IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
COLT HOLDING COMPANY LLC, *et al*.,[1]	:	Case No. 15-11296 (LSS)
Debtors.	:	Jointly Administered

SECOND NOTICE OF FILING OF PLAN SUPPLEMENT PURSUANT TO DEBTORS' SECOND AMENDED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

PLEASE TAKE NOTICE that on November 10, 2015, the above-captioned debtors and debtors in possession (the "**Debtors**") filed solicitation versions of the *Debtors' Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 675] (as amended, supplemented, or otherwise modified, the "**Plan**") and the *Disclosure Statement for the Debtors' Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 678, 688] (as amended, supplemented, or otherwise modified, the "**Disclosure Statement**"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

PLEASE TAKE FURTHER NOTICE that the Plan and Disclosure Statement contemplate the submission of certain documents (or forms thereof), schedules, and exhibits (the

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are Colt Holding Company LLC (0094); Colt Security LLC (4276); Colt Defense LLC (1950); Colt Finance Corp. (7687); New Colt Holding Corp. (6913); Colt's Manufacturing Company LLC (9139); Colt Defense Technical Services LLC (8809); Colt Canada Corporation (5534); Colt International Coöperatief U.A. (6822); and CDH II Holdco Inc. (1782). The address of the Debtors' corporate headquarters is: 547 New Park Avenue, West Hartford, Connecticut 06110.

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"**Plan Supplement**") in advance of the hearing on confirmation of the Plan (the "**Confirmation Hearing**").

PLEASE TAKE FURTHER NOTICE that on November 30, 2015, the Debtors filed the following Plan Supplement documents [D.I. 721]:

Exhibit A	Senior Loan Exit Credit Agreement
Exhibit B	Term Loan Exit Credit Agreement
Exhibit C	Third Lien Exit Credit Agreement
Exhibit D	Fourth Lien Note
Exhibit E	Fourth Lien Note Indenture
Exhibit F	Offering Procedures
Exhibit G	Contracts to Be Rejected Pursuant to Section 8 of the Plan

PLEASE TAKE FURTHER NOTICE that the Debtors hereby file the following Plan Supplement documents:

Exhibit H	Reorganized Parent LLC Agreement
Exhibit I	Senior Exit Intercreditor Agreement
Exhibit J	Junior Exit Intercreditor Agreement
Exhibit K	Term Sheet for New Management Incentive Plan
Exhibit L	Notice of Election to Assume West Hartford Facility Lease
Exhibit M	Proposed Initial Member of Oversight Committee
Exhibit N	List of Retained Actions
Exhibit O	New Management of Reorganized Debtors
Exhibit P	Registration Rights Agreement
Exhibit Q	Backstop Agreement
Exhibit R	Form of Subscription Agreement

PLEASE TAKE FURTHER NOTICE that the forms of the documents contained in the Plan Supplement are integral to, and are considered part of, the Plan. If the Plan is confirmed, the documents contained in the Plan Supplement (other than with respect to the New Management Incentive Plan, the term sheet for which is attached as Exhibit K hereto) will be approved by the Bankruptcy Court pursuant to the order confirming the Plan.

PLEASE TAKE FURTHER NOTICE that the Debtors reserve the right to alter, amend, modify, or supplement any of the documents contained in the Plan Supplement in

accordance with the terms of the Plan, and the Debtors, the other parties to the Restructuring Support Agreement, and the Official Committee of Unsecured Creditors reserve all rights with respect to the final forms of all documents contained in the Plan Supplement. If any document in the Plan Supplement is altered, amended, modified, or supplemented in any material respect prior to the Confirmation Hearing, the Debtors will file a blackline of such document with the Bankruptcy Court.

PLEASE TAKE FURTHER NOTICE that the Plan Supplement, Plan, and Disclosure Statement may be viewed for free at the website of the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC ("**KCC**") at http://www.kccllc.net/coltdefense or for a fee on the Bankruptcy Court's website at http://www.deb.uscourts.gov. To obtain hard copies of the Plan Supplement, Plan, or Disclosure Statement, please contact KCC by telephone for U.S. callers at +1 (888) 251-3076 (toll free) and for international callers at +1 (310) 751-2617 (caller paid).

PLEASE TAKE FURTHER NOTICE that the Confirmation Hearing will be held before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge, in Courtroom 2 of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 6th Floor, Wilmington, Delaware 19801, on **December 16, 2015, at 9:00 a.m. (Eastern Standard Time)**. Please be advised that the Confirmation Hearing may be continued from time to time by the Bankruptcy Court without further notice.

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Dated: December 2, 2015
Wilmington, Delaware

/s/ Joseph C. Barsalona II

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EXHIBIT H

SECOND AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

of

COLT HOLDING COMPANY LLC

dated as of

[_____]

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SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF COLT HOLDING COMPANY LLC

This Second Amended and Restated Limited Liability Company Agreement of Colt Holding Company LLC, a Delaware limited liability company (the "**Company**"), is entered into as of [_____] by and among the Company, the Initial Members and each other Person who after the date hereof becomes a Member of the Company and executes a joinder to this Agreement in accordance with the terms hereof.

RECITALS

WHEREAS, the Company was formed as a limited liability company under the Act by the filing on March 13, 2015 of the initial certificate of formation (the "**Certificate of Formation**") in the office of the Secretary of State of Delaware. The initial member of the Company executed a limited liability company agreement, dated as of March 13, 2015 (the "**Initial Colt Holding LLC Agreement**"), and the members of the Company subsequently amended and restated the Initial Colt Holding LLC Agreement on April 9, 2015 (such amended and restated limited liability company agreement of the Company, the "**First Amended Colt Holding LLC Agreement**");

WHEREAS, the Company, Colt Security LLC, Colt Defense LLC, Colt Canada Corporation, Colt's Manufacturing Company LLC, New Colt Holding Corp., Colt Finance Corp., Colt Defense Technical Services LLC, Colt International Coöperatief U.A., and CDH II Holdco Inc., as debtors and debtors in possession (the "**Debtors**"), filed a plan for reorganization under the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "**Court**");

WHEREAS, in connection with the Debtors' Second Amended Joint Plan for Reorganization (as may be amended or supplemented, the "**Joint Plan**") filed with the Court on November 9, 2015, the Court approved a reorganization plan for the Debtors, whereby, as the result of an offering of equity units of the Company (the "**Equity Offering**") and the cancellation of certain indebtedness and the grant of a corresponding right to holders of such indebtedness to receive equity units of the Company in connection with the Joint Plan, the Initial Members have acquired their respective Units in the Company on the terms and conditions fully set forth in the offering and subscription documents (collectively, the "**Offering Documents**") and the Joint Plan, as the case may be, and in connection with the Equity Offering and the Joint Plan, the Initial Members and the Company desire to amend and restate the First Amended Colt Holding LLC Agreement as set forth below.

NOW, THEREFORE, in consideration of the terms, covenants and conditions contained in this Agreement, the parties hereby agree that the First Amended Colt Holding LLC Agreement is hereby amended and restated in its entirety to read as follows, and further hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in this **Section 1.01**:

"**Acