE COUNTY OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS. EACH OF THE PARTIES HERETO HEREBY FURTHER IRREVOCABLY WAIVES ANY CLAIM THAT ANY SUCH COURTS LACK PERSONAL JURISDICTION OVER SUCH PERSON, AND AGREES NOT TO PLEAD OR CLAIM, IN ANY LEGAL ACTION PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT BROUGHT IN ANY OF THE AFOREMENTIONED COURTS, THAT SUCH COURTS LACK PERSONAL JURISDICTION OVER SUCH PERSON. EACH OF THE PARTIES HERETO FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO SUCH PERSON AT ITS ADDRESS SET FORTH OPPOSITE ITS SIGNATURE BELOW, SUCH SERVICE TO BECOME EFFECTIVE 30 DAYS AFTER SUCH MAILING. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY OBJECTION TO SUCH SERVICE OF PROCESS AND FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY ACTION OR PROCEEDING COMMENCED HEREUNDER OR UNDER ANY OTHER LOAN DOCUMENT THAT SERVICE OF PROCESS WAS IN ANY WAY INVALID OR INEFFECTIVE. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT, ANY LENDER OR THE HOLDER OF ANY TERM NOTE TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST HOLDINGS, THE BORROWING AGENT OR ANY OTHER LOAN PARTY IN ANY OTHER JURISDICTION.

(b) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY OF THE AFORESAID ACTIONS OR PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT BROUGHT IN THE COURTS REFERRED TO IN CLAUSE (a) ABOVE AND HEREBY FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR

CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

12.9 Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A set of counterparts executed by all the parties hereto shall be lodged with the Borrowing Agent and the Administrative Agent. Delivery of an executed counterpart by facsimile or electronic transmission shall be as effective as delivery of an original executed counterpart. Delivery of an executed counterpart by facsimile or electronic transmission shall be as effective as delivery of an original executed counterpart.

12.10 Effectiveness. This Agreement shall become effective on the date (the "Closing Date") on which (a) Holdings, the Borrowing Agent, each other Borrower, each Subsidiary Guarantor, the Administrative Agent and each of the Lenders shall have signed a counterpart hereof (whether the same or different counterparts) and shall have delivered the same to the Administrative Agent at the Notice Office or, in the case of the Lenders, shall have given to the Administrative Agent telephonic (confirmed in writing), written or telex notice (actually received) at such office that the same has been signed and mailed to it and (b) the conditions precedent set forth in Section 6.1 have been waived or satisfied.

12.11 Headings Descriptive. The headings of the several sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

12.12 Amendment or Waiver; etc.

(a) Neither this Agreement nor any other Loan Document nor any terms hereof or thereof may be changed, waived, discharged or terminated unless such change, waiver, discharge or termination is in writing signed by the respective Loan Parties party hereto or thereto (or in the case of this Agreement, Holdings and the Borrowing Agent and, to the extent relating to Section 9 that directly and adversely affects any other Loan Party, each such directly and adversely affected Loan Party) and the Required Lenders (although additional parties may be added to (and annexes may be modified to reflect such additions), and Subsidiaries of the Borrowing Agent may be released from, the Guarantee and the Security Documents in accordance with the provisions hereof and thereof without the consent of the other Loan Parties party thereto or the Required Lenders), provided that no such change, waiver, discharge or termination shall, without the consent of each affected Lender (other than, except with respect to following clause (i), a Defaulting Lender) (with Obligations being directly and adversely affected in the case of following clause (i)(y)) or whose Obligations are being extended in the case of following clause (i)(x)), (i)(x) extend the final scheduled maturity of any Term Loan or Term

Note, (y) or reduce the rate or extend the time of payment of interest or fees thereon(except in connection with the waiver of applicability of any post-default increase in interest rates), or reduce (or forgive) the principal amount thereof, (ii) release all or substantially all of the Collateral or Guarantors (except as expressly provided in the Loan Documents) under all the Security Documents or this Agreement, respectively, (iii) amend, modify or waive any provision of this Section 12.12(a) (except for technical amendments with respect to additional extensions of credit pursuant to this Agreement which afford the protections to such additional extensions of credit of the type provided to the Term Loans on the Closing Date), (iv) reduce the "majority" voting threshold specified in the definition of Required Lenders or (v) change an provision of Sections 4.2(d), 10.3, 12.6 in any manner that would alter the pro rata sharing of payments or other amounts required thereby, provided that modifications to Sections 4.2(d), 10.3, 12.6 in connection with (x) the purchase or acquisition of Term Loans pursuant to Section 12.4(a)(iii), (y) any Incremental Amendment or (z) any Permitted Amendment, in each case, shall only require approval (to the extent any such approval is required) of the Required Lenders; provided further that no such change, waiver, discharge or termination shall (1) increase the Term Loan Commitments of any Lender over the amount thereof then in effect without the consent of such Lender (it being understood that waivers or modifications of conditions precedent, covenants, Defaults or Events of Default or of a mandatory reduction in the Total Term Loan Commitment or a mandatory repayment of Term Loans shall not constitute an increase of the Term Loan Commitment of any Lender, and that an increase in the available portion of any Term Loan Commitment of any Lender shall not constitute an increase of the Term Loan Commitment of such Lender), (2) without the consent of the Administrative Agent, amend, modify or waive any provision of Section 11 or any other provision as same relates to the rights or obligations of the Administrative Agent, (3) without the consent of Collateral Agent, amend, modify or waive any provision relating to the rights or obligations of the Collateral Agent, (4) except to the extent otherwise provided in this Agreement or in cases where additional extensions of term loans are being afforded substantially the same treatment afforded to the Term Loans pursuant to this Agreement on the Closing Date, without the consent of the Majority Lenders of each Tranche which is being allocated a lesser prepayment, repayment or commitment reduction as a result of the actions described below, alter the required application of any prepayments or repayments (or commitment reduction), as between the various Tranches, pursuant to Section 4.1(a) or 4.2 (it being understood, however, that (x) the Required Lenders may waive, in whole or in part, any such prepayment, repayment or commitment reduction, so long as the application, as amongst the various Tranches, of any such prepayment, repayment or commitment reduction which is still required to be made is not altered and (y) any conversion of any Tranche of Term Loans into another Tranche of Term Loans hereunder in like principal amount or priority shall not be considered a "prepayment" or "repayment" for purposes of this clause (4)), (5) without the consent of the Majority Lenders of the respective Tranche affected thereby, amend the definitions of "Majority Lenders", "Tranche A-1 Term Lenders", "Tranche A-1 Term Loan", "Tranche A-1 Term Loan Commitment", "Tranche A-1 Term Loan Obligations", "Tranche A-2 Term Lenders", "Tranche A-2 Term Loan", "Tranche A-2 Term Loan Commitment" or "Tranche A-2 Term Loan Obligations" (it being understood that, with the consent of the Required Lenders, additional extensions of credit pursuant to this Agreement may be included in the determination of the Majority Lenders on substantially the same basis as the extensions of Term Loans and Term Loan Commitments are included on the Closing Date), (6) affect the rights or duties of Lenders holding Loans or Commitments of a particular Tranche (but not the Lenders holding Loans or

Commitments of any other Tranche), without the written consent of the requisite percentage in interest of the affected Tranche of Lenders that would be required to consent thereto if such Tranche of Lenders was the only Tranche or (7) without the consent of each Qualified Counterparty, amend, modify or waive any provision of this Agreement or any other Loan Document so as to alter (x) the ratable treatment of Obligations arising under the Loan Documents and Obligations arising under Swap Agreements or (y) the definition of "Qualified Counterparty," "Swap Agreement," "Interest Rate Protection Agreement," "Obligations," "Secured Obligations" or "Secured Parties", in each case in a manner that adversely affects any Qualified Counterparty with Obligations owing to it at such time. Notwithstanding the foregoing, notice of any amendment hereto shall be provided to the Administrative Agent.

(b) If, in connection with any proposed change, waiver, discharge or termination of or to an of the provisions of this Agreement as contemplated by clauses(i) through (iv), inclusive, of the first proviso to Section 12.12(a), the consent of the Required Lenders is obtained but the consent of one or more of such other Lenders whose consent is required is not obtained, then the Borrowing Agent shall have the right, so long as all non-consenting Lenders whose individual consent is required are treated as described below, to replace each such non-consenting Lender or Lenders (or, at the option of the Borrowing Agent, if the respective Lender's consent is required with respect to less than all Tranches of Term Loans (or related Term Loan Commitments), to replace only Term Loans of the respective non-consenting Lender which gave rise to the need to obtain such Lender's individual consent) with one or more Replacement Lenders pursuant to Section 2.14. Notwithstanding the foregoing, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrowing Agent (i) to add one or more additional credit facilities to this Agreement or to increase the amount of the existing facilities under this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Term Loans and the accrued interest and fees in respect thereof, (ii) to permit any such additional credit facility which is a term loan facility or any such increase in the Term Facility to share ratably in prepayments with the Term Loans and (iii) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders.

(c) In addition, notwithstanding the foregoing, this Agreement and the other Loan Documents may be amended or amended and restated as contemplated by Section 2.15 in connection with any Incremental Amendment and any related increase in Term Loan Commitments or Term Loans, with the consent of the Borrowing Agent, the Administrative Agent and the Incremental Term Lenders providing such increased Term Loan Commitments or Term Loans.

(d) Notwithstanding anything to the contrary contained in this Section 12.12, (x) Security Documents (including any Additional Security Documents) and related documents executed by Subsidiaries in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be amended, supplemented and waived with the consent of the Administrative Agent and the Borrowing Agent without the need to obtain the consent of any other Person if such amendment, supplement or waiver is delivered in order (i) to comply with local law or advice of local counsel, (ii) to cure ambiguities, omissions, mistakes or

defects or (iii) to cause such Security Document or other document to be consistent with this Agreement and the other Loan Documents and (y) if following the Closing Date, the Administrative Agent and any Loan Party shall have jointly identified an ambiguity, inconsistency, obvious error or any error or omission of a technical or immaterial nature, in each case, in any provision of the Loan Documents (other than the Security Documents), then the Administrative Agent and the Loan Parties shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Documents if the same is not objected to in writing by the Required Lenders within five (5) Business Days following receipt of notice thereof.

(e) Notwithstanding the foregoing, the Administrative Agent may amend an Intercreditor Agreement (or enter into a replacement thereof), additional Security Documents and/or replacement Security Documents (including a collateral trust agreement) in connection with the incurrence of (a) any Indebtedness permitted under Section 8.1 to provide that a Representative acting on behalf of the holders of such Indebtedness shall become a party thereto and shall have rights to share in the Collateral on a pari passu basis (but without regard to the control of remedies) with the Obligations and (b) any Indebtedness permitted under Section 8.1 to provide that a Representative acting on behalf of the holders of such Indebtedness shall become a party thereto and shall have rights to share in the Collateral on a junior lien, subordinated basis to the Obligations and the obligations in respect of any Indebtedness described in clause (a) above.

12.13 Survival. All indemnities set forth herein including, without limitation, in Sections 2.11, 2.12, 4.4, 11.6, 11.12 and 12.1 and the representations and warranties set forth in Section 5 of this Agreement shall survive the execution, delivery and termination of this Agreement and the Term Notes, or the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, and the making, repayment, satisfaction, or discharge of the Obligations.

12.14 Domicile of Term Loans. Each Lender may transfer and carry its Term Loans at, to or for the account of any office, Subsidiary or Affiliate of such Lender. Notwithstanding anything to the contrary contained herein, to the extent that a transfer of Term Loans pursuant to this Section 12.14 would, at the time of such transfer, result in increased costs under Sections 2.11, 2.12 or 4.4 from those being charged by the respective Lender prior to such transfer, then the Borrowing Agent shall not be obligated to pay such increased costs (although the Borrowing Agent shall be obligated to pay any other increased costs of the type described above resulting from changes in any applicable law, treaty, government rule, regulation, guideline or order, or in the official interpretation thereof, after the date of the respective transfer).

12.15 Register. The Borrowing Agent hereby designates the Administrative Agent to serve as its non-fiduciary agent, solely for purposes of this Section 12.15 (and such agency being solely for tax purposes), to maintain a register (the "Register") on which it will record from time to time the name and address of each Lender, the Term Loan Commitments, the principal amounts of the Term Loans and any other obligations under the Loan Documents, and the amounts of stated interest due thereon, owing to each Lender pursuant the terms hereof and any Term Note. Failure to make any such recordation, or any error in such recordation, shall not

affect the Borrowing Agent's obligations in respect of such Term Loans or other obligations under the Loan Documents. With respect to any Lender, the transfer of the Term Loan Commitments of such Lender and the rights to the principal of, and interest on, any Term Loans and any other obligations under the Loan Documents owing to such Lender shall not be effective until such transfer is recorded on the Register maintained by the Administrative Agent and prior to such recordation all amounts owing to the transferor with respect to such Term Loan Commitments and Term Loans and other obligations under the Loan Documents shall remain owing to the transferor. The registration of assignment or transfer of all or part of any Term Loan Commitments, Term Loans or other obligations under the Loan Documents shall be recorded by the Administrative Agent on the Register upon and only upon the acceptance by the Administrative Agent of a properly executed and delivered Assignment and Assumption pursuant to Section 12.4. Upon such acceptance and recordation, the assignee specified therein shall be treated as a Lender for all purposes of this Agreement. Coincident with the delivery of such an Assignment and Assumption to the Administrative Agent for acceptance and registration of assignment or transfer of all or part of a Term Loan, or as soon thereafter as practicable, the assigning or transferor Lender shall surrender the Term Note (if any) evidencing such Term Loan, and thereupon one or more new Term Notes in the same aggregate principal amount shall be issued to the assignee or transferee Lender at the request of any such Lender. The Borrowing Agent agrees to indemnify the Administrative Agent from and against any and all losses, claims, damages and liabilities of whatsoever nature which may be imposed on, asserted against or incurred by the Administrative Agent in performing its duties under this Section 12.15 to the same extent that the Administrative Agent is otherwise indemnified pursuant to Section 12.1. The Register shall be available for inspection by the Borrowing Agent and any Lender, at any reasonable time and from time to time upon reasonable prior notice, provided that the information contained in the Register which is shared with each Lender (other than the Administrative Agent and its affiliates) shall be limited to the entries with respect to such Lender including the Term Loan Commitment of, or principal amount of and stated interest on the Term Loans owing to such Lender.

12.16 Confidentiality.

(a) Subject to the provisions of clause (b) of this Section 12.16, each Lender agrees that it will use its reasonable efforts not to disclose without the prior consent of Holdings (other than to its employees, auditors, advisors, agents, representatives or counsel or to another Lender if such Lender or such Lender's holding or parent company in its reasonable discretion determines that any such party should have access to such information, provided such Persons shall be subject to the provisions of this Section 12.16 to the same extent as such Lender) any information with respect to Holdings or any of its Subsidiaries which is now or in the future furnished pursuant to this Agreement or any other Loan Document, provided that any Lender may disclose any such information (i) as has become generally available to the public other than by virtue of a breach of this Section 12.16(a) by the respective Lender, (ii) upon the request or demand of any regulatory authority having jurisdiction over such Lender or any of their affiliates (in which case the Lenders agree, to the extent practicable and not prohibited by applicable law, to inform you promptly thereof prior to disclosure (except with respect to any audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority or in cases where any governmental and/or regulatory authority had requested otherwise)), (iii) as may be required or appropriate in respect

to any summons or subpoena or in connection with any litigation, (iv) in order to comply with any law, order, regulation or ruling applicable to such Lender, (v) to the Administrative Agent or the Collateral Agent, (vi) to any direct or indirect contractual counterparty in any swap, hedge or similar agreement (or to any such contractual counterparty's professional advisor), so long as such contractual counterparty (or such professional advisor) agrees to be bound by the provisions of this Section 12.16, (vii) to any prospective or actual transferee or Participant in connection with any contemplated transfer or participation of any of the Term Notes or Term Loan Commitments or any interest therein by such Lender, provided that such prospective transferee agrees to be bound by the confidentiality provisions contained in this Section 12.16, (viii) on a confidential basis to any rating agency in connection with any rating of the Loan Parties or the Term Facility and (ix) in connection with the exercise of remedies under this Agreement or any other Loan Document or any action or proceeding relating to the enforcement of rights under this Agreement or the other Loan Documents.

(b) Each of Holdings and the Borrowing Agent hereby acknowledges and agrees that each Lender may share with any of its affiliates, and such affiliates may share with such Lender, any information related to Holdings or any of its Subsidiaries (including, without limitation, any non-public customer information regarding the creditworthiness of Holdings and its Subsidiaries), provided such Persons shall be subject to the provisions of this Section 12.16 to the same extent as such Lender.

12.17 Patriot Act. Each Lender subject to the Patriot Act hereby notifies Holdings and the Borrowing Agent that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies Holdings, the Borrowing Agent and the other Loan Parties and other information that will allow such Lender to identify Holdings, the Borrowing Agent and the other Loan Parties in accordance with the Patriot Act.

12.18 Interest Rate Limitation. Notwithstanding anything to the contrary contained 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 the Administrative 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 Term Loans or, if it exceeds such unpaid principal, refunded to the Borrowing Agent. In determining whether the interest contracted for, charged, or received by the Administrative 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.

12.19 Secured Swap Agreement and Secured Cash Management Agreements. At any time prior to or within 30 days after any Loan Party enters into any Swap Agreement or Cash Management Agreement, or in the case of Swap Agreements or Cash Management Agreements in effect on the Closing Date, within 30 days of the initial syndication of the Term Loans, if the applicable Loan Party and counterparty desire that the monetary obligations in respect of such Swap Agreement or the Cash Management Obligations in respect of such Cash Management Agreement be treated as an "Obligation" hereunder with rights in respect of payment of proceeds

of the Collateral in accordance with the waterfall provisions set forth in the applicable Security Documents, the Borrowing Agent and the counterparty to such Swap Agreement or Cash Management Agreement, as the case may be, may notify the Administrative Agent in writing (to be acknowledged by the Administrative Agent (provided that the failure to provide such acknowledgement shall not affect the treatment of such Swap Agreement or Cash Management Agreement as a "Secured Swap Agreement" or "Secured Cash Management Agreement", as applicable)) that (x) such Swap Agreement is to be a "Secured Swap Agreement" or (y) such Cash Management Agreement is to be a "Secured Cash Management Agreement", so long as the following conditions are satisfied:

(i) in the case of a Swap Agreement, such Swap Agreement is entered into with a Qualified Counterparty; and

(ii) in the case of Cash Management Agreements, such Cash Management Agreement is with a counterparty that is the Administrative Agent or a Lender or an Affiliate of the Administrative Agent or a Lender;

provided that no such Secured Swap Agreement or Secured Cash Management Agreement shall be secured on a first lien basis by the ABL Facility Documents (and any request under this Section 12.19 will be deemed to be a representation by the Borrowing Agent to such effect).

Until such time as the Borrowing Agent and the counterparty to such Swap Agreement or Cash Management Agreement, as the case may be, deliver (and the Administrative Agent acknowledges (provided that the failure to provide such acknowledgement shall not affect the treatment of such Swap Agreement or Cash Management Agreement as a "Secured Swap Agreement" or "Secured Cash Management Agreement", as applicable)) such notice as described above, such Swap Agreement or Cash Management Agreement shall not constitute a Secured Swap Agreement or Secured Cash Management Agreement, as the case may be. The parties hereto understand and agree that the provisions of this Section 12.19 are made for the benefit of the Administrative Agent, each Lender and their respective Affiliates, which become parties to Secured Swap Agreements or Secured Cash Management Agreements, as applicable, and agree that any amendments or modifications to the provisions of this Section 12.19 shall not be effective with respect to any Secured Swap Agreement or Secured Cash Management Agreement, as the case may be, entered into prior to the date of the respective amendment or modification of this Section 12.19 (without the written consent of the relevant parties thereto). The Administrative Agent accepts no responsibility and shall have no liability for the calculation of the exposure owing by the Loan Parties under any such Secured Swap Agreement and/or Secured Cash Management Agreement, and shall be entitled in all cases to rely on the applicable notice provided by the Borrowers and the applicable counterparty to such Swap Agreement or Cash Management Agreement as set forth above.

12.20 Lender Action. Each Lender agrees that it shall not take or institute any actions or proceedings, judicial or otherwise, for any right or remedy against any Loan Party or any other obligor under any of the Loan Documents (including the exercise of any right of setoff, rights on account of any banker's lien or similar claim or other rights of self-help), or institute any actions or proceedings, or otherwise commence any remedial procedures, with respect to any Collateral or any other property of any such Loan Party, unless expressly provided for herein or in any

other Loan Document, without the prior written consent of the Administrative Agent. The provisions of this Section 12.20 are for the sole benefit of the Lenders and shall not afford any right to, or constitute a defense available to, any Loan Party.

12.21 Other Liens on Collateral; Terms of Intercreditor Agreements; etc.

(i) EACH LENDER HERETO UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT LIENS SHALL BE CREATED ON THE COLLATERAL PURSUANT TO THE ABL FACILITY DOCUMENTS, WHICH LIENS (x) TO THE EXTENT CREATED WITH RESPECT TO ABL PRIORITY COLLATERAL, SHALL BE SENIOR TO THE LIENS CREATED UNDER THIS AGREEMENT AND THE LOAN DOCUMENTS (WITH THE LIENS SO CREATED HEREUNDER AND UNDER THE LOAN DOCUMENTS ON ABL PRIORITY COLLATERAL BEING SUBORDINATED TO SUCH LIENS PURSUANT TO THE TERMS OF THE INTERCREDITOR AGREEMENT) AND (Y) TO THE EXTENT CREATED WITH RESPECT TO TERM PRIORITY COLLATERAL, SHALL BE REQUIRED TO BE SUBJECT TO THE SUBORDINATION PROVISIONS (TO THE EXTENT APPLICABLE) OF THE ABL/TERM LOAN INTERCREDITOR AGREEMENT. THE ABL/TERM LOAN INTERCREDITOR AGREEMENT ALSO HAS OTHER PROVISIONS WHICH ARE BINDING UPON THE LENDERS AND THE OTHER SECURED PARTIES PURSUANT TO THIS AGREEMENT. PURSUANT TO THE EXPRESS TERMS OF THE ABL/TERM LOAN INTERCREDITOR AGREEMENT, IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THE ABL/TERM LOAN INTERCREDITOR AGREEMENT AND ANY OF THE LOAN DOCUMENTS, THE PROVISIONS OF THE ABL/TERM LOAN INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

(ii) THE PROVISIONS OF THIS SECTION 12.21 ARE NOT INTENDED TO SUMMARIZE ALL RELEVANT PROVISIONS OF (A) THE ABL/TERM LOAN INTERCREDITOR AGREEMENT, THE FORM OF WHICH IS ATTACHED AS AN EXHIBIT TO THIS AGREEMENT OR (B) ANY OTHER INTERCREDITOR AGREEMENT, WHICH WILL BE IN THE FORM APPROVED BY THE ADMINISTRATIVE AGENT AS PERMITTED BY THIS AGREEMENT. REFERENCE MUST BE MADE TO THE ABL/TERM LOAN INTERCREDITOR AGREEMENT OR SUCH OTHER INTERCREDITOR AGREEMENT ITSELF TO UNDERSTAND ALL TERMS AND CONDITIONS THEREOF. EACH LENDER IS RESPONSIBLE FOR MAKING ITS OWN ANALYSIS AND REVIEW OF EACH OF THE ABL/TERM LOAN INTERCREDITOR AGREEMENT AND EACH OTHER INTERCREDITOR AGREEMENT AND THE TERMS AND PROVISIONS THEREOF, AND NONE OF THE ADMINISTRATIVE AGENT AND COLLATERAL AGENT (AND NONE OF THEIR RESPECTIVE AFFILIATES) MAKES ANY REPRESENTATION TO ANY LENDER AS TO THE SUFFICIENCY OR ADVISABILITY OF THE PROVISIONS CONTAINED IN THE ABL/TERM LOAN INTERCREDITOR AGREEMENT OR ANY OTHER INTERCREDITOR AGREEMENT.

(iii) EACH SECURED PARTY, BY ITS EXECUTION AND DELIVERY OF THIS AGREEMENT OR THE ACCEPTING THE BENEFIT OF THE GUARANTEE AND SECURITY DOCUMENTS, HEREBY (I) CONFIRMS ITS AGREEMENT TO THE FOREGOING PROVISIONS OF THIS SECTION 12.21, (II) PURSUANT TO THE ABL/TERM LOAN INTERCREDITOR AGREEMENT AGREES TO BE BOUND BY THE TERMS OF THE ABL/TERM LOAN INTERCREDITOR AGREEMENT AS A "TERM SECURED PARTY" AND (III) PURSUANT TO THE APPLICABLE SECTION OF EACH OTHER INTERCREDITOR AGREEMENT, AGREES TO BE BOUND BY THE TERMS OF SUCH OTHER INTERCREDITOR AGREEMENT AS A "TERM SECURED PARTY" (OR EQUIVALENT TERM THEREIN).

12.22 Press Releases.

(a) Each Secured Party agrees that neither it nor its Affiliates will in the future issue any press releases or other public disclosure using the name of the Administrative Agent or its Affiliates or referring to this Agreement or the other Loan Documents without at least two (2) Business Days' prior notice to the Administrative Agent and without the prior written consent of the Administrative Agent (which consent shall not be unreasonably withheld, delayed or conditioned) unless (and only to the extent that) such Secured Party or Affiliate is required to do so under applicable law and then, in any event, to the extent reasonably possible under applicable law, such Secured Party or Affiliate will consult with the Administrative Agent before issuing such press release or other public disclosure.

(b) Each Loan Party consents to the publication by the Administrative Agent or any Lender of advertising material, including any "tombstone" or comparable advertising, on its website or in other marketing materials of Administrative Agent, relating to the financing transactions contemplated by this Agreement using any Loan Party's name, product photographs, logo, trademark or other insignia; provided that the Administrative Agent or such Lender shall provide a draft reasonably in advance (and in no event, less than two (2) Business Days' prior written notice, with copies thereof attached to such written notice) of any advertising material to the Borrowing Agent for review and comment prior to the publication thereof and the Administrative Agent and the Lenders agree not to release or publicize any such material or other information until it receives the Borrowing Agent's written consent (which consent shall not be unreasonably withheld, delayed or conditioned).

12.23 Borrowing Agent. Each member of the Borrower Group hereby irrevocably and unconditionally appoints the Company as Borrowing Agent hereunder and under the other Loan Documents to act as agent for each other member of the Borrower Group for all purposes of the Loan Documents. The Borrowing Agent agrees to act upon the express conditions contained in this Agreement and the other Loan Documents, as applicable. No fees shall be payable to the Borrowing Agent for acting as the Borrowing Agent. In performing its functions and duties under this Agreement and the other Loan Documents, the Borrowing Agent shall act solely as an agent of the members of the Borrower Group. The Administrative Agent and each Lender shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, posting or other distribution) believed by it to be genuine and to have been signed, sent

or otherwise authenticated by the Borrowing Agent. The Administrative Agent and each Lender also may rely upon any statement made to them orally or by telephone and believed by them to have been made by the Borrowing Agent, and shall not incur any liability for relying thereon. Any oral or written statement, certificate, representation or commitment made, given or delivered by the Borrowing Agent under this Agreement or the other Loan Documents shall be deemed to have been approved by, made, given and delivered on behalf of, and shall bind the members of the Borrower Group, jointly and severally, as fully as if any member of the Borrower Group had made, given or delivered such statement, certificate, representation or commitment. The provisions of this Section 12.23 are solely for the benefit of the Borrowers, the Administrative Agent and Lenders, and no other Person shall have any rights as a third party beneficiary of any of such provisions. Any reference herein to "the Borrower" (unless otherwise noted to the contrary) shall be deemed to apply to the Borrowing Agent.

12.24 Acknowledgement and Consent to Bail-In of EEA 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 EEA 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 an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other 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 any EEA Resolution Authority.

12.25 Amendment and Restatement. On the Closing Date, the Prepetition First Lien Credit Agreement shall be amended and restated in its entirety by this Agreement. This Agreement is not, and is not intended by the parties to be a novation of the Prepetition First Lien Credit Agreement. From and after the Closing Date, the Prepetition First Lien Credit Agreement shall be of no further force or effect, except to evidence the payment obligations incurred thereunder, the representations and warranties made and the actions or omissions performed or required to be performed thereunder, in each case, prior to the Closing Date.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

BORROWERS:

PAYLESS INC.,
a Delaware corporation, as a Borrower

By:_____
Name:
Title:

PAYLESS FINANCE, INC.,
a Nevada corporation, as a Borrower

By:_____
Name:
Title:

PAYLESS SHOESOURCE DISTRIBUTION, INC.,
a Kansas corporation, as a Borrower

By:_____
Name:
Title:

PAYLESS SHOESOURCE, INC.,
a Missouri corporation, as a Borrower

By:_____
Name:
Title:

GUARANTORS:

WBG – PSS HOLDINGS LLC,
a Delaware limited liability company, as Guarantor

By:_____
Name:
Title:

PSS CANADA, INC.,
a Kansas corporation, as Guarantor

By:_____
Name:
Title:

PAYLESS GOLD VALUE CO, INC.,
a Colorado corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

CLINCH, LLC,
a Delaware limited liability company, as a
Subsidiary Guarantor

By:_____
Name:
Title:

COLLECTIVE BRANDS SERVICES, INC.,
a Delaware corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

COLLECTIVE LICENSING INTERNATIONAL, LLC,
a Delaware limited liability company, as a Subsidiary Guarantor

By:_____
Name:
Title:

EASTBOROUGH, INC.,
a Kansas corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

PAYLESS NYC, INC.,
a Kansas corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

PAYLESS PURCHASING SERVICES, INC.,
a Kansas corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

PAYLESS SHOESOURCE MERCHANDISING, INC.,
a Kansas corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

PAYLESS SHOESOURCE WORLDWIDE, INC.,
a Kansas corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

PSS DELAWARE COMPANY 4, INC.,
a Delaware corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

SHOE SOURCING, INC.,
a Kansas corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

COLLECTIVE BRANDS FRANCHISING SERVICES, LLC,
a Kansas limited liability company, as a Subsidiary Guarantor

By: Payless ShoeSource Worldwide, Inc.
Its: Managing Member

By:_____
Name:
Title:

PAYLESS COLLECTIVE GP, LLC,
a Delaware limited liability company, as a Subsidiary Guarantor

By: Payless ShoeSource Worldwide, Inc.
Its: Managing Member

By:_____
Name:
Title:

PAYLESS INTERNATIONAL FRANCHISING, LLC,
a Kansas limited liability company, as a Subsidiary Guarantor

By:_____
Name:
Title:

COLLECTIVE LICENSING, LP,
a Delaware limited partnership, as a Subsidiary Guarantor

By:_____
Name:
Title:

PAYLESS SHOESOURCE CANADA INC., a [●] corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

PAYLESS SHOESOURCE CANADA GP INC., a [●] corporation, as a Subsidiary Guarantor

By:_____
Name:
Title:

PAYLESS SHOESOURCE CANADA LP, a [●] limited partnership, as a Subsidiary Guarantor

By:_____
Name:
Title:

PAYLESS SHOESOURCE OF PUERTO RICO, INC., a [●] limited partnership, as a Subsidiary Guarantor

By:_____
Name:
Title:

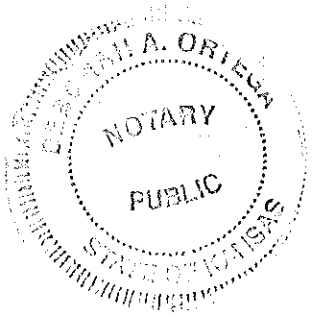
CORTLAND PRODUCTS CORP., as
Administrative Agent and Collateral Agent

By:_____
Name: _____
Title: _____

(Additional Lender Signature Pages on File with the Administrative Agent)

THIS IS EXHIBIT "F REFERRED TO IN THE AFFIDAVIT OF MICHAEL SCHWINDLE, SWORN BEFORE ME THIS 25th DAY OF JULY, 2017.

State of Kansas)



County of Shawnee)

Debra A. Ortega

Notary Public

My Commission Expires: 12/2/20

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
1.	Assumed	Payless ShoeSource Canada GP, Inc.	1195117 ONTARIO LIMITED 1239 DONALD STREET C/O RIOCAN MANAGEMENT INC	Ottawa, On K1J 8W3 Canada	S# 5986	Lease Agreement	$1,243.91	N
2.	Assumed	Payless ShoeSource Canada GP, Inc.	1388688 ONTARIO LIMITED C/O RIOCAN REAL ESTATE INVESTMENT TRUST	499 Main Street South Suite 56 Toronto, On M4P 1E4 Canada	S# 5811	Lease Agreement	$1,883.81	N
3.	Assumed	Payless ShoeSource Canada GP, Inc.	1562903 ONTARIO LIMITED 2300 YONGE STREET SUITE 500; PO BOX 2386 C/O RIOCAN REAL ESTATE INVESTMENT TRUST	Toronto, On M4P 1E4 Canada	S# 5947	Lease Agreement	$1,038.12	N
4.	Assumed	Payless ShoeSource Canada GP, Inc.	1642 MERIVALE ROAD LP C/O BENTALL KENNEDY (CANADA) LP	1642 Merivale Road Admin Office Ottawa, On K2G 4A1 Canada	S# 5985	Lease Agreement	$1,385.62	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
5.	Assumed	Payless ShoeSource Canada GP, Inc.	1663321 ONTARIO INC AND 1414614 ONTARIO INC THE OTTAWA TRAIN YARDS INC.	223 Colonnade Road South Suite 100 Ottawa, On K2E 7K3 Canada	S# 7179	Lease Agreement	$1,661.90	N
6.	Assumed	Payless ShoeSource Canada GP, Inc.	1763931 ONTARIO LIMITED C/O SOUTHRIDGE MALL	1933 Regent Street Sudbury, On P3E 5R2 Canada	S# 6972	Lease Agreement	$0.00	N
7.	Assumed	Payless ShoeSource Canada GP, Inc.	1854313 ONTARIO LIMITED	100 King Street WestDowntown Chatham CentreChatham, On N7M 6A9Canada	S# 5851	Lease Agreement	$0.00	N
8.	Assumed	Payless ShoeSource Canada GP, Inc.	20 VIC MANAGEMENT INC IN TRUST LONDONDERRY SHOPPING CENTER C/O 20 VIC MANAGEMENT INC	One Queen Street East; Suite 300; Box #8 Toronto, On M5C 2W5 Canada	S# 5876	Lease Agreement	$11,465.23	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
9.	Assumed	Payless ShoeSource Canada GP, Inc.	20 VIC MANGEMENT INC	One Queen Street East Suite 300 Box 388 Toronto, On M5C 2W5 Canada	S# 5863	Lease Agreement	$2,808.31	N
10.	Assumed	Payless ShoeSource Canada GP, Inc.	2046459 ONTARIO INC C/O MORGUARD INVESTMENTS LIMITED	55 City Centre Drive Suite 800 Mississauga, On L5B 1M3 Canada	S# 5910	Lease Agreement	$1,921.60	N
11.	Assumed	Payless ShoeSource Canada GP, Inc.	2055190 ONTARIO LTD	401 Bay Street 11Th Floor Mail Box #11 Avison Young Real Estate Management Serv Toronto, On M5H 2Y4 Canada	S# 5968	Lease Agreement	$21.28	N
12.	Assumed	Payless ShoeSource Canada GP, Inc.	290-300 KING GEORGE RD LP 75 CENTENNIAL PKWY N. 2ND FLOOR C/O BENTALL KENNEDY (CANADA) LP.	Eastgat Stoney Creek, On L8E 2P2 Canada	S# 5828	Lease Agreement	$1,234.51	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
13.	Assumed	Payless ShoeSource Canada GP, Inc.	3358771 CANADA LIMITED C/O RIOCAN REAL ESTATE INVESTMENT TRUST	2300 Yonge St Suite 500; Po Box 2386Toronto, On M4P 1E4Canada	S# 5834	Lease Agreement	$925.61	N
14.	Assumed	Payless ShoeSource Canada GP, Inc.	3821099 CANADA INC.	6600 Cote-Des-Neiges Suite 305 Montreal, Qc H3S 2A9 Canada	S# 5956	Lease Agreement	$1,202.11	N
15.	Assumed	Payless ShoeSource Canada GP, Inc.	3829660 MANITOBA LIMITED C/O SHINDICO REALTY INC.	200-1355 Taylor Avenue Winnipeg, Mb R3M 3Y9 Canada	S# 7171	Lease Agreement	$1,135.68	N
16.	Assumed	Payless ShoeSource Canada GP, Inc.	3829678 MANITOBA LIMITED C/O SHINDICO REALTY INC.	200-1355 Taylor Avenue Winnipeg, Mb R3M 3Y9 Canada	S# 5907	Lease Agreement	$443.94	N
17.	Assumed	Payless ShoeSource Canada GP, Inc.	3934390 CANADA INC 55 CITY CENTRE DRIVE SUITE 800 C/O MORGUARD INVESTMENTS LIMITED	Mississauga, On L5B 1M3 Canada	S# 5936	Lease Agreement	$1,421.45	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
18.	Assumed	Payless ShoeSource Canada GP, Inc.	3945333 MANITOBA LIMITED 700 APPLEWOOD CRESCENT C/O CALLOWAY REIT	Vaughn, On L4K 5X3 Canada	S# 6946	Lease Agreement	$1,401.89	N
19.	Assumed	Payless ShoeSource Canada GP, Inc.	585562 B.C. LTD - C/O MORGUARD INVESTMENTS LTD	55 City Centre Drive Suite #800 Attn: Vp Retail Property Management Mississauga, On L5B 1M3 Canada	S# 6944	Lease Agreement	$2,694.97	N
20.	Assumed	Payless ShoeSource Canada GP, Inc.	666479 B.C. LTD	#500-1901 Rosser AveAttn: Jim Tessaro CsmBurnaby, Bc V5C 6S3Canada	S# 5920	Lease Agreement	$1,304.14	N
21.	Assumed	Payless ShoeSource Canada GP, Inc.	713949 ONTARIO LIMITED C/O MORGUARD REAL ESTATE INVESTMENT TRUS	55 City Centre Drive Suite 800 Mississauga, On L5B 1M3 Canada	S# 6986	Lease Agreement	$3,169.96	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
22.	Assumed	Payless ShoeSource Canada GP, Inc.	767228 ALBERTA LTD. C/O NORTHERN SHOPPING CENTRE DEVEL LIMIT	Unit 100 12222-137Th Avenue Edmonton, Ab T5L 4X5 Canada	S# 5958	Lease Agreement	$1,004.75	N
23.	Assumed	Payless ShoeSource Canada GP, Inc.	866391 ALBERTA LTD. #200 17616-107 AVENUE C/O NORTHERN SHOPPING CENTRE DEVELOPMENT	Edmonton, Ab T5S 1G8 Canada	S# 6952	Lease Agreement	$891.58	N
24.	Assumed	Payless ShoeSource Canada GP, Inc.	8762317 CANADA INC	1225 University Street Suite 102 Montreal, Qc H3B 9A9 Canada	S# 5922	Lease Agreement	$7,489.15	N
25.	Assumed	Payless ShoeSource Canada GP, Inc.	9015086 CANADA INC C/O COMINAR REAL ESTATE INVESTMENT TRUST	2151 Lapiniere Boulevard Brossard, Qc J4W 2T5 Canada	S# 6955	Lease Agreement	$1,599.32	N
26.	Assumed	Payless ShoeSource Canada GP, Inc.	90567 CANADA INC.	366 Victoria Avenue Suite 200 Westmount, Qc H3Z 2N4 Canada	S# 5800	Lease Agreement	$3,766.66	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
27.	Assumed	Payless ShoeSource Canada GP, Inc.	9257-4748 QUEBEC INC AND MONTEZ L'OUTAOUAIS INC 200 BAY STREET SUITE 900 C/O ROYAL BANK PLAZA NORTH TOWER	Toronto, On M5J 2J2Canada	S# 5964	Lease Agreement	$1,078.50	N
28.	Assumed	Payless ShoeSource Canada GP, Inc.	ABERDEEN KAMLOOPS MALL LTD; KS ACQUISITION II LP; KINGSETT CAPITAL I ONE QUEEN STREET EAST; SUITE 300; C/O 20	Toronto, On M5C 2W5 Canada	S# 5911	Lease Agreement	$2,344.63	N
29.	Assumed	Payless ShoeSource Canada Inc.	ADAMS, CRYSTAL	Address On File	58639	Employment Agreement	$0.00	N
30.	Assumed	Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP;	ADIDAS (COLLECTIVELY) PAUL EHRLICH, ESQ GENERAL COUNSEL ADIDAS AMERICA, INC	5055 N. Greeley Avenue Mail Stop A-3-12B Portland, Or 97217	72347; 72361; 72362	Settlement Agreement	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
31.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	AGCS MARINE INSURANCE COMPANY (ALLIANZ)	33 W. Monroe Street Suite 1200 Chicago, Il 60603	49566; 49571; 49577; 49580; 49584; 49588; 49592; 49598; 49603; 49607; 49610; 49614; 49619; 49624; 49629; 49647; 49650; 49654; 49657; 49662; 49666; 49668; 49672; 49676; 49680; 49683	Ocean Cargo Policy Number Oc96079000	$0.00	Y
32.	Assumed	Payless ShoeSource Canada Inc.	AHMAD, AKEEL	Address On File	58829	Employment Agreement	$0.00	N
33.	Assumed	Payless ShoeSource Canada Inc.	ALI, WAQAR	Address On File	58642	Employment Agreement	$0.00	N
34.	Assumed	Payless ShoeSource Canada Inc.	ALLARY, REBECCA	Address On File	58921	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
35.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	ALLIANZ GLOBAL RISKS US INSURANCE COMPANY	225 West Washington Street, Suite 1800, Chicago, Il 60606-3484	49394; 49398; 49401; 49409; 49694; 49697;49699; 49704; 49711; 49714; 49718; 49722; 49725; 49729; 49732; 49737; 49742; 49745; 49753; 49756; 49760; 49764; 49768; 49773; 49777; 49781; 49784; 49787; 49789	Excess Liability Policy Number Ula 2008490	$0.00	Y
36.	Assumed	Payless ShoeSource Canada Inc.	ALLIES, REBECCA	Address On File	58925	Employment Agreement	$0.00	N
37.	Assumed	Payless ShoeSource Canada Inc.	AMARAL, SILVIA	Address On File	58734	Employment Agreement	$0.00	N
38.	Assumed	Payless ShoeSource Canada Inc.	AQEEL, MAH NOOR	Address On File	58930	Employment Agreement	$0.00	N
39.	Assumed	Payless ShoeSource Canada Inc.	ARAUJO, ANTONIO	Address On File	58934	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
40.	Assumed	Payless ShoeSource Canada Inc.	ARNESON, JENNIFER	Address On File	58931	Employment Agreement	$0.00	N
41.	Assumed	PSS Canada Inc.	ASPEN SPECIALTY INSURANCE COMPANY	175 Capital Boulevard, Suite 300, Rocky Hill, Ct 6067	49395; 49399; 49403; 49735; 49739; 49740; 49744; 49747; 49749; 49750; 49754; 49758; 49759; 49763; 49766; 49769; 49772; 49776; 49780; 49783; 49788; 49792; 49796; 49798	Property Dic - Ca (Excess) Policy Number Nsm37118	$0.00	Y
42.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	AXIS INSURANCE COMPANY	11680 Great Oaks Way, Suite 500, Alpharetta, Ga 30022	49406; 49407; 49412; 49415; 49419; 49422; 49425; 49428; 49431; 49434; 49437; 49442; 49446; 49448; 49452; 49454; 49458; 49461; 49464; 49468; 49472; 49474; 49479; 49482; 49486; 49490; 49493; 49497; 49501	D&O Tail Policy (Excess) Policy Number Tied To Mcn769915/01/2016	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
43.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	AXIS INSURANCE COMPANY	11680 Great Oaks Way, Suite 500, Alpharetta, Ga 30022	49505; 49509; 49512; 49514; 49522; 49524; 49527; 49531; 49534; 49541; 49545; 49549; 49553; 49557; 49560; 49563; 49567; 49570; 49573; 49579; 49583; 49587; 49590; 49593; 49597; 49601; 49605; 49609; 49612	Directors & Officers Liability (Second Excess)Policy Number Mcn769915/01/2016	$0.00	Y
44.	Assumed	Payless ShoeSource Canada Inc.	AZIZI, HAFIZULLAH	Address On File	58647	Employment Agreement	$0.00	N
45.	Assumed	Payless ShoeSource Canada Inc.	BADDAOU, MORAD	Address On File	58985	Employment Agreement	$0.00	N
46.	Assumed	Payless ShoeSource Canada Inc.	BALI, SHALEEN	Address On File	58793	Employment Agreement	$0.00	N
47.	Assumed	Payless ShoeSource Canada Inc.	BARABASH, ANDREA	Address On File	59134	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
48.	Assumed	Payless ShoeSource Canada Inc.	BARIKI, SAID	Address On File	58832	Employment Agreement	$0.00	N
49.	Assumed	Payless ShoeSource Canada GP, Inc.	BARTON CENTRE GP LTD IN ITS CAPACITY AS GP OF BARTON CENTRE L C/O TRIOVE	40 University Ave Suite 1200, Toronto, On M5J 1T1 Canada	S# 5816	Lease Agreement	$1,669.98	N
50.	Assumed	Payless ShoeSource Canada GP, Inc.	BAYSHORE SHOPPING CENTRE LIMITED AND KSBAYSHORE INC	95 Wellington Street West Suite 300 Attn: Legal Affairs Dept, Toronto, On M5J 2R2, Canada	S# 6996	Lease Agreement	$4,203.64	N
51.	Assumed	Payless ShoeSource Canada Inc.	BAZZONI, GIORDANA	Address On File	58650	Employment Agreement	$0.00	N
52.	Assumed	Payless ShoeSource Canada GP, Inc.	BCIMC REALTY CORPORATION C/O BENTALL KENNEDY (CANADA) LP	65 Port Street East Unit 110, Mississauga, On L5G 4V3, Canada	S# 6901	Lease Agreement	$2,940.87	N
53.	Assumed	Payless ShoeSource Canada GP, Inc.	BCIMC REALTY CORPORATION C/O BENTALL KENNEDY (CANADA) LP	Suite 150 19705 Fraser Highway, Langley, Bc V3A 7E9, Canada	S# 5894	Lease Agreement	$2,256.14	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
54.	Assumed	Payless ShoeSource Canada Inc.	BEDI, HARMANJEET	Address On File	58798	Employment Agreement	$0.00	N
55.	Assumed	Payless ShoeSource Canada GP, Inc.	BEEDIE DEVELOPMENT LP	3030 Gilmore Diversion, Burnaby, Bc V5G 3B4, Canada	S# 6949	Lease Agreement	$1,773.34	N
56.	Assumed	Payless ShoeSource Canada Inc.	BELL CANADA	Case Postale 8712, Succ Centre Ville, Montreal, Qc H3C3P6, Canada	55143	Service Contract Master Communications Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
57.	Assumed	Payless ShoeSource Canada Inc.	BELL CANADA	Case Postale 8712, Succ Centre Ville, Montreal, Qc H3C3P6, Canada	55148	Service Contract Service Schedule To Master Communication Agreement Dated 05/23/2014	$0.00	N
58.	Assumed	Payless ShoeSource Canada Inc.	BELL CANADA	Case Postale 8712, Succ Centre Ville, Montreal, Qc H3C3P6, Canada	55151; 55155	Service Contract Service Schedule To Master Communications Agreement	$0.00	N
59.	Assumed	Payless ShoeSource Canada Inc.	BELL, AMY	Address On File	58935	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
60.	Assumed	Payless ShoeSource Canada Inc.	BELLOWS, SHERI	Address On File	58919	Employment Agreement	$0.00	N
61.	Assumed	Payless ShoeSource Canada Inc.	BENARD, BERNICE	Address On File	59136	Employment Agreement	$0.00	N
62.	Assumed	Payless ShoeSource Canada Inc.	BENEDICTO, EM-EM	Address On File	58653	Employment Agreement	$0.00	N
63.	Assumed	Payless ShoeSource Canada Inc.	BENNETT, CASSANDRA	Address On File	59139	Employment Agreement	$0.00	N
64.	Assumed	Payless ShoeSource Canada GP, Inc.	BENTALL KENNEDY (CANADA) LP ITF 600 DE MAISONNEUVE LTD C/O BENTALL KENNEDY (CANADA) LP	600 De Maisonneuve Blvd Suite 510, Montreal, Qc H3A 3J2, Canada	S# 5941	Lease Agreement	$0.00	N
65.	Assumed	Payless ShoeSource Canada Inc.	BEREZUK, THERESA	Address On File	58939	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
66.	Assumed	Payless ShoeSource Canada Inc.	BERTUCCI, MICHELLE	Address On File	59140	Employment Agreement	$0.00	N
67.	Assumed	Payless ShoeSource Canada Inc.	BERUBE, PIERRE	Address On File	58835	Employment Agreement	$0.00	N
68.	Assumed	Payless ShoeSource Canada GP Inc.; PSS Canada, Inc.	BFL CANADA RISK & INSURANCE SERVICES INC.	181 University Ave, Ste 1700, Toronto, On M5H 3M7, Canada	55205; 55209	Insurance Policies Certificate Of Automobile Insurance Dated 01/02/2017	$0.00	Y
69.	Assumed	Payless ShoeSource Canada Inc.	BILLINGSLEY, KIMBERLEY	Address On File	58838	Employment Agreement	$0.00	N
70.	Assumed	Payless ShoeSource Canada GP, Inc.	BIM NORTH HILL INC & WESTPEN NORTH HILL LP C/O BENTALL KENNEDY CANADA LP	1632 - 14 Avenue Nw Suite 1665, Calgary, Ab T2N 1M7, Canada	S# 5879	Lease Agreement	$1,303.91	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
71.	Assumed	Payless ShoeSource Canada Inc.	BLANCHARD, MATTHEW	Address On File	59142	Employment Agreement	$0.00	N
72.	Assumed	Payless ShoeSource Canada Inc.	BLANCHARD, REBECCA	Address On File	59144	Employment Agreement	$0.00	N
73.	Assumed	Payless ShoeSource Canada Inc.	BLEIK, MONA	Address On File	58658	Employment Agreement	$0.00	N
74.	Assumed	Payless ShoeSource Canada GP, Inc.	BONNIE DOON SHOPPING CENTRE (HOLDINGS) LTD. C/O MORGUARD INVESTMENTS LIMITED	Suite 800 - 55 City Centre Drive, Attn: Vice-President Retail Property Ma, Mississauga, On L5B 1M3 Canada	S# 5935	Lease Agreement	$1,627.92	N
75.	Assumed	Payless ShoeSource Canada Inc.	BOUCHARD, CHRIS	Address On File	58669	Employment Agreement	$0.00	N
76.	Assumed	Payless ShoeSource Canada Inc.	BOULERICE, RACHEL	Address On File	58842	Employment Agreement	$0.00	N
77.	Assumed	Payless ShoeSource Canada Inc.	BOUVIER, NICOLE	Address On File	58846	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
78.	Assumed	Payless ShoeSource Canada Inc.	BOWES, BRITTNEY	Address On File	58673	Employment Agreement	$0.00	N
79.	Assumed	Payless ShoeSource Canada Inc.	BRENNAN_MCBRIDE, VANESSA	Address On File	58989	Employment Agreement	$0.00	N
80.	Assumed	Payless ShoeSource Canada Inc.	BRISSON, JACQUELYN	Address On File	58675	Employment Agreement	$0.00	N
81.	Assumed	Payless ShoeSource Canada Inc.	BROWN, ERICA	Address On File	58679	Employment Agreement	$0.00	N
82.	Assumed	Payless ShoeSource Canada Inc.	BUITRON, LUISA	Address On File	58741	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
83.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	C.N.A	444 W 47Th Street, Suite 900, Kansas City, Mo 64112	49396; 49400; 49404; 49408; 49413; 49418; 49423; 49427; 49429; 49433; 49436; 49439; 49443; 49715; 49719; 49723; 49727; 49734; 49738; 49743; 49748; 49751; 49755; 49762; 49765; 49770; 49775; 49779; 49785	Excess Liability Policy Number 6024082862 $	$0.00	Y
84.	Assumed	Payless ShoeSource Canada Inc.	CADOR, DESIREE	Address On File	58938	Employment Agreement	$0.00	N
85.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST (CHARLOTTETOWN) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6934	Lease Agreement	$1,160.96	N
86.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6988	Lease Agreement	$1,469.95	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
87.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6919	Lease Agreement	$397.80	N
88.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4721	Lease Agreement	$1,475.49	N
89.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4715	Lease Agreement	$1,256.41	N
90.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4703	Lease Agreement	$1,828.64	N
91.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6985	Lease Agreement	$747.60	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
92.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6989	Lease Agreement	$1,058.87	N
93.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4726	Lease Agreement	$1,432.13	N
94.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4719	Lease Agreement	$841.36	N
95.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 5814	Lease Agreement	$1,073.56	N
96.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC. C/O SMART CENTRES	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 7181	Lease Agreement	$930.68	N

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97.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REAL ESTATE INVESTMENT TRUST INC-BARRIE NORTH	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6913	Lease Agreement	$1,459.75	N
98.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 5914	Lease Agreement	$11.33	N
99.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6929	Lease Agreement	$1,481.47	N
100.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (BAYMAC) INC & CANADIAN PROPERTIES HOLDINGS (ONTARIO) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4723	Lease Agreement	$1,225.80	N
101.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (BOLTON) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 5815	Lease Agreement	$1,143.85	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
102.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (BRAMPTON) INC.	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 5812	Lease Agreement	$1,816.90	N
103.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (BROCKVILLE) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 7172	Lease Agreement	$1,108.41	N
104.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (CALGARY) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4713	Lease Agreement	$1,158.19	N
105.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (EDMONTON) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4731	Lease Agreement	$980.58	N
106.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (ETOBICOKE) INC C/O FIRST PROFESSIONAL MANAGEMENT	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4709	Lease Agreement	$1,705.95	N

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107.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (HAMILTON MOUNTAIN) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 5840	Lease Agreement	$1,278.38	N
108.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (HARMONY) INC C/O CALLOWAY REAL INVESTMENT TRUST INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4705	Lease Agreement	$1,350.38	N
109.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (LAVAL E) INC C/O CALLOWAY REIT (LAVAL E)	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6970	Lease Agreement	$382.26	N
110.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (LONDON N) INC; CALLOWAY REIT (SW ONTARIO) INC; & CANADIAN PROPERTY HOLDINGS (ONTARIO) I	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 5921	Lease Agreement	$1,307.62	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
111.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (NIAGARA FALLS) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6978	Lease Agreement	$1,183.52	N
112.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (ORLEANS) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 5962	Lease Agreement	$1,466.89	N
113.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (PICKERING) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4716	Lease Agreement	$1,195.10	N
114.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (REXDALE) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4736	Lease Agreement	$1,392.23	N
115.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (SCARBOROUGH) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4740	Lease Agreement	$5,745.85	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
116.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (SW ONTARIO) INC C/O SMART CENTRE	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6974	Lease Agreement	$1,254.03	N
117.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (WESTGATE) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6980	Lease Agreement	$1,168.07	N
118.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT (WHITBY) INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4717	Lease Agreement	$1,508.10	N
119.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 5861	Lease Agreement	$1,136.93	N
120.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT INC	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 7177	Lease Agreement	$1,822.51	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
121.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT-MASCOUCHE	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6984	Lease Agreement	$1,129.06	N
122.	Assumed	Payless ShoeSource Canada GP, Inc.	CALLOWAY REIT-UNICITY	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 6981	Lease Agreement	$1,030.78	N
123.	Assumed	Payless ShoeSource Canada GP, Inc.	CANADIAN PROPERTY HOLDINGS (ONTARIO) INC & CALLOWAY REIT (CHATHAM) INC	175 Bloor Street East, Suite N500, Po Box 25, Toronto, On M4W 3R8, Canada	S# 5880	Lease Agreement	$1,219.65	N
124.	Assumed	Payless ShoeSource Canada GP, Inc.	CAPITAL CITY SHOPPING CENTRE LIMITED C/O 20 VIC MANAGEMENT INC.	One Queen Street East Suite 300, Box #88, Toronto, On M5C 2W5, Canada	S# 5912	Lease Agreement	$1,084.02	N
125.	Assumed	Payless ShoeSource Canada Inc.	CARDIFF, MARTINA	Address On File	59146	Employment Agreement	$0.00	N

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126.	Assumed	Payless ShoeSource Canada Inc.	CARVALHO, JOSE	Address On File	58991	Employment Agreement	$0.00	N
127.	Assumed	Payless ShoeSource Canada Inc.	CASELEY, TYE	Address On File	58807	Employment Agreement	$0.00	N
128.	Assumed	Payless ShoeSource Canada Inc.	CASTILLO, ESMERALDA	Address On File	58943	Employment Agreement	$0.00	N
129.	Assumed	Payless ShoeSource Canada GP, Inc.	CATARAQUI HOLDINGS INC 900 1 ADELAIDE STREET EAST C/O PRIMARIS MANAGEMENT INC	Toronto, On M5C 2V9, Canada	S# 6945	Lease Agreement	$1,999.67	N
130.	Assumed	Payless ShoeSource Canada GP, Inc.	CENTRE REGIONAL CHATEAUGUAY INC	200 Boulevard D'Anjou Suite 321, Chateauguay, Qc J6K 1C5, Canada	S# 5965	Lease Agreement	$860.37	N
131.	Assumed	Payless ShoeSource Canada GP, Inc.	CENTRES COMMERCIAUX PREMIERES NEIGES LTEE C/O FIRST PRO SHOPPING CENTRES	700 Applewood Crescent Suite 200, Attn: Legal Department, Vaughan, On L4K 5X3, Canada	S# 4706	Lease Agreement	$1,422.55	N

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132.	Assumed	Payless ShoeSource Canada Inc.	CHAMBERLAIN, TAMMY	Address On File	58924	Employment Agreement	$0.00	N
133.	Assumed	Payless ShoeSource Canada Inc.	CHAVAN, SUSHIL	Address On File	58744	Employment Agreement	$0.00	N
134.	Assumed	Payless ShoeSource Canada Inc.	CHOO, WEI-XIN	Address On File	58969	Employment Agreement	$0.00	N
135.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	CHUBB GROUP OF INSURANCE COMPANIES	Attn: Underwriting, 82 Hopmeadow Street, Simsbury, Ct 06070-7683	49456; 49460; 49462; 49466; 49470; 49476; 49480; 49484; 49487; 49492; 49496; 49500; 49503; 49507; 49511; 49515; 49518; 49521; 49526; 49529; 49532; 49537; 49538; 49542; 49548; 49552; 49555; 49559; 49562	D&O Tail Policy (Excess) Policy Number Tied To Dox G24577843005	$0.00	Y

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136.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	CHUBB GROUP OF INSURANCE COMPANIES	Attn: Underwriting, 82 Hopmeadow Street, Simsbury, Ct 06070-7683	49565; 49569; 49572; 49575; 49581; 49585; 49589; 49594; 49599; 49604; 49608; 49611; 49615; 49620; 49627; 49631; 49633; 49637; 49642; 49644; 49649; 49653; 49658; 49660; 49665; 49667; 49669; 49674; 49677	Directors & Officers Liability (First Excess) Policy Number Dox G24577843 005	$0.00	Y
137.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	CHUBB GROUP OF INSURANCE COMPANIES	Attn: Underwriting, 82 Hopmeadow Street, Simsbury, Ct 06070-7683	49681; 49684; 49687; 49690; 49693; 49698; 49702; 49706; 49709; 49712; 49716; 49720; 49724; 49728; 49733; 49736; 49741; 49746; 49752; 49757; 49761; 49767; 49771; 49774; 49778; 49782; 49786; 49794; 49797	Employment Practices Liability (First Excess) Policy Number Dox G24577843-005	$0.00	Y

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138.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	CHUBB GROUP OF INSURANCE COMPANIES	Attn: Underwriting, 82 Hopmeadow Street, Simsbury, Ct 06070-7683	49801; 49806; 49809; 49813; 49817; 49820; 49825; 49826; 49830; 49835; 49837; 49841; 49844; 49849; 49853; 49857; 49861; 49866; 49869; 49873; 49877; 49883; 49886; 49889; 49893; 49897; 49902; 49906; 49911	Fiduciary Liability (First Excess) Policy Number Dox G24577843 005	$0.00	Y
139.	Assumed	Payless ShoeSource Canada Inc.	CLARK, NICOLE	Address On File	59150	Employment Agreement	$0.00	N
140.	Assumed	Payless ShoeSource Canada Inc.	CLARKE, JENNIFER	Address On File	58813	Employment Agreement	$0.00	N

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141.	Assumed	Payless ShoeSource Canada Inc.	COLLECTIVE BRANDS II COÖPERATIEF U.A.	Luna Arena, Herikerbergweg 238, 1101 Cm Amsterdam Zuidoost, P.O. Box 23393, 1100 Dw Amsterdam Zuidoost, Amsterdam, Netherlands	55330	Finance Agreement (Secured Lenders, Bonds, Mortgages, Etc.) Amended And Restated Note Agreement Dated 10/09/2012	$0.00	N
142.	Assumed	Payless ShoeSource Canada GP, Inc.	COMINAR ON REAL ESTATE HOLDINGS INC C/O COMINAR REAL ESTATE INVESTMENT TRUST	1250 Service Road, Mississauga, On L5E 1Ve, Canada	S# 5803	Lease Agreement	$2,406.63	N
143.	Assumed	Payless ShoeSource Canada GP, Inc.	COMINAR REAL ESTATE INVESTMENT TRUST	2305 Rockland Suite 41, Mount Royal, Qc H3P 3E9, Canada	S# 4700	Lease Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
144.	Assumed	Payless ShoeSource Canada GP, Inc.	COMINAR REIT COMPLEXE JULES - DALLAIRE - T3	2820 Laurier Boulevard Suite 850, Quebec, Qc G1V Oc1, Canada	S# 6910	Lease Agreement	$0.00	N
145.	Assumed	Payless ShoeSource Canada GP, Inc.	COMPLEXE PLACE ST-EUSTACHE INC	3100 Boul. De La Concorde Est, Bureau 208, Laval, Qc H7E 2B8, Canada	S# 5924	Lease Agreement	$0.00	N
146.	Assumed	Payless ShoeSource Canada GP, Inc.	CORNWALL CENTRE INC C/O 20 VIC MANAGEMENT INC	One Queen Street East Suite 300, Toronto, On M5C 2W5, Canada	S# 5945	Lease Agreement	$2,307.57	N
147.	Assumed	Payless ShoeSource Canada Inc.	COUNTRYMAN, SARAH	Address On File	58707	Employment Agreement	$0.00	N
148.	Assumed	Payless ShoeSource Canada GP, Inc.	CRECCAL INVESTMENTS LTD	Administration Office, 12675 Rue Sherbrooke Est Bureau, 126, Montreal, Qc H1A 3W7, Canada	S# 6932	Lease Agreement	$540.38	N
149.	Assumed	Payless ShoeSource Canada GP, Inc.	CROMBIE DEVELOPMENTS LIMITED	610 East River Road Suite 200, New Glasgow, Ns B2H 3S2, Canada	S# 6927	Lease Agreement	$657.30	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
150.	Assumed	Payless ShoeSource Canada GP, Inc.	CROMBIE DEVELOPMENTS LIMITED	610 East River Road Suite 200, New Glasgow, Ns B2H 3S2, Canada	S# 7189	Lease Agreement	$2,855.35	N
151.	Assumed	Payless ShoeSource Canada Inc.	CUGNET, SAMANTHA	Address On File	58971	Employment Agreement	$0.00	N
152.	Assumed	Payless ShoeSource Canada Inc.	CYR, MARIE_LYNE	Address On File	58848	Employment Agreement	$0.00	N
153.	Assumed	Payless ShoeSource Canada GP, Inc.	DARTMOUTH CROSSING LIMITED C/O CENTRECORP MANAGEMENT SERVICES LIMIT	34 Logiealmond Close; Dartmouth Crossing Dartmouth, Ns B3B 0C8, Canada		Lease Agreement	$1,916.20	N
154.	Assumed	Payless ShoeSource Canada Inc.	DAVID, SHELLY	Address On File	58928	Employment Agreement	$0.00	N
155.	Assumed	Payless ShoeSource Canada Inc.	DE SILVA, DILSHAN	Address On File	58747	Employment Agreement	$0.00	N
156.	Assumed	Payless ShoeSource Canada Inc.	DEAN, CHERYL	Address On File	58946	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
157.	Assumed	Payless ShoeSource Canada Inc.	DEGRACE, TABITHA	Address On File	58841	Employment Agreement	$0.00	N
158.	Assumed	Payless ShoeSource Canada Inc.	DENTINGER, JENNIFER	Address On File	58973	Employment Agreement	$0.00	N
159.	Assumed	Payless ShoeSource Canada Inc.	DEOL, DILJEET	Address On File	58844	Employment Agreement	$0.00	N
160.	Assumed	Payless ShoeSource Canada Inc.	DESLOGES, STEPHANE	Address On File	58899	Employment Agreement	$0.00	N
161.	Assumed	Payless ShoeSource Canada Inc.	DETZLER, RACHEL	Address On File	59152	Employment Agreement	$0.00	N
162.	Assumed	Payless ShoeSource Canada Inc.	DIPIETRO, SUSAN	Address On File	58750	Employment Agreement	$0.00	N
163.	Assumed	Payless ShoeSource Canada GP, Inc.	DISCOVERY HARBOUR SHOPPING CENTER LTD.	Suite 406 - 4190 Lougheed Highway, Burnaby, Bc V5C 6A8, Canada	S# 6916	Lease Agreement	$1,114.98	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
164.	Assumed	Payless ShoeSource Canada Inc.	DISLI, VESSICA	Address On File	58753	Employment Agreement	$0.00	N
165.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	DONAHUE & PARTNERS	5 Times Square, New York, Ny 10036	67882; 67884; 67886; 67887; 67892; 67895; 67900; 67902; 67905; 67908; 67911; 67913; 67915; 68011; 68012; 68013; 68014; 68015; 68016; 68017; 68018; 68019; 68020; 68021; 68022; 68023; 68024; 68025; 68026	Legal Service Agreement Dated 11/4/2016	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
166.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	DONAHUE & PARTNERS	5 Times Square, New York, Ny 10036	67981; 67983; 67984; 67985; 67986; 67987; 67988; 67989; 67990; 67991; 67992; 67993; 67994; 67995; 67996; 67997; 67998; 67999; 68000; 68001; 68002; 68003; 68004; 68005; 68006; 68007; 68008; 68009; 68010	Legal Service Agreement Dated 12/9/2016	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
167.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	DONAHUE & PARTNERS	5 Times Square, New York, Ny 10036	67923; 67925; 67927;67929; 67931; 67932;67935; 67937; 67939;67941; 67942; 67944;67946; 67949; 67951;67952; 67954; 67955;67957; 67959; 67964;67966; 67968; 67970;67972; 67974; 67976;67977; 67979	Legal Service Agreement Dated 7/7/2016	$0.00	Y
168.	Assumed	Payless ShoeSource Canada GP, Inc.	DORAL HOLDINGS LIMITED AND 430635 ONTARIO INC	Suite Gg1 The Seaway Mall, 800 Niagara Street North, Welland, On L3C 5Z4, Canada	S# 5957	Lease Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
169.	Assumed	Payless ShoeSource Canada GP, Inc.	DORVAL PROPERTY CORPORATION 352 AVENUE DORVAL SUITE 208, C/O STRATHALLEN PROPERTY MANAGEMENT OFFI	Dorval, Qc H9S 3H8, Canada	S# 5923	Lease Agreement	$0.00	N
170.	Assumed	Payless ShoeSource Canada Inc.	DOSSO, KARMA	Address On File	59058	Employment Agreement	$0.00	N
171.	Assumed	Payless ShoeSource Canada Inc.	DUBAS, SUSAN	Address On File	58950	Employment Agreement	$0.00	N
172.	Assumed	Payless ShoeSource Canada GP, Inc.	DUFFERIN MALL HOLDINGS INC C/O PRIMARIS MANAGEMENT INC	1 Adelaide Street East, Suite 900 Po Box Toronto, On M5C 2V9, Canada	S# 5801	Lease Agreement	$2,888.41	N
173.	Assumed	Payless ShoeSource Canada Inc.	DUNHAM, SHERRY	Address On File	59154	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
174.	Assumed	Payless ShoeSource Canada GP, Inc.	DURHAM HOLDINGS LIMITED C/O RIOCAN RE INVESTMENT TRUST; RIOCAN Y	2300 Yonge Street Suite 500; Po Box 2386, Toronto, On M4P 1E4, Canada	S# 5950	Lease Agreement	$3,326.43	N
175.	Assumed	Payless ShoeSource Canada Inc.	DUSCIO, LISA	Address On File	59157	Employment Agreement	$0.00	N
176.	Assumed	Payless ShoeSource Canada Inc.	DYSON, SUZANNE	Address On File	58953	Employment Agreement	$0.00	N
177.	Assumed	Payless ShoeSource Canada GP, Inc.	EASTGATE SQUARE GP INC C/O BENTALL KENNEDY (CANADA) LP	65 Port Street East Unit 110 Mississauga, On L5G 4V3 Canada	S# 5817	Lease Agreement	$2,256.32	N
178.	Assumed	Payless ShoeSource Canada Inc.	EDWARDS, JANNA	Address On File	58662	Employment Agreement	$0.00	N
179.	Assumed	Payless ShoeSource Canada GP, Inc.	ELGIN MALL LLC	417 Wellington Street St Thomas, On N5R 5J5 Canada	S# 5852	Lease Agreement	$21.10	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
180.	Assumed	Payless ShoeSource Canada LP	EMKAY CANADA LEASING CORP.	805 W Thorndale Ave Itasca, Il 60143	55729	Lease: Auto Vehicle Lease Agreement Dated 03/03/2010	$0.00	N
181.	Assumed	Payless ShoeSource Canada LP	EMKAY CANADA LEASING CORP.	805 W Thorndale AveItasca, Il 60143	55733	Lease: Auto Vehicle Lease Agreement Dated 03/03/2010 Plus Amendments	$0.00	N
182.	Assumed	Payless ShoeSource Canada Inc.	ENSLOW, ROWAN	Address On File	58933	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
183.	Assumed	Payless ShoeSource Canada Inc.	EXPEDITORS CANADA INC. TORONTO BRANCH - YYZ	55 Standish Crt. 11Th Floor Mississauga, On L5R 4A1 Canada	55524	Logistics Contract Canadian Society Of Customs Brokers- Standard Trading Conditions Dated 07/09/2004	$0.00	N
184.	Assumed	Payless ShoeSource Canada GP, Inc.	FAIRMALL LEASEHOLDS INC. C/O CADILLAC FAIRVIEW CORPORATION LIMITE	20 Queen Street West 5Th Floor Attn: Exe Toronto, On M5H 3R4 Canada	S# 5831	Lease Agreement	$0.00	N
185.	Assumed	Payless ShoeSource Canada GP, Inc.	FAIRMALL LEASEHOLDS INC. C/O CADILLAC FAIRVIEW CORPORATION LIMITE	20 Queen Street West 5Th Floor Attn: Exe Toronto, On M5H 3R4 Canada	S# 5944	Lease Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
186.	Assumed	Payless ShoeSource Canada Inc.	FARNCOMBE, FELICIA	Address On File	58712	Employment Agreement	$0.00	N
187.	Assumed	Payless ShoeSource Canada Inc.	FARRELL, JEANETTE	Address On File	58937	Employment Agreement	$0.00	N
188.	Assumed	Payless ShoeSource Canada GP, Inc.	FCHT HOLDINGS (ONTARIO) CORP	85 Hanna Avenue Suite 400 Attn: Vp Central Canada Toronto, On M6K 3S3 Canada	S# 6957	Lease Agreement	$534.92	N
189.	Assumed	Payless ShoeSource Canada GP, Inc.	FCHT HOLDINGS (ONTARIO) CORPORATION C/O FCR MANAGEMENT SERVICES LP	6975 Meadowvale Town Centre Circle Unit Mississauga, On L5N 2W7 Canada	S# 5826	Lease Agreement	$1,767.44	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
190.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	FEDERAL INSURANCE COMPANY	1133 Avenue Of The Americas New York, Ny 10036	50012; 50015; 50020; 50024; 50028; 50034; 50039; 50044; 50047; 50052; 50056; 50060; 50064; 50068; 50072; 50075; 50081; 50084; 50091; 50098; 50100; 50104; 50108; 50110; 50114; 50119; 50123; 50128; 50132	Special Crime Policy Number 8225-9848	$0.00	Y
191.	Assumed	Payless ShoeSource Canada Inc.	FERNANDES, JANET	Address On File	58849	Employment Agreement	$0.00	N
192.	Assumed	Payless ShoeSource Canada Inc.	FERREIRA, CHERYL	Address On File	58955	Employment Agreement	$0.00	N
193.	Assumed	Payless ShoeSource Canada Inc.	FILSON, JESSICA	Address On File	59161	Employment Agreement	$0.00	N

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194.	Assumed	Payless ShoeSource Canada GP, Inc.	FIRST CAPITAL (CEDARBRAE) CORP	85 Hanna Avenue Suite 400 Attn: Vice President Central Canada Toronto, On M6K 3S3 Canada	S# 5919	Lease Agreement	$2,227.80	N
195.	Assumed	Payless ShoeSource Canada GP, Inc.	FIRST CAPITAL (ST CATHARINES) CORP CENTRECORP MGMT SERVICES LTD	85 Hanna Avenue Suite 400 Toronto, On M6K 3S3 Canada	S# 5838	Lease Agreement	$1,867.13	N
196.	Assumed	Payless ShoeSource Canada GP, Inc.	FIRST MILTON SHOPPING CENTRES LIMITED	3751 Victoria Park Avenue C/O First Gulf Corporation Attn: Vp Of R Toronto, On M1W 3Z4 Canada	S# 5883	Lease Agreement	$1,196.92	N
197.	Assumed	Payless ShoeSource Canada GP, Inc.	FIRST PRINCE GEORGE DEVELOPMENTS LIMITED		S# 4733	Lease Agreement	$956.46	N
198.	Assumed	Payless ShoeSource Canada GP, Inc.	FIRST REAL PROPERTIES LIMITED	100 King Street West 2Nd Floor Suite 200 Hamilton, On L8P 1A2 Canada	S# 6940	Lease Agreement	$922.52	N

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199.	Assumed	Payless ShoeSource Canada GP, Inc.	FIRST WILLOW DEVELOPMENTS LIMITED	700 Applewood Crescent Suite 100 Vaughn, On L4K 5X3 Canada	S# 4725	Lease Agreement	$766.79	N
200.	Assumed	Payless ShoeSource Canada Inc.	FIRTH, AMANDA	Address On File	58975	Employment Agreement	$0.00	N
201.	Assumed	Payless ShoeSource Canada Inc.	FISHPOOL, SUZANNE	Address On File	58757	Employment Agreement	$0.00	N
202.	Assumed	Payless ShoeSource Canada Inc.	FRANK, SHARON	Address On File	58959	Employment Agreement	$0.00	N
203.	Assumed	Payless ShoeSource Canada Inc.	FRANKLYN, MADIA	Address On File	58760	Employment Agreement	$0.00	N
204.	Assumed	Payless ShoeSource Canada Inc.	FUNG, BONNIE	Address On File	58852	Employment Agreement	$0.00	N

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205.	Assumed	Payless ShoeSource Canada LP	GARDAWORLD	1390 Barre Street Montreal, Qc H3C 1N4 Canada	49189	Armored Car Service Agreement Dated 8/1/2008	$18,668.00	N
206.	Assumed	Payless ShoeSource Canada GP, Inc.	GARDEN CITY PLAZA LTD	100 White Oaks Square 12222-137Th Avenue Edmonton, Ab T5L 4X5 Canada	S# 4732	Lease Agreement	$1,067.91	N
207.	Assumed	Payless ShoeSource Canada Inc.	GARMAN, TARA	Address On File	58977	Employment Agreement	$0.00	N
208.	Assumed	Payless ShoeSource Canada Inc.	GAYTANO, NANCY	Address On File	58854	Employment Agreement	$0.00	N
209.	Assumed	Payless ShoeSource Canada GP, Inc.	GEORGETOWN MARKET PLACE CORP & 2042170 ONTARIO INC C/O HPI REALTY MANAGEMENT INC -	Attn: Gr 21 St Clair Avenue East Suite 1201 Toronto, On M4T 1L9 Canada	S# 5830	Lease Agreement	$1,207.74	N

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210.	Assumed	Payless ShoeSource Canada GP, Inc.	GERRARD SQUARE INC C/O MANAGEMENT OFFICE	1000 Gerrard Square EastToronto, On M4M 3G6Canada	S# 5818	Lease Agreement	$1,941.12	N
211.	Assumed	Payless ShoeSource Canada Inc.	GIL, CLAUDIA	Address On File	58994	Employment Agreement	$0.00	N
212.	Assumed	Payless ShoeSource Canada Inc.	GILLCASH, TRACEY	Address On File	58962	Employment Agreement	$0.00	N
213.	Assumed	Payless ShoeSource Canada Inc.	GINTER, LUCIA	Address On File	58979	Employment Agreement	$0.00	N
214.	Assumed	Payless ShoeSource Canada GP, Inc.	GOLDMAN INVESTMENTS LTD	910 Richards Street Vancouver, Bc V6B 3C1 Canada	S# 7182	Lease Agreement	$5,636.58	N
215.	Assumed	Payless ShoeSource Canada Inc.	GOODEVE, KIM	Address On File	59165	Employment Agreement	$0.00	N
216.	Assumed	Payless ShoeSource Canada Inc.	GOODMAN, AMANDA	Address On File	58983	Employment Agreement	$0.00	N

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217.	Assumed	Payless ShoeSource Canada Inc.	GOODWIN, JESSICA	Address On File	58664	Employment Agreement	$0.00	N
218.	Assumed	Payless ShoeSource Canada Inc.	GRANT, MELISSA	Address On File	58965	Employment Agreement	$0.00	N
219.	Assumed	Payless ShoeSource Canada GP, Inc.	GRANVILLE STREET PROPERTIES INC.	90 Morgan Road Suite 200 Baie D'Urfe, Qc H9X 3A8 Canada	S# 6961	Lease Agreement	$542.04	N

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220.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	GREAT AMERICAN INSURANCE COMPANY	301 E 4Th StreetCincinnati, Oh 45202-4201	49803; 49807; 49811;49815; 49821; 49824;49829; 49833; 49838;49842; 49846; 49851;49856; 49859; 50146;50150; 50153; 50157;50161; 50165; 50169;50173; 50176; 50179;50180; 50184; 50186;50190; 50194	Crime (Excess) Policy Number Crp059-48-98-04	$0.00	Y

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221.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	GREAT AMERICAN INSURANCE COMPANY	301 E 4Th Street Cincinnati, Oh 45202-4201	49863; 49864; 49868; 49872; 49876; 49880; 49884; 49887; 49892; 49895; 49901; 49904; 49908; 49912; 49916; 49918; 49922; 49927; 49929; 49934; 49938; 49939; 49943; 49946; 49950; 49952; 49956; 49959; 49963	Excess Liability Policy Number Tue 6680256 10	$0.00	Y
222.	Assumed	Payless ShoeSource Canada GP, Inc.	GREAT WORLD PROPERTIES LIMITED 8 STEELCASE ROAD WEST C/O LIVING PROPERTIES INC	Markham, On L3R 1B2 Canada	S# 5933	Lease Agreement	$2,842.31	N
223.	Assumed	Payless ShoeSource Canada Inc.	HALL, SARA	Address On File	58966	Employment Agreement	$0.00	N

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224.	Assumed	Payless ShoeSource Canada Inc.	HAMILTON, MARY JO	Address On File	59167	Employment Agreement	$0.00	N
225.	Assumed	Payless ShoeSource Canada Inc.	HARDY, JILL	Address On File	58941	Employment Agreement	$0.00	N
226.	Assumed	Payless ShoeSource Canada Inc.	HARRIS-DUCKWORTH, NIKKI-LEIGH	Address On File	58986	Employment Agreement	$0.00	N
227.	Assumed	Payless ShoeSource Canada Inc.	HARRISON, TAMARA	Address On File	58968	Employment Agreement	$0.00	N
228.	Assumed	Payless ShoeSource Canada GP, Inc.	HARVARD DEVELOPMENTS INC C/O HARVARD PROPERTY MANAGEMENT INC	Suite 2000 1874 Scarth Street Regina, Sk S4P 4B3 Canada	S# 5937	Lease Agreement	$1,127.33	N
229.	Assumed	Payless ShoeSource Canada Inc.	HILLIKER, TAMMY	Address On File	59062	Employment Agreement	$0.00	N
230.	Assumed	Payless ShoeSource Canada GP, Inc.	HILLSIDE CENTRE HOLDINGS INC C/O BENTALL KENNEDY (CANADA) LP	1055 Dunsmuir Street Suite 1800 Vancouver, Bc V7X 1B1 Canada	S# 5984	Lease Agreement	$2,040.35	N

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231.	Assumed	Payless ShoeSource Canada GP, Inc.	HOMBURG TRUST 189/2226012 ONTARIO INC	1 Place Alexis Nihon Suite 1010 Montreal, Qc H3Z 3B8 Canada	S# 6971	Lease Agreement	$1,753.22	N
232.	Assumed	Payless ShoeSource Canada GP, Inc.	HOMCO REALTY FUND (186) LIMITED PARTNERSHIP	3400 De Maisonneuve West Blvd Suite 1010 Montreal, Qc H3Z 3B8 Canada	S# 5901	Lease Agreement	$1,090.14	N
233.	Assumed	Payless ShoeSource Canada GP, Inc.	HOOPP REALTY INC - C/O MORGUARD INVESTMENTS LIMITED	55 City Centre Drive Suite 800 Attn: Vp Retail Property Management Mississauga, On L5B 1M3 Canada	S# 6917	Lease Agreement	$2,037.31	N
234.	Assumed	Payless ShoeSource Canada GP, Inc.	HOOPP REALTY INC (MARLBOROUGH MALL) C/O 20 VIC MANAGEMENT INC	Suite 310 - 433 Marlborough Way NeCalgary, Ab T2A 5H5Canada	S# 5842	Lease Agreement	$2,211.87	N

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235.	Assumed	Payless ShoeSource Canada GP, Inc.	HOOPP REALTY INC C/O 20 VIC MANAGEMENT INC	1 Queen Street East; Suite 300 Box 88 Toronto, On M5C 2W5 Canada	S# 5887	Lease Agreement	$2,134.04	N
236.	Assumed	Payless ShoeSource Canada GP, Inc.	HOOPP REALTY INC C/O 20 VIC MANAGEMENT INC QUINTE MALL	1 Queen Street East; Suite 300 Box 88 Toronto, On M5C 2W5 Canada	S# 5930	Lease Agreement	$2,287.76	N
237.	Assumed	Payless ShoeSource Canada GP, Inc.	HOOPP REALTY INC C/O MORGUARD INVESTMENTS LIMITED	55 City Centre Drive Suite 800 Mississauga, On L5B 1M3 Canada	S# 5929	Lease Agreement	$1,884.82	N
238.	Assumed	Payless ShoeSource Canada Inc.	HOPEWELL DISTRIBUTION SERVICES INC	Bay 31, 5353 50Th Street Se Calgary, Ab T2C3W1 Canada	55953	Service Contract Pool Point Service Agreement Dated 01/02/2001	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
239.	Assumed	Payless ShoeSource Canada Inc.	HOPEWELL DISTRIBUTION SERVICES INC.	Attn: Bob Deryk255 Chrysler Drive, Unit 3, Suite ABrampton, On L6S 6C8Canada	55960	Logistics Contract Pool Point Service Agreement Dated 01/02/2011	$0.00	N
240.	Assumed	Payless ShoeSource Canada Inc.	HORLOCK, SHERRY	Address On File	59065	Employment Agreement	$0.00	N
241.	Assumed	Payless ShoeSource Canada Inc.	HOSEIN, SHALOT	Address On File	58668	Employment Agreement	$0.00	N
242.	Assumed	Payless ShoeSource Canada Inc.	HUSSACK, ALYSA	Address On File	59001	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
243.	Assumed	Payless ShoeSource Canada GP, Inc.	IG INVEST MGMT LTD AS TRUSTEE FOR INVESTORS REAL PROP FUND (97.5%) & NA (LPM) LP (2.5%) LYNDEN ARK MALL MANAGEMENT	Office; 84 L Brantford, On N3R 6B8 Canada	S# 5813	Lease Agreement	$2,151.22	N
244.	Assumed	Payless ShoeSource Canada Inc.	INNESS, SARAH	Address On File	58723	Employment Agreement	$0.00	N
245.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE I INC; IVANHOE CAMBRIDGE II INC; WOODGROVE HOLDINGS	95 Wellington Street West Suite 300 Toronto, Bc M5J 2R2 Canada	S# 5885	Lease Agreement	$2,667.35	N
246.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE II INC	95 Wellington Street WestSuite 300Toronto, Bc M5J 2R2Canada	S# 6911	Lease Agreement	$3,350.89	N
247.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE II INC	95 Wellington Street West Suite 300 Toronto, Bc M5J 2R2 Canada	S# 5971	Lease Agreement	$2,671.48	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
248.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE II INC & RCCOM LP C/O THE CADILLAC FAIRVIEW CORPORATION LI	20 Queen Street West Toronto, On M5H 3R4 Canada	S# 5993	Lease Agreement	$3,017.14	N
249.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE II INC. AND CANAPEN (HALTON) LIMITED	95 Wellington Street West Suite 300 Toronto, Bc M5J 2R2 Canada	S# 6922	Lease Agreement	$2,317.30	N
250.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE II LLC	4720 Kingsway Suite 604 Burnaby, Bc V5H 4N2 Canada	S# 5970	Lease Agreement	$4,795.48	N
251.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE II LLC	95 Wellington Street West Suite 300 Toronto, Bc M5J 2R2 Canada	S# 5998	Lease Agreement	$2,853.07	N
252.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE INC	2695-10355 152 Street Guildford Town Centre Surrey, Bc V3R 7C1 Canada	S# 5868	Lease Agreement	$3,040.63	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
253.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE INC	3147 Douglas StreetUnit 221Victoria, Bc V8Z 6E3Canada	S# 6965	Lease Agreement	$3,006.17	N
254.	Assumed	Payless ShoeSource Canada GP, Inc.	IVANHOE CAMBRIDGE INC	95 Wellington Street West Suite 300 Toronto, Bc M5J 2R2 Canada	S# 7180	Lease Agreement	$3,099.16	N
255.	Assumed	Payless ShoeSource Canada Inc.	JAMES, VALENTINE	Address On File	58982	Employment Agreement	$0.00	N
256.	Assumed	Payless ShoeSource Canada Inc.	JAMSHAID, SIDRA	Address On File	58856	Employment Agreement	$0.00	N
257.	Assumed	Payless ShoeSource Canada GP, Inc.	JOHN G VENINI INVESTMENTS LIMITED #1	308 8Th Ave. S.W. Calgary, Ab T2P 1C1 Canada	S# 6995	Lease Agreement	$2,782.53	N
258.	Assumed	Payless ShoeSource Canada Inc.	JOHNSON, DONALD	Address On File	58944	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
259.	Assumed	Payless ShoeSource Canada Inc.	JOHNSON, SHANNON	Address On File	58727	Employment Agreement	$0.00	N
260.	Assumed	Payless ShoeSource Canada Inc.	JOHNSTON, SHANNON	Address On File	58974	Employment Agreement	$0.00	N
261.	Assumed	Payless ShoeSource Canada Inc.	KAMAL, MARIA	Address On File	58860	Employment Agreement	$0.00	N
262.	Assumed	Payless ShoeSource Canada Inc.	KANDEL-POKHREL, PABITRA	Address On File	58990	Employment Agreement	$0.00	N
263.	Assumed	Payless ShoeSource Canada Inc.	KAUR, RAMANDEEP	Address On File	58993	Employment Agreement	$0.00	N
264.	Assumed	Payless ShoeSource Canada Inc.	KAZOWSKI, PATTI	Address On File	58901	Employment Agreement	$0.00	N
265.	Assumed	Payless ShoeSource Canada GP, Inc.	KELOWNA CENTRAL PARK PROPERTIES LTD AND KELOWNA CENTRAL PARK C/O GWL REALTY ADVISORS INC ITF	650 West Georgia Street Suite 1600; Po B Vancouver, Bc V6B 4N7 Canada	S# 5837	Lease Agreement	$1,337.13	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
266.	Assumed	Payless ShoeSource Canada Inc.	KILLBY, DERRICK	Address On File	59068	Employment Agreement	$0.00	N
267.	Assumed	Payless ShoeSource Canada GP, Inc.	KINGS CROSS SHOPPING CENTRE LTD C/O GWL REALTY ADVISORS ITF	650 West Georgia Street Suite 1600; Po B Vancouver, Bc V6B 4N7 Canada	S# 4711	Lease Agreement	$1,348.64	N
268.	Assumed	Payless ShoeSource Canada GP, Inc.	KINGSWAY GARDEN HOLDINGS INC C/O OXFORD PROPERTIES GROUP ROYAL BANK P	North Tower Suite 900 Po Box 100 Toronto, On M5J 2J2 Canada	S# 5845	Lease Agreement	$2,512.26	N
269.	Assumed	Payless ShoeSource Canada Inc.	KRUPA, JENNIFER	Address On File	58671	Employment Agreement	$0.00	N
270.	Assumed	Payless ShoeSource Canada GP, Inc.	KS EGLINTON SQUARE INC C/O BENTALL KENNEDY (CANADA) LP;	65 Port Street East Unit 110 Mississauga, On L5G 4V3 Canada	S# 5967	Lease Agreement	$0.00	N
271.	Assumed	Payless ShoeSource Canada GP, Inc.	KS HERITAGE PLACE INC C/O 20 VIC MANAGEMENT INC	One Queen Street East Toronto, On M5C 2W5 Canada	S# 5872	Lease Agreement	$977.83	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
272.	Assumed	Payless ShoeSource Canada GP, Inc.	KS LAMBTON MALL INC C/O VIC MANAGEMENT INC	One Queen Street EastToronto, On M5C 2W5Canada	S# 5973	Lease Agreement	$1,438.09	N
273.	Assumed	Payless ShoeSource Canada GP, Inc.	KS TECUMSEH MALL INC C/O 20 VIC MANAGEMENT INC	One Queen Street East Toronto, On M5C 2W5 Canada	S# 5854	Lease Agreement	$2,006.51	N
274.	Assumed	Payless ShoeSource Canada Inc.	KUEHNE & NAGEL INTERNATIONAL, LTD	100 Alfred Kuehne Blvd Brampton, On L6T4K4 Canada	56273	Service Contract Pool Point Service Agreement Dated 08/11/2002	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
275.	Assumed	Payless ShoeSource Canada Inc.	KUEHNE & NAGEL INTERNATIONAL, LTD	100 Alfred Kuehne Blvd Brampton, On L6T4K4 Canada	56277	Service Contract Pool Point Service Agreement Dated 08/11/2002 Plus Amendments	$0.00	N
276.	Assumed	Payless ShoeSource Canada Inc.	KUEHNE & NAGEL INTL, LTD	16231 116th Avenue Edmonton, Ab T5M3Y1 Canada	56282	Service Contract Pool Point Service Agreement Dated 08/01/2002	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
277.	Assumed	Payless ShoeSource CanadaInc.	KUEHNE + NAGEL LTD.	77 Foster CrescentMississauga, On L5R 0K1Canada	56290	Logistics Contract Pool Point Service Agreement Dated 08/11/2002 Plus Amendments	$0.00	N
278.	Assumed	Payless ShoeSource Canada Inc.	KUEHNE + NAGEL LTD.	77 Foster Crescent Mississauga, On L5R 0K1 Canada	56295	Service Contract La Distribution Center Project Dated 04/21/2005	$0.00	N
279.	Assumed	Payless ShoeSource Canada Inc.	LA GRECA, MARY	Address On File	58861	Employment Agreement	$0.00	N
280.	Assumed	Payless ShoeSource Canada Inc.	LABIB, HOSAY	Address On File	58763	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
281.	Assumed	Payless ShoeSource Canada Inc.	LAFRENIERE, MANUEL	Address On File	58864	Employment Agreement	$0.00	N
282.	Assumed	Payless ShoeSource Canada Inc.	LAING, REBECCA	Address On File	59073	Employment Agreement	$0.00	N
283.	Assumed	Payless ShoeSource Canada Inc.	LANDRY, GILBERT	Address On File	58869	Employment Agreement	$0.00	N
284.	Assumed	Payless ShoeSource Canada Inc.	LANDRY, LUCIE	Address On File	59137	Employment Agreement	$0.00	N
285.	Assumed	Payless ShoeSource Canada Inc.	LANE, LORELEI	Address On File	58896	Employment Agreement	$0.00	N
286.	Assumed	Payless ShoeSource Canada GP, Inc.	LANSDOWNE MALL INC C/O 20 VIC MANAGEMENT INC.	One Queen Street East Suite 300 Box 88 Toronto, On M5C 2W5 Canada	S# 5827	Lease Agreement	$3,463.08	N
287.	Assumed	Payless ShoeSource Canada Inc.	LARIN, PATSY	Address On File	58677	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
288.	Assumed	Payless ShoeSource Canada Inc.	LAROSE, NATASHA	Address On File	58875	Employment Agreement	$0.00	N
289.	Assumed	Payless ShoeSource Canada Inc.	LAWRENCE, KATHY	Address On File	59180	Employment Agreement	$0.00	N
290.	Assumed	Payless ShoeSource Canada Inc.	LAYFIELD, KIM	Address On File	58681	Employment Agreement	$0.00	N
291.	Assumed	Payless ShoeSource Canada GP, Inc.	LE CARREFOUR LAVAL (2013) INC C/O THE CADILLAC FAIRVIEW CORP LTD	20 Queen Street West/Attn: Exec.S# 4729 V.P. P, Toronto, On M5H 3R4 Canada		Lease Agreement	$4,100.13	N
292.	Assumed	Payless ShoeSource Canada Inc.	LE, THUONG	Address On File	58684	Employment Agreement	$0.00	N
293.	Assumed	Payless ShoeSource Canada Inc.	LEA, AMY	Address On File	58766	Employment Agreement	$0.00	N
294.	Assumed	Payless ShoeSource Canada Inc.	LEBLANC, VALERIE	Address On File	58947	Employment Agreement	$0.00	N

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295.	Assumed	Payless ShoeSource Canada Inc.	LEE, CLAUDIE	Address On File	58768	Employment Agreement	$0.00	N
296.	Assumed	Payless ShoeSource Canada Inc.	LEFLAR, ALETHA	Address On File	58619	Employment Agreement	$0.00	N
297.	Assumed	Payless ShoeSource Canada Inc.	LEONARD, JOHN PAUL	Address On File	58772	Employment Agreement	$0.00	N
298.	Assumed	Payless ShoeSource Canada GP, Inc.	LES IMMEUBLES DU CARREFOUR RICHELIEU LTEE/CARREFOUR RICHELIEU REALTIES LTD.	600 De Maisonneuve Blvd W. Suite 2600 Montreal, Qc H3A 3J2 Canada	S# 5904	Lease Agreement	$2,443.37	N
299.	Assumed	Payless ShoeSource Canada GP, Inc.	LES IMMEUBLES DU CARREFOUR RICHELIEU LTEE/CARREFOUR RICHELIEU REALTIES LTD.	600 De Maisonneuve Blvd W.Suite 2600Montreal, Qc H3A 3J2Canada	S# 5902	Lease Agreement	$2,813.96	N
300.	Assumed	Payless ShoeSource Canada GP, Inc.	LES PROMENADES ST. BRUNO LEASEHOLDS INC	20 Queen Street West 5Th Floor Toronto, On M5H 3R4 Canada	S# 5943	Lease Agreement	$3,274.05	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
301.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	LIBERTY MUTUAL	175 Berkely Street Boston, Ma 2116	50078; 50082; 50085; 50090; 50094; 50097; 50102; 50105; 50109; 50111; 50116; 50120; 50124; 50130; 50133; 50139; 50145; 50149; 50155; 50158; 50164; 50168; 50170; 50174; 50177; 50182; 50185; 50188; 50189	Excess Liability Policy Number Eco (18) 55902385	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
302.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	LIBERTY MUTUAL	175 Berkely StreetBoston, Ma 2116	50049; 50051; 50055;50058; 50062; 50066;50071; 50076; 50079;50086; 50087; 50089;50092; 50095; 50101;50107; 50112; 50115;50118; 50121; 50125;50127; 50131; 50135;50137; 50141; 50144;50148; 50151	Property Global Policy Number Mj2-L9L-448456-027	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
303.	Assumed	Payless ShoeSource Canada LP	LIBERTY MUTUAL INSURANCE COMPANY	181 Bay Street Suite 1000 Toronto, On M5J 2T3 Canada	56408	Finance Agreement (Secured Lenders, Bonds, Mortgages, Etc.) Customs Bond Dated 02/16/2017	$0.00	N
304.	Assumed	Payless ShoeSource Canada Inc.	LIBERTY MUTUAL INSURANCE COMPANY C/O LIBERTY MUTUAL SURETY - COMMERCIAL	Attn: Nina M. DuranteSafeco PlazaP.O. Box 34526Seattle, Wa 98124-1526	51744	Surety Bond Number Bdto-460002-017 For The Benefit Of Canada Customs And Revenue Agency	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
305.	Assumed	Payless ShoeSource Canada Inc.	LIU, JIA	Address On File	58687	Employment Agreement	$0.00	N
306.	Assumed	Payless ShoeSource Canada GP, Inc.	LONDONDERRY SHOPPING CENTRE INC. C/O 20 VIC MANAGEMENT, INC.	One Queen Street East Suite 300, Box #88 Toronto, On M5C 2W5 Canada	S# 5876RL	Lease Agreement	$0.00	N
307.	Assumed	Payless ShoeSource Canada Inc.	LOPEZ, MARCELO	Address On File	58961	Employment Agreement	$0.00	N
308.	Assumed	Payless ShoeSource Canada Inc.	LUCKETT, CHRISTOPHER	Address On File	59078	Employment Agreement	$0.00	N
309.	Assumed	Payless ShoeSource Canada Inc.	LUKE, CLARA	Address On File	58689	Employment Agreement	$0.00	N
310.	Assumed	Payless ShoeSource Canada Inc.	MA, REINA	Address On File	58623	Employment Agreement	$0.00	N
311.	Assumed	Payless ShoeSource Canada Inc.	MACDONALD SOARES, CAROLINE	Address On File	58773	Employment Agreement	$0.00	N

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312.	Assumed	Payless ShoeSource Canada Inc.	MACDONALD, NICOLE ELIZABETH	Address On File	59003	Employment Agreement	$0.00	N
313.	Assumed	Payless ShoeSource Canada Inc.	MACEACHERN, LINZEE	Address On File	58732	Employment Agreement	$0.00	N
314.	Assumed	Payless ShoeSource Canada Inc.	MACLEOD, KELLY	Address On File	58692	Employment Agreement	$0.00	N
315.	Assumed	Payless ShoeSource Canada Inc.	MACLEOD, MELANIE	Address On File	58777	Employment Agreement	$0.00	N
316.	Assumed	Payless ShoeSource Canada Inc.	MACNEIL, ALANNA	Address On File	58949	Employment Agreement	$0.00	N
317.	Assumed	Payless ShoeSource Canada Inc.	MADDALENA, PHYLLIS	Address On File	59082	Employment Agreement	$0.00	N
318.	Assumed	Payless ShoeSource Canada Inc.	MAILLET, LISA	Address On File	58952	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
319.	Assumed	Payless ShoeSource Canada Inc.	MAJEED, AYSHA	Address On File	58629	Employment Agreement	$0.00	N
320.	Assumed	Payless ShoeSource Canada Inc.	MALONEY, SUSAN	Address On File	58967	Employment Agreement	$0.00	N
321.	Assumed	Payless ShoeSource Canada GP, Inc.	MALVERN TOWN CENTRE INC	31-51 Tapscott Rd Management Office Toronto, On M1B 4Y7 Canada	S# 5871	Lease Agreement (	$164.45	N
322.	Assumed	Payless ShoeSource Canada Inc.	MARIER, TABATHA	Address On File	58780	Employment Agreement	$0.00	N
323.	Assumed	Payless ShoeSource Canada GP, Inc.	MARKET MALL LEASEHOLDS INC. C/O THE CADILLAC FAIRVIEW CORP. LTD.	5Th Floor 20 Queen St. W./Attn: ExecVpToronto, On M5H 3R4Canada	S# 4712	Lease Agreement	$0.00	N
324.	Assumed	Payless ShoeSource Canada Inc.	MARKIC, BEATRICE	Address On File	58633	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
325.	Assumed	Payless ShoeSource Canada Inc.	MARTEL, GILLES	Address On File	58976	Employment Agreement	$0.00	N
326.	Assumed	Payless ShoeSource Canada GP, Inc.	MATRIX (CAMROSE) LIMITED PARTNERSHIP	12420-102 Avenue Nw Edmonton, Ab T5N 0M1 Canada	S# 6918	Lease Agreement	$927.36	N
327.	Assumed	Payless ShoeSource Canada GP, Inc.	MCALLISTER PLACE HOLDINGS INC	1 Adelaide Street East Suite 900 Toronto, On M5C 2V9 Canada	S# 5981	Lease Agreement	$2,135.17	N
328.	Assumed	Payless ShoeSource Canada Inc.	MCCAFFREY, HAYLEY	Address On File	58954	Employment Agreement	$0.00	N
329.	Assumed	Payless ShoeSource Canada Inc.	MCCANN, TERRI	Address On File	58906	Employment Agreement	$0.00	N
330.	Assumed	Payless ShoeSource Canada Inc.	MCKAY, DEANNA	Address On File	58783	Employment Agreement	$0.00	N
331.	Assumed	Payless ShoeSource Canada Inc.	MCWHIRTER, CYNTHIA	Address On File	58866	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
332.	Assumed	Payless ShoeSource Canada GP, Inc.	MELCOR REIT LIMITED PARTNERSHIP	#900 10310 Jasper Avenue Edmonton, Ab T5J 1Y8 Canada	S# 6960	Lease Agreement	$175.27	N
333.	Assumed	Payless ShoeSource Canada Inc.	MENESES, ELIZABETH	Address On File	59084	Employment Agreement	$0.00	N
334.	Assumed	Payless ShoeSource Canada Inc.	MEYER, JENNIFER	Address On File	58737	Employment Agreement	$0.00	N
335.	Assumed	Payless ShoeSource Canada GP, Inc.	MIC MAC MALL LP	21 Mic Mac Blvd Dartmouth, Ns B3A 4N3 Canada	S# 5975	Lease Agreement	$2,617.60	N
336.	Assumed	Payless ShoeSource Canada GP, Inc.	MIDLAND II PROPERTY INC	700 Applewood Crescent Suite 300 Vaughan, On L4K 5X3 Canada	S# 4720	Lease Agreement	$1,618.19	N
337.	Assumed	Payless ShoeSource Canada GP, Inc.	MIDTOWN PLAZA INC C/O 20 VIC MANAGEMENT INC	One Queen Street East; Suite 300 Toronto, On M5C 2W5 Canada	S# 5948	Lease Agreement	$0.00	N

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338.	Assumed	Payless ShoeSource Canada GP, Inc.	MIL ITF HOOPP REALTY INC (SUDBURY) C/O MORGUARD INVESTMENTS LIMITED	1030 Barrydowne Road Suite 200 Sudbury, On P3A 5Z9 Canada	S# 5928	Lease Agreement	$3,182.95	N
339.	Assumed	Payless ShoeSource Canada GP, Inc.	MILL WOODS CENTRE INC	2300 Younge Street Suite 904 Toronto, On M4P 1E4 Canada	S# 5844	Lease Agreement	$1,806.74	N
340.	Assumed	Payless ShoeSource Canada Inc.	MILLEY, KRISTEN	Address On File	58695	Employment Agreement	$0.00	N
341.	Assumed	Payless ShoeSource Canada Inc.	MINELLI, DENISE	Address On File	58964	Employment Agreement	$0.00	N
342.	Assumed	Payless ShoeSource Canada Inc.	MIRANDA, HEIDY	Address On File	59181	Employment Agreement	$0.00	N
343.	Assumed	Payless ShoeSource Canada Inc.	MOHAMED RASHEED, MOHAMED FAIZAL	Address On File	58788	Employment Agreement	$0.00	N
344.	Assumed	Payless ShoeSource Canada Inc.	MOHNS, JO ANN	Address On File	58697	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
345.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada LP	MONERIS SOLUTIONS CORPORATION	Attn: Chief Technology Officer 3300 Bloor St W 7Th Floor, West Tower Toronto, On M8X 2X2 Canada	56740; 56744	Banking Service Agreement National Account Merchant Agreement Dated 06/01/2010	$0.00	Y
346.	Assumed	Payless ShoeSource Canada GP, Inc.	MONTEZ (CORNER BROOK) INC. C/O WESTCLIFF MANAGEMENT LTD	600 De Maisonneuve Blvd WestSuite 2600Montreal, Qc H3A 3J2Canada	S# 7192	Lease Agreement	$1,443.27	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
347.	Assumed	Payless ShoeSource Canada GP, Inc.	MONTEZ (SOREL) INC 7250 TASCHEREAU BOULEVARD SUITE 200 C/O COGIR MANAGEMENT CORPORATION G.P.	Brossard, Qc J4W 1M9 Canada	S# 5927	Lease Agreement	$0.00	N
348.	Assumed	Payless ShoeSource Canada GP, Inc.	MONTEZ CORE INCOME FUND LIMITED PARTNERSHIP & HILLCREST PROPERTY HOLDINGS INC	200 Bay Street Suite 900 Po Box 100 Royal Bank Plaza North Tower Toronto, On M5J 2J2 Canada	S# 5823	Lease Agreement	$3,010.79	N
349.	Assumed	Payless ShoeSource Canada GP, Inc.	MORGUARD CORPORATION & BRAMALEA CITY CENTRE EQUITIES C/O MORGUARD INVESTMENTS LIMITED	5 City Centre Drive Suite 1000 Attn: Vice President & General Counsel Mississauga, On L5B 1M3 Canada	S# 5969	Lease Agreement	$4,675.79	N

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350.	Assumed	Payless ShoeSource Canada GP, Inc.	MORGUARD REAL ESTATE INVESTMENT TRUST	5 City Centre Drive Suite 1000 Attn: Vice President & General Counsel Mississauga, On L5B 1M3 Canada	S# 4701	Lease Agreement	$2,098.43	N
351.	Assumed	Payless ShoeSource Canada GP, Inc.	MORGUARD REAL ESTATE INVESTMENT TRUST	5 City Centre Drive Suite 1000Attn: Vice President & GeneralCounselMissi ssauga, On L5B 1M3Canada	S# 6921	Lease Agreement	$1,821.19	N
352.	Assumed	Payless ShoeSource Canada GP, Inc.	MORGUARD REAL ESTATE INVESTMENT TRUST	3055 Massey Drive Suite 156 Prince George, Bc V2N 2S9 Canada	S# 6968	Lease Agreement	$1,809.13	N
353.	Assumed	Payless ShoeSource Canada GP, Inc.	MORGUARD REIT C/O PARKLAND MALL MGMT OFFICE	55 City Centre Drive Suite 800 Mississauga, On T5B 1M3 Canada	S# 5875	Lease Agreement	$1,769.08	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
354.	Assumed	Payless ShoeSource Canada GP, Inc.	MULTI-MATERIAL STEWARDSHIP WESTERN	1 St. Clair Ave. West, 7Th Floor Toronto, On M4V 1K6 Canada	56820	Service Contract Membership Agreement Dated 05/19/2014	$0.00	N
355.	Assumed	Payless ShoeSource Canada Inc.	NASIR, ABDUL	Address On File	58791	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
356.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	NATIONAL UNION FIRE INS. CO. (AIG)	175 Water Street New York, Ny 10038	50016; 50019; 50022;50025; 50029; 50032;50036; 50040; 50043;50048; 50053; 50059;50063; 50067; 50070;50073; 50077; 50080;50083; 50088; 50093;50096; 50099; 50103;50106; 50113; 50117;50122; 50126	D&O Tail Policy (Primary) Policy Number Tied To 21398801	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
357.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	NATIONAL UNION FIRE INS. CO. (AIG)	175 Water Street New York, Ny 10038	49790; 49795; 49799; 49802; 49805; 49810; 49816; 49819; 49822; 49828; 49832; 49836; 49840; 50129; 50134; 50136; 50140; 50143; 50147; 50152; 50156; 50160; 50163; 50167; 50172; 50175; 50178; 50181; 50183	Directors & Officers Liability (Primary) Policy Number 21398801	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
358.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	NATIONAL UNION FIRE INS. CO. (AIG)	175 Water Street New York, Ny 10038	49791; 49793; 49800;49804; 49808; 49812;49814; 49818; 49823;49827; 49831; 49834;49839; 49843; 49848;49852; 49855; 49860;49865; 49870; 49875;49879; 49882; 49888;49891; 49896; 50162;50166; 50171	Employment Practices Liability (Primary) Policy Number 21398801	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
359.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	NAVIGATORS INSURANCE COMPANY	One Penn Plaza, 32Nd Floor New York, Ny 10119	49845; 49847; 49850; 49854; 49858; 49862; 49867; 49871; 49874; 49878; 49881; 49885; 49890; 49894; 49898; 49900; 49905; 49910; 49913; 49915; 49919; 49923; 49930; 49932; 49936; 49941; 49948; 49955; 49960	Excess Liability Policy Number Ch17Fxr862843Iv	$0.00	Y
360.	Assumed	Payless ShoeSource Canada GP, Inc.	NELSON GROUP INC 12420-102 AVENUE NW C/O SPRINGWOOD MANAGEMENT LTD	Edmonton, Ab T5N 0M1 Canada	S# 5991	Lease Agreement	$1,032.03	N
361.	Assumed	Payless ShoeSource Canada GP, Inc.	NEW PINE GROVE ROAD CENTRE INC C/O FIRM CAPITAL PROPERTIES INC	1244 Caledonia RoadToronto, On M6A 2X5Canada	S# 6959	Lease Agreement	$979.34	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
362.	Assumed	Payless ShoeSource Canada Inc.	NIGHTTRAVELLER, MENA	Address On File	58996	Employment Agreement	$0.00	N
363.	Assumed	Payless ShoeSource Canada Inc.	NOORI, LEILA	Address On File	58878	Employment Agreement	$0.00	N
364.	Assumed	Payless ShoeSource Canada GP, Inc.	NORTH PARK SHOPPING CENTRES LIMITED	700 Applewood Crescent Suite 100 Attn: Legal Counsel Vaughan, On L4K 5X3 Canada	S# 6951	Lease Agreement	$1,690.09	N
365.	Assumed	Payless ShoeSource Canada GP, Inc.	NORTHLAND VILLAGE MALL HOLDINGS INC	1 Adelaide Street East Suite 900 Po Box C/O Primaris Management Inc Attn: Vice-P Toronto, On M5C 2V9 Canada	S# 5843	Lease Agreement	$52.99	N
366.	Assumed	Payless ShoeSource Canada Inc.	NORTON, REVE NADIA	Address On File	58882	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
367.	Assumed	Payless ShoeSource Canada GP, Inc.	NSAHOPP MAYFLOWER INC 21 ST. CLAIR AVENUE EAST SUITE 1201 C/O HIGH PEAK LEASEHOLD LIMITED	Attn: Lu Toronto, On M4T 1L9 Canada	S# 5995	Lease Agreement	$1,123.72	N
368.	Assumed	Payless ShoeSource Canada Inc.	OBERFELD SNOWCAP	8000 Decorte Blvd, Ste 290Montreal, Qc H4P 2S4Canada	56684	Service Contract Letter Re: Extension Of Agreement Dated 12/01/2015	$0.00	N
369.	Assumed	Payless ShoeSource Canada Inc.	O'BRIEN, ALYSON	Address On File	59182	Employment Agreement	$0.00	N
370.	Assumed	Payless ShoeSource Canada GP, Inc.	ONTREA INC C/O THE CADILLAC FAIRVIEW CORPORATION LIMITE	20 Queen Street West 5Th Floor; Attn: Ex Toronto, On M5H 3R4 Canada	S# 5979	Lease Agreement	$4,960.66	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
371.	Assumed	Payless ShoeSource Canada GP, Inc.	ONTREA INC - C/O THE CADILLAC FAIRVIEW CORPORATION LIMITED	20 Queen Street West 5Th Floor Attn: Exec Vp National Property Operatio Toronto, On M5H 3R4 Canada	S# 5847	Lease Agreement	$0.00	N
372.	Assumed	Payless ShoeSource Canada GP, Inc.	ONTREA INC AND CF/REALTY HOLDINGS INC C/O ADMINISTRATION OFFICE	2960 Kingsway Drive Kitchener, On N2C 1X1 Canada	S# 4727	Lease Agreement	$5,109.25	N
373.	Assumed	Payless ShoeSource Canada GP, Inc.	ONTREA INC C/O THE CADILLAC FAIRVIEW CORPORATION LI	5Th Floor 20 Queen Street West Attn: Vp Toronto, On M5H 3R4 Canada	S# 6915	Lease Agreement	$0.00	N
374.	Assumed	Payless ShoeSource Canada GP, Inc.	ONTREA INC. C/O THE CADILLAC FAIRVIEW CORPORATION LT	20 Queen Street West 5Th FloorAttn: EvpToronto, On M5H 3R4Canada	S# 5955	Lease Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
375.	Assumed	Payless ShoeSource Canada GP, Inc.	OPB (EMTC) INC 5100 Erin Mills Parkway C/O 20 VIC Management INC	Mississauga, On L5M 4Z5 Canada	S# 5839	Lease Agreement	$3,066.52	N
376.	Assumed	Payless ShoeSource Canada GP, Inc.	OPB REALTY (CARLINGWOOD) INC.	1 Queen Street Suite 300 Box 88 Toronto, On M5C 2W5 Canada	S# 5994	Lease Agreement	$2,104.84	N
377.	Assumed	Payless ShoeSource Canada GP, Inc.	OPB REALTY (PEN CENTRE) INC. 20 VIC MANAGEMENT INC.	20 Victoria Street Suite 900 Toronto, On M5C 2N8 Canada	S# 5805	Lease Agreement	$3,065.61	N
378.	Assumed	Payless ShoeSource Canada GP, Inc.	OPB REALTY (PICKERING CENTRE) INC. 20 VIC MANAGEMENT INC.	20 Victoria Street Suite 900 Toronto, On M5C 2N8 Canada	S# 5806	Lease Agreement	$2,791.22	N
379.	Assumed	Payless ShoeSource Canada GP, Inc.	OPB REALTY (ST. VITAL) INC. C/O 20 VICTORIA STREET SUITE 900	Toronto, On M5C 2N8 Canada	S# 5988	Lease Agreement	$2,875.55	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
380.	Assumed	Payless ShoeSource Canada GP, Inc.	OPTRUST RETAIL INC C/O BENTALL KENNEDY (CANADA) LP	Suite 1800 1055 Dunsmuir Street Four Ben Po Box 49001 Vancouver, Bc V7X 1B1 Canada	S# 5909	Lease Agreement	$1,625.58	N
381.	Assumed	Payless ShoeSource Canada GP, Inc.	ORCHARD PARK SHOPPING CENTRE HOLDINGS INC C/O PRIMARIS MANAGEMENT INC	1 Adelaide Street East Suite 900 Po Box Toronto, On M5C 2V9 Canada	S# 5916	Lease Agreement	$2,062.70	N
382.	Assumed	Payless ShoeSource Canada GP, Inc.	ORLANDO CORPORATION	6205 Airport Road 5Th FloorMississauga, On L4V 1E3Canada	S# 4730	Lease Agreement	$3,838.32	N
383.	Assumed	Payless ShoeSource Canada GP, Inc.	OSHAWA CENTRE HOLDINGS INC.	95 Wellington Street West Suite 300 Toronto, On M5J 2R2 Canada	S# 5802	Lease Agreement	$3,714.83	N
384.	Assumed	Payless ShoeSource Canada Inc.	OUIMET, LAURA	Address On File	58701	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
385.	Assumed	Payless ShoeSource Canada Inc.	OUTAMARTE, ASMA	Address On File	58885	Employment Agreement	$0.00	N
386.	Assumed	Payless ShoeSource Canada Inc.	OUTHWAITE, AMANDA	Address On File	58999	Employment Agreement	$0.00	N
387.	Assumed	Payless ShoeSource Canada Inc.	OWENS, NICOLE	Address On File	58957	Employment Agreement	$0.00	N
388.	Assumed	Payless ShoeSource Canada GP, Inc.	OXFORD PROPERTIES GROUP INC. & CPP INVESTMENT BOARD REAL ESTATE HOLDINGS INC	Suite 1700 City Centre Place 100025 - 102 A Avenue Edmonton, Ab T5J 2Z2 Canada	S# 5878	Lease Agreement	$2,206.04	N
389.	Assumed	Payless ShoeSource Canada GP, Inc.	OXFORD PROPERTIES RETAIL HOLDINGS II INC & CPPIB UPPER CANADA MALL INC	17600 Yonge Street Box 256; C/OUpper CaNewmarket, On L3Y 4Z1Canada	S# 5824	Lease Agreement	$2,620.83	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
390.	Assumed	Payless ShoeSource Canada GP, Inc.	OXFORD PROPERTIES RETAIL HOLDINGS INC	Unit 142 100 Anderson Road Se C/O Opgi Management Lp; Southcentre Mall Calgary, Ab T2J 3V1 Canada	S# 6956	Lease Agreement	$3,346.47	N
391.	Assumed	Payless ShoeSource Canada Inc.	PAOLIN, KRISTYN	Address On File	59087	Employment Agreement	$0.00	N
392.	Assumed	Payless ShoeSource Canada GP, Inc.	PARK PLACE MALL HOLDINGS INC. C/O PRIMARIS MANAGEMENT INC	1 Adelaide Street East Suite 900 Po Box Toronto, On M5C 2V9 Canada	S# 5893	Lease Agreement	$2,325.25	N
393.	Assumed	Payless ShoeSource Canada Inc.	PARK, SHIRLEY	Address On File	59026	Employment Agreement	$0.00	N
394.	Assumed	Payless ShoeSource Canada GP, Inc.	PARTNERS REIT C/O EPIC REALTY PARTNERS (OTTAWA) INC	473 Albert Street Suite 100 Ottawa, On K1R 5B4 Canada	S# 5932	Lease Agreement	$950.15	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
395.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS FINANCE, INC.	3231 Se 6th AvenueTopeka, Ks 66607	56640	Finance Agreement (Secured Lenders, Bonds, Mortgages, Etc.) Amended And Restated Promissory Note	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
396.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP.; PSS Canada, Inc	PAYLESS FINANCE, INC.	3231 Se 6th Avenue Topeka, Ks 66607	42888; 42889; 42890; 42891; 42892; 42893; 42894; 42895; 42896; 42897; 42898; 42899; 42900; 42901; 42902; 42903; 42904; 42905; 42906; 42907; 42908; 42909; 42910; 42911; 42912; 42913	Treasury Services And Loan Agreement Dated 8/1/2008	$0.00	Y
397.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS Purchasing Services, INC.	3231 Se 6th Avenue Topeka, Ks 66607	56749	Intercompany Agreement Intercompany Services Agreement Dated 02/02/2003	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
398.	Assumed	Payless ShoeSource Canada LP	PAYLESS Purchasing Services, INC.	3231 Se 6th AvenueTopeka, Ks 66607	56764	Service Contract Intercompany Services Agreement Dated 01/01/2006	$0.00	Y
399.	Assumed	Payless ShoeSource Canada LP	PAYLESS SHOESOURCE CANADA GP INC. BLAKE CASSELS & GRAYDON	Suite 4000 Commerce Court West Toronto, On M5L 1A9 Canada	56863	Intercompany Agreement Limited Partnership Agreement Dated 12/15/2005	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
400.	Assumed	Payless ShoeSource Canada LP	PAYLESS SHOESOURCE CANADA GP INC. BLAKE CASSELS & GRAYDON	Suite 4000 Commerce Court West Toronto, On M5L 1A9 Canada	56880	Service Contract Intercompany Services Agreement Dated 01/01/2006	$0.00	N
401.	Assumed	Payless ShoeSource Canada LP	PAYLESS SHOESOURCE CANADA GP INC. BLAKE CASSELS & GRAYDON	Suite 4000 Commerce Court West Toronto, On M5L 1A9 Canada	56890	Service Contract Intercompany Services Agreement Dated 02/28/2006	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
402.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE CANADA LP	191 The West MallSuite 915Etobicoke, On M9C 5K8Canada	56897	Intercompany Agreement Limited Partnership Agreement Dated 12/15/2005	$0.00	N
403.	Assumed	Payless ShoeSource Canada GP, Inc.	PAYLESS SHOESOURCE CANADA LP	191 The West Mall Suite 915 Etobicoke, On M9C 5K8 Canada	56844	Intercompany Agreement Limited Partnership Agreement Dated 12/15/2005	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
404.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE CANADA LP	1700 Bishop Street Cambridge, Ontario, N1T 1T2 Canada Canada	56929	Intercompany Sourcing Agreement Supply Agreement Dated 02/28/2006	$0.00	N
405.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE CANADA LP	191 The West Mall Suite 915 Etobicoke, On M9C 5K8 Canada	56909	Service Contract Intercompany Services Agreement Dated 01/01/2006	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
406.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE CANADA LP	191 The West MallSuite 915Etobicoke, On M9C 5K8 Canada	56914	Service Contract Intercompany Services Agreement Dated 02/28/2006	$0.00	N
407.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE DISTRIBUTION, INC.	1 Collective Way Suite A Brookville, Oh 45309	56679	Intercompany Sourcing Agreement Supply Agreement Dated 02/02/2003	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
408.	Assumed	Payless ShoeSource Canada LP	PAYLESS SHOESOURCE DISTRIBUTION, INC.	1 Collective WaySuite ABrookville, Oh 45309	56689	Intercompany Sourcing Agreement Supply Agreement Dated 03/06/2009	$0.00	N
409.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE MERCHANDISING, INC.	3231 Se 6th Avenue Topeka, Ks 66607	56787	Intercompany Agreement Merchandise Services Agreement Dated 02/02/2003	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
410.	Assumed	Payless ShoeSource Canada LP	PAYLESS SHOESOURCE MERCHANDISING, INC.	3231 Se 6th Avenue Topeka, Ks 66607	56805	Service Contract Merchandise Services Agreement Dated 01/01/2006	$0.00	N
411.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE WORLDWIDE, INC.	3231 Se 6th AvenueTopeka, Ks 66607	56965	Licensing Agreement Trademark License Agreement Dated 08/01/1997 Plus Amendments	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
412.	Assumed	Payless ShoeSource Canada LP	PAYLESS SHOESOURCE WORLDWIDE, INC.	3231 Se 6th Avenue Topeka, Ks 66607	56980	Service Contract Intercompany Services Agreement Dated 01/01/2006	$0.00	N
413.	Assumed	Payless ShoeSource Canada Inc.; PSS Canada, Inc.	PAYLESS SHOESOURCE WORLDWIDE, INC.	3231 Se 6th Avenue Topeka, Ks 66607	56984; 56986; 56989; 56992; 56996; 56998; 57001; 57005; 57007; 57011; 57013	Service Contract Intercompany Services Agreement Dated 02/01/2003	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
414.	Assumed	Payless ShoeSource Canada LP	PAYLESS SHOESOURCE WORLDWIDE, INC.	3231 Se 6th AvenueTopeka, Ks 66607	57031	Trademark Or Ip Agreement Trademark License Agreement Dated 02/28/2006 Plus Amendments	$0.00	N
415.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE, INC.	3231 Se 6th Avenue Topeka, Ks 66607	57070	Intercompany Agreement Intercompany Services Agreement Dated 07/06/1997	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
416.	Assumed	Payless ShoeSource Canada Inc.	PAYLESS SHOESOURCE, INC.	3231 Se 6th Avenue Topeka, Ks 66607	57074	Intercompany Agreement Intercompany Services Agreement Dated 07/06/1999	$0.00	N
417.	Assumed	Payless ShoeSource Canada GP, Inc.	PCM SHERIDAN INC. C/O BENTALL RETAIL SERVICES LP	65 Port Street East Unit 110 Mississauga, On L5G 4V3 Canada	S# 6923	Lease Agreement	$0.00	N
418.	Assumed	Payless ShoeSource Canada GP, Inc.	PENSIONFUND REALTY LIMITED 363 BROADWAY SUITE 1400 C/O MORGUARD INVESTMENTS LIMITED	Attn: GWinnipeg, Mb Rc3 3N9Canada	S# 5952	Lease Agreement	$1,129.51	N
419.	Assumed	Payless ShoeSource Canada GP, Inc.	PENSIONFUND REALTY LIMITED C/O MORGUARD INVESTMENTS LIMITED	55 City Centre Drive Suite 800 Mississagua, On L5B 1M3 Canada	S# 5974	Lease Agreement	$3,277.21	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
420.	Assumed	Payless ShoeSource Canada Inc.	PERDIC, CAROL	Address On File	57220	Employment Agreement	$0.00	N
421.	Assumed	Payless ShoeSource Canada Inc.	PERDIC, CAROL	Address On File	58970	Employment Agreement	$0.00	N
422.	Assumed	Payless ShoeSource Canada Inc.	PERRAS, ANNETTE	Address On File	59090	Employment Agreement	$0.00	N
423.	Assumed	Payless ShoeSource Canada Inc.	PERRY, VICTORIA	Address On File	58709	Employment Agreement	$0.00	N
424.	Assumed	Payless ShoeSource Canada Inc.	PICHETTE, ANNICK	Address On File	58888	Employment Agreement	$0.00	N
425.	Assumed	Payless ShoeSource Canada Inc.	PILLAGA, ANITA PATRICIA P.	Address On File	58801	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
426.	Assumed	Payless ShoeSource Canada GP, Inc.	PLACE D'ORLEANS HOLDING INC 1 ADELAIDE STREET EAST SUITE 900 PO BOX C/O PRIMARIS MANAGEMENT INC	Toronto, On M5C 2V9 Canada	S# 5865	Lease Agreement	$2,727.29	N
427.	Assumed	Payless ShoeSource Canada GP, Inc.	PLACE LAURIER HOLDINGS INC 1001 SQUARE VICTORIA BUREAU C-500 C/O IVANHOE CAMBRIDGE INC; CENTRE CDP CA	Montreal, Qc H2Z 2B5Canada	S# 6905	Lease Agreement	$2,589.73	N
428.	Assumed	Payless ShoeSource Canada GP, Inc.	PLACE VERSAILLES INC.	7275 Sherbrooke Street East Suite 300 Montreal, Qc H1N 1E9 Canada	S# 5903	Lease Agreement	$1,499.67	N
429.	Assumed	Payless ShoeSource Canada GP, Inc.	PLACE VERTU HOLDINGS INC C/O 20 VIC MANAGEMENT INC	One Queen Street East; Suite 300 Toronto, On M5C 2W5 Canada	S# 5900	Lease Agreement	$3,026.97	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
430.	Assumed	Payless ShoeSource Canada GP, Inc.	PLAZACORP PROPERTY HOLDINGS INC	Nashwaaksis Plaza 98 Main Street Fredericton, Nb E3A 9N6 Canada	S# 6948	Lease Agreement	$980.51	N
431.	Assumed	Payless ShoeSource Canada GP, Inc.	PLAZACORP PROPERTY HOLDINGS INC	Nashwaaksis Plaza 98 Main Street Fredericton, Nb E3A 9N6 Canada	S# 6966	Lease Agreement	$1,127.74	N
432.	Assumed	Payless ShoeSource Canada GP, Inc.	PLAZACORP PROPERTY HOLDINGS INC	Nashwaaksis Plaza 98 Main Street Fredericton, Nb E3A 9N6 Canada	S# 6933	Lease Agreement	$671.53	N
433.	Assumed	Payless ShoeSource Canada GP, Inc.	PLAZACORP PROPERTY HOLDINGS INC	Nashwaaksis Plaza 98 Main Street Fredericton, Nb E3A 9N6 Canada	S# 7174	Lease Agreement	$576.62	N
434.	Assumed	Payless ShoeSource Canada Inc.	POCKETT, ANDY	Address On File	58980	Employment Agreement	$0.00	N
435.	Assumed	Payless ShoeSource Canada Inc.	POLSTERER, MONIKA	Address On File	58715	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
436.	Assumed	Payless ShoeSource Canada Inc.	POOPALASINGAM, PHUSPAMALAR	Address On File	58637	Employment Agreement	$0.00	N
437.	Assumed	Payless ShoeSource Canada GP, Inc.	PORTAGE PLACE CENTRE INC	232B - 393 Portage Avenue Attn: Vp Shopping Centres Winnipeg, Mb R3B 3H6 Canada	S# 5938	Lease Agreement	$1,798.75	N
438.	Assumed	Payless ShoeSource Canada Inc.	PORTSMOUTH, SHARLENE	Address On File	58776	Employment Agreement	$0.00	N
439.	Assumed	Payless ShoeSource Canada Inc.	POTYOMKINA, SVETLANA	Address On File	58891	Employment Agreement	$0.00	N
440.	Assumed	Payless ShoeSource Canada GP, Inc.	PRAIRIE FIRE (OKOTOKS) LIMITED PARTNERSHIP	12420-102 Avenue Nw Edmonton, Ab T5N 0M1 Canada	S# 4734	Lease Agreement	$851.32	N
441.	Assumed	Payless ShoeSource Canada GP, Inc.	PRR TRUST & MONTEZ CORE INCOME FUND IV LP KILDONAN PLACE LTD C/O PRIMARIS MGMT INC	1 Adelaide Street East Suite 900; Po Box Toronto, On M5C 2V9 Canada	S# 5953	Lease Agreement	$1,986.58	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
442.	Assumed	Payless ShoeSource Canada GP, Inc.	PRR TRUST/PETER POND PORTFOLIO INC C/O PRIMARIS MANAGEMENT INC	Attn: Vp Leg 1 Adelaide Street East Suite 900 Po Box Toronto, On M5C 2V9 Canada	S# 6930	Lease Agreement	$3,845.29	N
443.	Assumed	Payless ShoeSource Canada LP	RADIANT COMMUNICATIONS	1050 W Pender Street Ste 1600 Ste 1600 Vancouver, Bc V6E 4T3 Canada	57086	Service Contract Master Services Agreement Dated 09/22/2009	$0.00	N
444.	Assumed	Payless ShoeSource Canada Inc.	RAHIM, ZARFANA	Address On File	58803	Employment Agreement	$0.00	N
445.	Assumed	Payless ShoeSource Canada Inc.	RAINA, NALINI	Address On File	59005	Employment Agreement	$0.00	N
446.	Assumed	Payless ShoeSource Canada Inc.	RASUL, SHAAFAY	Address On File	58805	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
447.	Assumed	Payless ShoeSource Canada GP, Inc.	REGENT MALL HOLDINGS INC - C/O PRIMARISMANAGEMENT INC	1 Adelaide Street East Suite 900 Attn: Vice President Legal Toronto, On M5C 2V9 Canada	S# 5989	Lease Agreement	$2,383.39	N
448.	Assumed	Payless ShoeSource Canada Inc.	REID, KATE	Address On File	58960	Employment Agreement	$0.00	N
449.	Assumed	Payless ShoeSource Canada GP, Inc.	REVENUE PROPERTIES COMPANY LIMITED - C/O MORGUARD INVESTMENTS LTD	55 City Centre Drive Suite 800 Attn: Vp Retail Property Management Mississauga, On L5B 1M3 Canada	S# 4702	Lease Agreement	$2,034.78	N
450.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOCAN HOLDINGS (HAMILTON) INC	60 Bristol Road East Unit 1A Riocan Property Services Sandalwood Squa Mississauga, On L4Z 3K8 Canada	S# 6990	Lease Agreement	$1,323.55	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
451.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOCAN HOLDINGS INC ORANGEVILLE C/O RIOCAN RE INVESTMENT TRUST; RIOCAN Y	2300 Yonge Street Suite 500; Po Box 2386 Toronto, On M4P 1E3 Canada	S# 5949	Lease Agreement	$1,432.27	N
452.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOCAN HOLDINGS INC WINDSOR C/O RIOCAN MANAGEMENT INC	395 Wellington Road South Suite 214 London, On N6C 5Z6 Canada	S# 6935	Lease Agreement	$1,079.73	N
453.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOCAN HOLDINGS INC. C/O O & Y PROPERTIES INC; EXCHANGE TOWER	2 First Canadian Place Suite 2900 Toronto, On M5X 1B5 Canada	S# 5908	Lease Agreement	$1,996.29	N
454.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOCAN REAL ESTATE INVESTMENT TRUST	2300 Yonge Street Suite 500; Po Box 2386 Toronto, On M4P 1E4 Canada	S# 4708	Lease Agreement	$1,219.57	N
455.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOKIM HOLDINGS (ALBERTA) INC C/O RIOCAN RE INVESTMENT TRUST; RIOCAN Y	2300 Yonge Street Suite 500; Po Box2386Toronto, On M4P 1E4Canada	S# 5877	Lease Agreement	$1,642.66	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
456.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOKIM HOLDINGS (ALBERTA) INC. C/O RIOCAN MANAGEMENT INC	495-36th St Ne Suite 257 Calgary, Ab T2A 6K3 Canada	S# 5881	Lease Agreement	$1,707.74	N
457.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOKIM HOLDINGS (ONTARIO) INC RIOCAN MANAGEMENT INC; RIOCAN YONGE EGLL	2300 Yonge Street Suite 500 Po Box 2386 Toronto, On M4P 1E4 Canada	S# 5891	Lease Agreement	$2,540.63	N
458.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOKIM HOLDINGS (ONTARIO) INC.	The Exchange Tower 130 King Street West Suite 700/Po Box 37 Toronto, On M5X 100 Canada	S# 5954	Lease Agreement	$1,435.97	N
459.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOKIM HOLDINGS (STRAWBERRY HILL) INC C/O RIOCAN MANAGEMENT (BC) INC	475 West Georgia Street Suite 470 Vancouver, Bc V6B 4M9 Canada	S# 5884	Lease Agreement	$1,271.32	N

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460.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOKIM HOLDINGS TILLCUM CENTER C/O RIOCAN PROPERTY SERVICE	3170 Tillcum Road Suite 107 Calgary, Ab V9A 7C5 Canada	S# 5886	Lease Agreement	$2,023.68	N
461.	Assumed	Payless ShoeSource Canada GP, Inc.	RIOTRIN PROPERTIES (BARRHAVEN) INC C/O RIOCAN MANAGEMENT INC; RIOCAN YONGE	2300 Yonge Street Suite 500; Po Box 2386 Toronto, On M4P 1E4 Canada	S# 4724	Lease Agreement	$1,098.75	N
462.	Assumed	Payless ShoeSource Canada GP, Inc.	RK (BURLINGTON MALL) INC BURLINGTON MALL; 777 GUELPH LINE C/O RIOCAN MANAGEMENT INC	Burlington, On L7R 3N2Canada	S# 5819	Lease Agreement	$2,565.27	N
463.	Assumed	Payless ShoeSource Canada GP, Inc.	RMM TILLSONBURG CENTRE PROPERTY INC	700 Applewood Crescent Ste #100 Attn: Vp Operations Vaughan, On L4K 5X3 Canada	S# 5889	Lease Agreement	$870.85	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
464.	Assumed	Payless ShoeSource Canada Inc.	ROCHA, DORA	Address On File	59093	Employment Agreement	$0.00	N
465.	Assumed	Payless ShoeSource Canada Inc.	RODRIGUEZ, MARIA	Address On File	58895	Employment Agreement	$0.00	N
466.	Assumed	Payless ShoeSource Canada Inc.	ROSIELLO, PAMELA	Address On File	58809	Employment Agreement	$0.00	N
467.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada LP	ROYAL BANK OF CANADA	Attn: Senior Vice President, Sales And Marketing Moneris Solutions Corporation 3300 Bloor Street West 7Th Floor West Tower Toronto, On Mbx 2X2 Canada	57394; 57398	Banking Service Agreement National Account Merchant Agreement Dated 06/01/2010	$0.00	Y

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468.	Assumed	Payless ShoeSource Canada Inc.	RUZIC, LILIAN	Address On File	58640	Employment Agreement	$0.00	N
469.	Assumed	Payless ShoeSource Canada Inc.	SADURAH, SHALLU	Address On File	58644	Employment Agreement	$0.00	N
470.	Assumed	Payless ShoeSource Canada Inc.;	SAFECO INSURANCE COMPANY	Safeco Insurance Company Po Box 34526 Seattle, Wa 98124-1526	57326	Finance Agreement (Secured Lenders, Bonds, Mortgages, Etc.) Surety Rider/Transaction Report Dated 12/08/2004	$0.00	Y

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471.	Assumed	Payless ShoeSource Canada Inc.	SAFECO INSURANCE COMPANY OF AMERICA	4634 154Th Pl Ne Redmond, Wa 98052	57351	Finance Agreement (Secured Lenders, Bonds, Mortgages, Etc.) Bond Details For: 5751985 Dated 03/19/2016	$0.00	N
472.	Assumed	Payless ShoeSource Canada Inc.	SANCHEZ, DANIELA	Address On File	58898	Employment Agreement	$0.00	N
473.	Assumed	Payless ShoeSource Canada Inc.	SANCHO, ROSSANA	Address On File	58648	Employment Agreement	$0.00	N
474.	Assumed	Payless ShoeSource Canada Inc.	SARBAZI, SHABARA	Address On File	58652	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
475.	Assumed	Payless ShoeSource Canada Inc.	SAUNDERS, JULIANNE	Address On File	58616	Employment Agreement	$0.00	N
476.	Assumed	Payless ShoeSource Canada Inc.	SAVOURY, LETICIA	Address On File	59099	Employment Agreement	$0.00	N
477.	Assumed	Payless ShoeSource Canada Inc.	SAWATZKY, ROBERT	Address On File	59118	Employment Agreement	$0.00	N
478.	Assumed	Payless ShoeSource Canada GP, Inc.	SCARBOROUGH TOWN CENTRE HOLDINGS INC. C/O OXFORD PROPERTIES GROUP	Royal Bank Plaza North Tower Suite 900; Toronto, On M5J 2J2 Canada	S# 6975	Lease Agreement	$6,389.68	N
479.	Assumed	Payless ShoeSource Canada Inc.	SEARIGHT, JERRY	Address On File	59123	Employment Agreement	$0.00	N
480.	Assumed	Payless ShoeSource Canada Inc.	SEKHON, SIMERJEET	Address On File	58812	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
481.	Assumed	Payless ShoeSource Canada GP, Inc.	SHAPE PROPERTIES (BRENTWOOD) CORP & BRENTWOOD TOWN CENTRE LP	2020 One Bentall Centre 505 Burrard Street Box 206 Vancouver, Bc V7X 1M6 Canada	S# 5855	Lease Agreement	$1,418.63	N
482.	Assumed	Payless ShoeSource Canada Inc.	SHEEHAN, VALERIE	Address On File	58903	Employment Agreement	$0.00	N
483.	Assumed	Payless ShoeSource Canada Inc.	SHORT, MELISSA	Address On File	58963	Employment Agreement	$0.00	N
484.	Assumed	Payless ShoeSource Canada Inc.	SHORTT, JESSICA	Address On File	58909	Employment Agreement	$0.00	N

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485.	Assumed	Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP	SIBO ARCHITECTURAL INC.	11155 Boul. Ray Lawson, Anjou, Quebec, H1J 1M6 Canada	57656; 57659	Service Contract Assignment Of Master Construction Contract Dated 03/27/2014	$0.00	Y
486.	Assumed	Payless ShoeSource Canada Inc.	SILVA, DONA	Address On File	58718	Employment Agreement	$0.00	N
487.	Assumed	Payless ShoeSource Canada Inc.	SIMPSON, LEEANNE	Address On File	58620	Employment Agreement	$0.00	N
488.	Assumed	Payless ShoeSource Canada Inc.	SKAFF, YVETTE	Address On File	58721	Employment Agreement	$0.00	N
489.	Assumed	Payless ShoeSource Canada GP, Inc.	SMARTREIT	700 Applewood Crescent Vaughan, On L4K 5X3 Canada	S# 5882	Lease Agreement	$1,270.43	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
490.	Assumed	Payless ShoeSource Canada GP, Inc.	SMARTREIT (AURORA NORTH II) INC & CALLOWAY REIT (AURORA NORTH) INC	700 Applewood Crescent Suite 200 Vaughan, On L4K 5X3 Canada	S# 7178	Lease Agreement	$312.78	N
491.	Assumed	Payless ShoeSource Canada GP, Inc.	SMARTREIT (OAKVILLE) INC	700 Applewood Crescent Suite 200 Vaughan, On L4K 5X3 Canada	S# 5836	Lease Agreement	$1,282.84	N
492.	Assumed	Payless ShoeSource Canada LP	SMITH THIMM & ASSOCIATES, LTD.	Attn: Edward Thimm 89 Roselawn Avenue Toronto, On M4R 1E7 Canada	57457	Service Contract Services Agreement Dated 10/15/2015	$0.00	N
493.	Assumed	Payless ShoeSource Canada LP	SONITROL	5875 Kennedy Road Mississauga, On L4Z 2G3 Canada	49184	Installation And Service Agreement Dated 10/4/1999	$1,749.31	N

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494.	Assumed	Payless ShoeSource Canada Inc.	SOTO BUITRAGO, VIVIANA	Address On File	58779	Employment Agreement	$0.00	N
495.	Assumed	Payless ShoeSource Canada GP, Inc.	SOUTHPOINTE COMMON CORPORATION	Suite #1 5528-1 Street SeC/O Rancho Realty (1975) LtdCalgary, Ab T2H 2W9Canada	S# 6954	Lease Agreement	$1,107.52	N
496.	Assumed	Payless ShoeSource Canada GP, Inc.	SPRUCE CENTER LANDS LTD C/O CRESTWALL REALTY INC	Mailbox 4-6011 No 3 Road Richmond, Bc V6Y 2B2 Canada	S# 4704	Lease Agreement	$1,128.15	N
497.	Assumed	Payless ShoeSource Canada GP, Inc.	SQUARE ONE PROPERTY CORPORATION C/O ROYAL BANK PLAZA NORTH TOWNER	200 Bay Street Suite 900; Attn: Vice Pre Toronto, On M5J 2J2 Canada	S# 5804	Lease Agreement	$4,946.90	N
498.	Assumed	Payless ShoeSource Canada Inc.	SQUIRES, CATHERINE	Address On File	58912	Employment Agreement Retention - Discretionary	$0.00	N

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499.	Assumed	Payless ShoeSource Canada GP, Inc.	SRF2 TRURO MALL INC	245 Robie Street Administration Office Truro, Ns B2N 5N6 Canada	S# 5990	Lease Agreement	$659.03	N
500.	Assumed	Payless ShoeSource Canada GP, Inc.	SRF4 PEMBROKE MALL INC C/O STRATHALLEN PROPERTY MANAGEMENT INC;	1100 Pembroke Street East Pembroke, On K8A 6Y7 Canada	S# 6962	Lease Agreement	$950.23	N
501.	Assumed	Payless ShoeSource Canada GP, Inc.	ST ALBERT CENTRE HOLDING INC	1 Adelaide Street East Suite 900; Po Box C/O Primaris Management Inc Toronto, On M5C 2V9 Canada	S# 5846	Lease Agreement	$1,738.69	N
502.	Assumed	Payless ShoeSource Canada Inc.	STEELE, SUSAN	Address On File	58624	Employment Agreement	$0.00	N
503.	Assumed	Payless ShoeSource Canada GP, Inc.	STOCKYARDS (PRINCE ALBERT) LIMITED PARTNERSHIP	12420-102 Avenue Nw Edmonton, Ab T5N 0M1 Canada	S# 5980	Lease Agreement	$978.72	N

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504.	Assumed	Payless ShoeSource Canada GP, Inc.	STONE ROAD MALL HOLDINGS INC	1 Adelaide Street East Suite 900 Po Box C/O Primaris Management Inc Toronto, On M5C 2V9 Canada	S# 4722	Lease Agreement	$1,779.65	N
505.	Assumed	Payless ShoeSource Canada GP, Inc.	STONEFIELD (FORT SASKATCHEWAN) LIMITED PARTNERSHIP	12420-102 Avenue Nw Edmonton, Ab T5N 0M1 Canada	S# 4738	Lease Agreement	$851.01	N
506.	Assumed	Payless ShoeSource Canada Inc.	STRELLCI, ADELINA	Address On File	58819	Employment Agreement	$0.00	N
507.	Assumed	Payless ShoeSource Canada Inc.	STROME, CARRIE	Address On File	58914	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
508.	Assumed	Payless ShoeSource Canada LP	STUDENT PRICE CARD LTD.	999 Edgeley Blvd. Unit 1 Attention: Legal Counsel Vaughn, On L4L 8Wi Canada	57675	Distribution Agreement Distributorship Agreement Dated 08/01/2016	$0.00	N
509.	Assumed	Payless ShoeSource Canada LP	STUDENT PRICE CARD LTD.	999 Edgeley RdUnit 1Vaughan, On L4K 5Z4CanadaVaughn, On L4L 8WiCanada	57680	Service Contract Agreement To Extend Dated 02/08/2017	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
510.	Assumed	Payless ShoeSource Canada LP	STUDENT PRICE CARD LTD.	999 Edgeley Blvd. Unit 1 Attention: Legal Counsel Vaughn, On L4L 8Wi Canada	57696	Service Contract Loyalty Service Agreement Dated 08/01/2015 Plus Amendments	$0.00	N
511.	Assumed	Payless ShoeSource Canada LP	STUDENT PRICE CARD LTD.	399 Edgeley Drive Unit 1 Vaughan, On L4K 5Z4 Canada	57685	Service Contract Amendment No. 1 To Distribution Agreement Dated 03/15/2017	Effective Date	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
512.	Assumed	Payless ShoeSource Canada LP	STUDENT PRICE CARD LTD.	399 Edgeley Drive Unit 1 Vaughan, On L4K 5Z4 Canada	57689	Service Contract Amendment No. 1 To Loyalty Service Agreement Dated 03/15/2017	Effective Date	N
513.	Assumed	Payless ShoeSource Canada LP	STUDENT PRICE CARD LTD.	999 Edgeley Blvd.Unit 1Attention: Legal CounselVaughn, On L4L 8WiCanada	57692	Service Contract Loyalty Service Agreement Dated 08/01/2016	$0.00	N
514.	Assumed	Payless ShoeSource Canada Inc.	SULIK, MELISSA	Address On File	58628	Employment Agreement	$0.00	N

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515.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	SUN LIFE ASSURANCE COMPANY	225 King St S Toronto, On N2J 4C5 Canada	50061; 50065; 50069; 50074	Property - Canada Policy Number Com 047201595	$0.00	Y
516.	Assumed	Payless ShoeSource Canada GP, Inc.	SUNLIFE ASSURANCE COMPANY OF CANADA & RIOCAN HOLDINGS INC 15047A STONY PLAIN ROAD NW C/O RIOCAN MANAGEMENT INC	Edmonton, Ab T5P 4W1Canada	S# 4739	Lease Agreement	$1,069.63	N
517.	Assumed	Payless ShoeSource Canada GP, Inc.	SUNRIDGE MALL HOLDINGS INC 1 ADELAIDE STREET EAST SUITE 900; PO BOX C/O PRIMARIS MANAGEMENT INC	Toronto, On M5C 2V9 Canada	S# 5892	Lease Agreement	$2,502.35	N

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518.	Assumed	Payless ShoeSource Canada GP, Inc.	SURREY CC PROPERTIES INC 10153 KING GEORGE BOULEVARD; (2153 CENTR C/O BLACKWOOD PARTNERS MANAGEMENT COMPAN	Surrey, Bc V3T 2W1 Canada	S# 5858	Lease Agreement	$1,429.50	N
519.	Assumed	Payless ShoeSource Canada GP, Inc.	SUSO 3 AUGUSTA LP C/O SLATE ACQUISITIONS INC	121 King Street West Suite 200 Toronto, On M5H 3T9 Canada	S# 1708	Lease Agreement	$2,725.70	N
520.	Assumed	Payless ShoeSource Canada GP, Inc.	SUSO 3 RIVERDALE LP C/O SLATE US OPPORTUNITY (NO. 3) HOLDING	121 King Street West Suite 200 Toronto, On M5H 3T9 Canada	S# 1695	Lease Agreement	$3,660.67	N
521.	Assumed	Payless ShoeSource Canada Inc.	SZYLKIN, SARA	Address On File	58918	Employment Agreement	$0.00	N
522.	Assumed	Payless ShoeSource Canada Inc.	TABUACO, HELENA	Address On File	59125	Employment Agreement	$0.00	N

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523.	Assumed	Payless ShoeSource Canada Inc.	TAGGART, LAURA	Address On File	58654	Employment Agreement	$0.00	N
524.	Assumed	Payless ShoeSource Canada GP, Inc.	TANURB (FESTIVAL MARKETPLACE) INC. C/O FESTIVAL MARKETPLACE	56 Temperance Street 7Th Floor Toronto, On M5H 3V5 Canada	S# 6938	Lease Agreement	$1,438.08	N
525.	Assumed	Payless ShoeSource Canada GP, Inc.	TBC NOMINEE INC C/O 20 VIC MANAGEMENT INC	One Queen Street East Suite 300 Box 88 Toronto, On M5C 2W5 Canada	S# 5896	Lease Agreement	$2,156.90	N
526.	Assumed	Payless ShoeSource Canada Inc.	TERPSTRA, ELIZABETH	Address On File	58631	Employment Agreement	$0.00	N
527.	Assumed	Payless ShoeSource Canada GP, Inc.	THE BOULEVARD SHOPPING CENTRE (MONTREAL) LP	5800 Saint-Denis Suite 1100 C/O Crofton Moore Management Inc Montreal, Qc H2S 3L5 Canada	S# 5926	Lease Agreement	$1,288.87	N

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528.	Assumed	Payless ShoeSource Canada GP, Inc.	THE CADILLAC FAIRVIEW CORP LTD	20 Queen Street West 5Th Floor Attn: Exec Vp National Property Operatio Toronto, On M5H 3R4 Canada	S# 6926	Lease Agreement	$0.00	N
529.	Assumed	Payless ShoeSource Canada GP, Inc.	THE INCC CORP	101 Ira Needles BlvdWaterloo, On N2J 3Z4Canada	S# 7194	Lease Agreement	$1,226.25	N
530.	Assumed	Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP	THE STANCHION GROUP, INC.	3855 2Nd Line Cookstown, On L0L 1L0 Canada	57781; 57785	Service Contract Assignment Of Master Construction Contract Dated 03/27/2014	$0.00	Y
531.	Assumed	Payless ShoeSource Canada GP, Inc.	THE VILLAGE SHOPPING CENTRE (2006) INC	90 Morgan Road Suite 200 Baie D'Urfe, Qc H9X 3A8 Canada	S# 7190	Lease Agreement	$1,313.23	N

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532.	Assumed	Payless ShoeSource Canada Inc.	THOMAS, CAITLIN	Address On File	58951	Employment Agreement	$0.00	N
533.	Assumed	Payless ShoeSource Canada Inc.	THOMSON REUTERS (TAX & ACCOUNTING) INC.	Attn: Order Processing 2395 Midway Road Carrollton, Tx 75006-2521	49322; 49324; 49326; 49328; 49330; 49332; 49335; 49337; 49339; 49341; 49343; 49345; 49346; 49348; 49350; 49352; 49354; 49356; 49358; 49360; 49362; 49364; 49366; 49369; 49370; 49372; 49373; 49376; 49377	Master Agreement Dated 4/20/2011	$0.00	Y

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534.	Assumed	Payless ShoeSource Canada GP, Inc.	TIMMINS SQUARE SHOPPING CENTRE & 1451945 ONTARIO LTD C/O RIOCAN RE INVESTMENT TRUST; RIOCAN Y	2300 Younge Street Suite 500 Po Box2386Toronto, On M4P 1E4Canada	S# 5951	Lease Agreement	$1,273.53	N
535.	Assumed	Payless ShoeSource Canada GP, Inc.	TOULON DEVELOPMENT CORPORATION	4060 St Catherine Street West Suite 700 Montreal, Qc H3Z 2Z3 Canada	S# 6928	Lease Agreement	$591.34	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
536.	Assumed	Payless ShoeSource Canada Inc.	TRAVELERS CASUALTY & SURETY COMPANY OF AMERICA	One Tower Square Hartford, Ct 6183	50193; 50196; 50198; 50201; 50206; 50207; 50211; 50213; 50217; 50219; 50222; 50227; 50230; 50234; 50237; 50240; 50243; 50246; 50249; 50253; 50256; 50259; 50261; 50265; 50268; 50271; 50275; 50278; 50282	Crime (Primary) Policy Number 105848388	$0.00	Y
537.	Assumed	Payless ShoeSource Canada Inc.	TROUPE, JENNIFER	Address On File	58657	Employment Agreement	$0.00	N
538.	Assumed	Payless ShoeSource Canada Inc.	TRYTEK, MARZENA	Address On File	58821	Employment Agreement	$0.00	N
539.	Assumed	Payless ShoeSource Canada Inc.	TSANG, KWOK PING BARRY	Address On File	58904	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
540.	Assumed	Payless ShoeSource Canada Inc.	URBANSKI, NADINE	Address On File	58784	Employment Agreement	$0.00	N
541.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada LP	US BANK CANADA	120 Adelaide Street West, Suite 2300 Toronto, On M5H 1T1 Canada	57827; 57830	Banking Service Agreement Canadian County Addendum Schedule 1 Dated 11/19/2003	$0.00	Y
542.	Assumed	Payless ShoeSource Canada GP, Inc.	VALIANT RENTAL PROPERTIES LTD	177 Nonquon Rd. 20Th Floor Oshawa, On L1G 3S2 Canada	S# 5931	Lease Agreement	$1,293.81	N
543.	Assumed	Payless ShoeSource Canada Inc.	VALLEE, CHARLOTTE	Address On File	58916	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
544.	Assumed	Payless ShoeSource Canada Inc.	VAN WIEREN, DOUGLAS	Address On File	58659	Employment Agreement	$0.00	N
545.	Assumed	Payless ShoeSource Canada GP, Inc.	VANPROP INVESTMENTS LTD.	5300 No. 3 Rd. Richmond, Bc V6X 2X9 Canada	S# 5857	Lease Agreement	$0.00	N
546.	Assumed	Payless ShoeSource Canada GP, Inc.	VAUGHAN PROMENADE SHOPPING CENTER INC. C/O THE CADILLAC FAIRVIEW CORP LIMITED	20 Queen Street West Fifth Floor Attn: Exec Vp-National Property Operatio Toronto, On M5H 3R4 Canada	S# 6982	Lease Agreement	$0.00	N
547.	Assumed	Payless ShoeSource Canada Inc.	VELASQUEZ, GISELLA	Address On File	58907	Employment Agreement	$0.00	N
548.	Assumed	Payless ShoeSource Canada Inc.	VESCIO, LUCIA	Address On File	58822	Employment Agreement	$0.00	N
549.	Assumed	Payless ShoeSource Canada Inc.	VICTOR, RAYLENE	Address On File	58725	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
550.	Assumed	Payless ShoeSource Canada Inc.	VIDLER, KIMBERLY	Address On File	59129	Employment Agreement	$0.00	N
551.	Assumed	Payless ShoeSource Canada Inc.	VILLAVICENCIO, ANAIS	Address On File	58911	Employment Agreement	$0.00	N
552.	Assumed	Payless ShoeSource Canada GP, Inc.	VOISIN DEVELOPMENTS LIMITED 101 IRA NEEDLES BOULEVARD O/A SUNRISE SHOPPING CENTRE	Waterloo, On N2J 3Z4 Canada	S# 5890	Lease Agreement	$2,701.23	N
553.	Assumed	Payless ShoeSource Canada Inc.	WALLENBURG, BELINDA	Address On File	58663	Employment Agreement	$0.00	N
554.	Assumed	Payless ShoeSource Canada Inc.	WARD, JAMIE	Address On File	58665	Employment Agreement	$0.00	N
555.	Assumed	Payless ShoeSource Canada Inc.	WATT, RUTH	Address On File	59131	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
556.	Assumed	Payless ShoeSource Canada Inc.	WATT, SHERIL	Address On File	58922	Employment Agreement	$0.00	N
557.	Assumed	Payless ShoeSource Canada GP, Inc.	WEST EDMONTON MALL PROPERTY INC.	3000 8882-170Th StreetEdmonton, Ab T5T 4M2Canada	S# 4737	Lease Agreement	$4,976.30	N
558.	Assumed	Payless ShoeSource Canada GP, Inc.	WEST EDMONTON MALL PROPERTY INC.	3000 8882-170Th Street Edmonton, Ab T5T 4M2 Canada	S# 5874	Lease Agreement	$6,038.39	N
559.	Assumed	Payless ShoeSource Canada GP, Inc.	WESTDALE CONSTRUCTION CO. LIMITED	35 Lesmill Road Toronto, On M3B 2T3 Canada	S# 5808	Lease Agreement	$1,328.74	N
560.	Assumed	Payless ShoeSource Canada GP, Inc.	WESTDALE CONSTRUCTION CO. LIMITED	35 Lesmill Road Toronto, On M3B 2T3 Canada	S# 6941	Lease Agreement	$1,062.60	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
561.	Assumed	Payless ShoeSource Canada GP, Inc.	WESTRIDGE SHOPPING CENTRES LIMITED; CALLOWAY REIT (WESTRIDGE) INC 700 APPLEWOOD CRESCENT SUITE 200 C/O SMART CENTRES MANAGEMENT INC	Vaughan, On L4K 5X3 Canada	S# 6920	Lease Agreement	$1,489.40	N
562.	Assumed	Payless ShoeSource Canada Inc.	WHALEN, CHANTAL	Address On File	58731	Employment Agreement	$0.00	N
563.	Assumed	Payless ShoeSource Canada GP, Inc.	WHITE OAKS MALL HOLDINGS LTD 65 PORT STREET EAST UNIT 110 ATTN: VP OP C/O BENTALL KENNEDY (CANADA) LIMITED PAR	Mississauga, On L5G 4V3 Canada	S# 7191	Lease Agreement	$2,330.29	N
564.	Assumed	Payless ShoeSource Canada Inc.	WHITE, NORMAN	Address On File	58915	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
565.	Assumed	Payless ShoeSource Canada Inc.	WHITEHOUSE, LISA	Address On File	58635	Employment Agreement	$0.00	N
566.	Assumed	Payless ShoeSource Canada GP, Inc.	WHITEROCK 185, 191 & 195 THE WEST MALL TORONTO INC. C/O DREAM OFFICE MANAGEMENT CORP.	401 The West Mall, Suite 1000 Toronto, On M9C 5J5 Canada	57790	Lease: Building And Land Agreement To Lease Dated 08/01/2017	$0.00	N
567.	Assumed	Payless ShoeSource Canada Inc.	WILLIAMS, KADION	Address On File	58826	Employment Agreement	$0.00	N
568.	Assumed	Payless ShoeSource Canada Inc.	WILLIAMS, ROBYN	Address On File	58926	Employment Agreement	$0.00	N
569.	Assumed	Payless ShoeSource Canada Inc.	WILLIAMSON, FAY	Address On File	58789	Employment Agreement	$0.00	N
570.	Assumed	Payless ShoeSource Canada Inc.	WILLIAMSON, TAMMY	Address On File	59033	Employment Agreement	$0.00	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
571.	Assumed	Payless ShoeSource Canada Inc.	WOJCIK, ANETA	Address On File	59133	Employment Agreement	$0.00	N
572.	Assumed	Payless ShoeSource Canada Inc.	WOOD, CHARLENE	Address On File	59038	Employment Agreement	$0.00	N
573.	Assumed	Payless ShoeSource Canada GP, Inc.	WOODBINE MALL HOLDINGS INC	Attn: Administration Office 500 Rexdale Blvd Toronto, On M9W 6K5 Canada	S# 5869	Lease Agreement	$0.00	N
574.	Assumed	Payless ShoeSource Canada GP, Inc.	WOODFINE PROPERTIES INC	2300 - 1066 West Hasting StreetVancouver, Bc V6E 3X2Canada	S# 5959	Lease Agreement	$1,282.99	N

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
575.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	XL INSURANCE AMERICA, INC	Seaview House 70 Seaview Avenue Samford, Ct 06902-6040	50187; 50191; 50192; 50195; 50197; 50199; 50203; 50204; 50408; 50410; 50413; 50415; 50417; 50419; 50420; 50422; 50425; 50426; 50428; 50430; 50431; 50433; 50435; 50436; 50437; 50438; 50439; 50440; 50441	D&O Tail Policy (A/Dic) Policy Number Tied To Elu146739-16	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
576.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	XL INSURANCE AMERICA, INC	Seaview House 70 Seaview Avenue Samford, Ct 06902-6040	50208; 50212; 50215; 50216; 50221; 50224; 50225; 50228; 50231; 50233; 50236; 50239; 50242; 50245; 50248; 50251; 50254; 50257; 50260; 50263; 50266; 50269; 50273; 50276; 50279; 50281; 50283; 50287; 50292	Directors & Officers Liability (Lead Side A/Dic) Policy Number Elu146739-16	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
577.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	XL INSURANCE AMERICA, INC	Seaview House 70 Seaview AvenueSamford, Ct 06902-6040	50349; 50351; 50354;50356; 50358; 50361;50363; 50365; 50367;50369; 50370; 50372;50374; 50376; 50378;50381; 50382; 50385;50387; 50388; 50390;50393; 50394; 50396;50398; 50400; 50402;50404; 50406	Excess Liability Policy Number Us00008657Li17A	$0.00	Y
578.	Assumed	Payless ShoeSource Canada Inc.	YOUNG, CATHERINE	Address On File	58956	Employment Agreement	$0.00	N
579.	Assumed	Payless ShoeSource Canada Inc.	YOUNG, GINA	Address On File	59007	Employment Agreement	$0.00	N

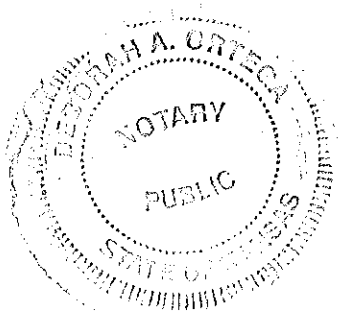
#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
580.	Assumed	Payless ShoeSource Canada GP, Inc.	YULEE DEVELOPMENTS INC 1500 HIGHWAY NO. 7 C/O CONDOR PROPERTIES	Concord, On L4K 5Y4 Canada	S# 6924	Lease Agreement	$1,336.37	N
581.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	ZURICH AMERICAN INS. CO.	300 S RiversideChicago, Il 60606	50295; 50298; 50301;50304; 50307; 50310;50313; 50317; 50319;50322; 50325; 50328;50331; 50335; 50338;50340; 50342; 50344;50345; 50348; 50350;50352; 50353; 50355;50357; 50359; 50360;50362; 50364	Auto Liability Policy Number Bap5918468 11 (Us)	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
582.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	ZURICH AMERICAN INS. CO.	300 S Riverside Chicago, Il 60606	50366; 50368; 50371; 50373; 50375; 50377; 50379; 50380; 50383; 50384; 50386; 50389; 50391; 50392; 50395; 50397; 50399; 50401; 50403; 50405; 50407; 50409; 50411; 50412; 50414; 50416; 50418; 50421; 50423	General Liability Policy Number Glo5918469-11 (Us)	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
583.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	ZURICH AMERICAN INS. CO.	300 S RiversideChicago, Il 60606	49414; 49416; 49420;49424; 49430; 49440;49445; 49451; 49457;49463; 49467; 49471;49477; 49483; 49489;49495; 49499; 49504;49508; 49513; 49519;49523; 49528; 49535;49540; 49544; 49547;49551; 49556	Umbrella (Primary) Policy Number Auc 0140954-00	$0.00	Y
584.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	ZURICH CANADA	First Canadian Place 100 King Street West, Suite 5500 P.O. Box 290 Toronto, On M5X 1C9 Canada	50320; 50323; 50326; 50330	Auto Liability Policy Number Af 9800025 (Can)	$0.00	Y

#	STATUS OF CONTRACT	CANADIAN DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	CURE AMOUNT	MULTIPLE DEBTORS (Y/N)
585.	Assumed	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	ZURICH CANADA	First Canadian Place 100 King Street West, Suite 5500 P.O. Box 290 Toronto, On M5X 1C9 Canada	50332; 50334; 50337; 50339	General Liability Policy Number 8834208 (Can)	$0.00	Y
586.	Assumed	Payless ShoeSource Canada Inc.	ZURICH CANADA	First Canadian Place100 King Street West, Suite 5500P.O. Box 290Toronto, On M5X 1C9Canada	58039	Insurance Policies Insurance Policy Dated 02/01/2014	$0.00	N

THIS IS EXHIBIT "G" REFERRED TO IN THE AFFIDAVIT OF MICHAEL SCHWINDLE, SWORN BEFORE ME THIS 25th DAY OF JULY, 2017.



State of Kansas)

County of Shawnee)

Notary Public

My Commission Expires: 12/2/20

#	STATUS OF CONTRACT	DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	REJECTED DATE	MULTIPLE DEBTORS (Y/N)
1.	Rejected	Payless ShoeSource Canada Inc.	AVAYA CANADA CORP.	1380 Rodick Road, 3Rd Floor, Markham, On L3R 4G5 Canada Thornhill, On L3T 7V9 Canada	55305	Customer Agreement Attachment A1 Maintenance Services Order Specification Form Dated 07/30/2007	Effective Date	N
2.	Rejected	Payless ShoeSource Canada Inc.	AVAYA CANADA CORP.	1380 Rodick Road, 3Rd Floor, Markham, On L3R 4G5 Canada Thornhill, On L3T 7V9 Canada	55310	Customer Agreement Customer Agreement Dated 07/18/2005	Effective Date	N
3.	Rejected	Payless ShoeSource Canada Inc.	BALASUBRAMANIYAM, SUSIYANDAN	Address On File	58738	Employment Agreement	Effective Date	N

#	STATUS OF CONTRACT	DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	REJECTED DATE	MULTIPLE DEBTORS (Y/N)
4.	Rejected	Payless ShoeSource Canada Inc.	CHARETTE, RUTH	Address On File	59148	Employment Agreement	Effective Date	N
5.	Rejected	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc	COUG & COMPANY , INC.	3085 Princess Blvd, Burlington Ontario, L7N 1G3 Canada	55627; 55631	Ip Settlement Agreement Settlement Agreement Dated 12/01/2006	Effective Date	Y
6.	Rejected	Payless ShoeSource Canada Inc.	DINSMORE, MICHAELE-ANNE	Address On File	59042	Employment Agreement	Effective Date	N

#	STATUS OF CONTRACT	DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	REJECTED DATE	MULTIPLE DEBTORS (Y/N)
7.	Rejected	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	ERNST & YOUNG LLP	One Kansas City Place Suite 2500 1200 Main Street Kansas City, Mo 64105-2143	49173; 49176; 49179; 49180; 49183; 49186; 49188; 49190; 49192; 49195; 49198; 49201; 49203; 49205; 49207; 49210; 49212; 49217; 49221; 49225; 49228; 49231; 49379; 49382; 49384; 49386; 49388; 49389; 49392	Amendment To Master Services Agreement Dated 1/13/2012	Effective Date	Y
8.	Rejected	Payless ShoeSource Canada Inc.	ERNST & YOUNG LLP	220 S Six Street Suite 1400 Minneapolis, Mn 55402	55424	Service Contract Service Contract Amendment Dated 12/23/2002	Effective Date	N
9.	Rejected	Payless ShoeSource Canada Inc.	GORMAN, ALISSA	Address On File	58719	Employment Agreement	Effective Date	N

#	STATUS OF CONTRACT	DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	REJECTED DATE	MULTIPLE DEBTORS (Y/N)
10.	Rejected	Payless ShoeSource Canada Inc.	HARRINGTON, LAURA	Address On File	59170	Employment Agreement	Effective Date	N
11.	Rejected	Payless ShoeSource Canada Inc.	HARRISON, TRACEY	Address On File	58857	Employment Agreement	Effective Date	N
12.	Rejected	Payless ShoeSource Canada Inc.	HASAJ, PAJTIM	Address On File	58998	Employment Agreement	Effective Date	N
13.	Rejected	Payless ShoeSource Canada Inc.	HELLER, OMBRETTA	Address On File	58972	Employment Agreement	Effective Date	N
14.	Rejected	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP; PSS Canada, Inc.	JAYHAWK FILE EXPRESS, LLC	Po Box 2596 Topeka, Ks 66601	67921; 67924; 67926; 67928; 67930; 67933; 67934; 67936; 67938; 67940; 67943; 67945; 67947; 67948; 67950; 67953; 67956; 67958; 67960; 67961; 67962; 67963; 67965; 67967; 67969; 67971; 67973; 67975; 67978	Storage And Service Agreement Dated 2/19/1998	Effective Date	Y

#	STATUS OF CONTRACT	DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	REJECTED DATE	MULTIPLE DEBTORS (Y/N)
15.	Rejected	Payless ShoeSource Canada Inc.	KAZOWSKI, PATTI	Address On File	58893	Employment Agreement	Effective Date	N
16.	Rejected	Payless ShoeSource Canada Inc.	LANE, LORELEI	Address On File	58958	Employment Agreement	Effective Date	N
17.	Rejected	Payless ShoeSource Canada GP Inc.; Payless ShoeSource Canada Inc.	LES CHAUSSURES REGENCE INC	655 Rue De L'Argon Ville De Québec, Qc G2N 2J6	56393; 56395; 56399	Ip Settlement Agreement Settlement Agreement Dated 09/29/2006	Effective Date	Y

#	STATUS OF CONTRACT	DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	REJECTED DATE	MULTIPLE DEBTORS (Y/N)
18.	Rejected	Payless ShoeSource Canada Inc.; Payless ShoeSource Canada LP	MATRA CONSTRUCTION, INC.	3909 Charles Street Burnaby, Bc M9C 5K8 Canada	56561; 56565	Service Contract Assignment Of Master Construction Contract Dated 03/27/2014	Effective Date	Y
19.	Rejected	Payless ShoeSource Canada Inc.	NASIR, MARY-JANE	Address On File	58796	Employment Agreement	Effective Date	N
20.	Rejected	Payless ShoeSource Canada Inc.	PAYLESS SHOUESORCE CANADA INC.	191 The West Mall, Suite 1000 Etobicoke, On M9C 5K8 Canada	56895	Service Contract Master Construction Contract	Effective Date	N

#	STATUS OF CONTRACT	DEBTOR	COUNTERPARTY	COUNTERPARTY ADDRESS	CONTRACT ID / STORE #	CONTRACT TYPE / DESCRIPTION	REJECTED DATE	MULTIPLE DEBTORS (Y/N)
21.	Rejected	Payless ShoeSource Canada LP	PAYLESS SHOUESORCE WORLDWIDE, INC.	3231 Se 6th Avenue Topeka, Ks 66607	57028	Trademark Or Ip Agreement Trademark License Agreement Dated 02/28/2006	Effective Date	N
22.	Rejected	Payless ShoeSource Canada Inc.	PENNOCK, SAMANTHA	Address On File	58703	Employment Agreement	Effective Date	N
23.	Rejected	Payless ShoeSource Canada LP	SMITH THIMM & ASSOCIATES, LTD.	Attn: Edward Thimm 89 Roselawn Avenue Toronto, On M4R 1E7 Canada	57453	Service Contract Services Agreement	Effective Date	N
24.	Rejected	Payless ShoeSource Canada Inc.	STARMAN_CHAMBERS, KRYSTAL	Address On File	59029	Employment Agreement	Effective Date	N
25.	Rejected	Payless ShoeSource Canada Inc.	STARON, SUZIE	Address On File	58816	Employment Agreement	Effective Date	N

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF PAYLESS HOLDINGS LLC, PAYLESS SHOESOURCE CANADA INC., PAYLESS SHOESOURCE CANADA GP INC. AND THOSE OTHER ENTITIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF PAYLESS HOLDINGS LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Applicant

Court File No: CV-17-11758-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF MICHAEL SCHWINDLE
(Sworn July 25, 2017)

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Lawyers for the Applicant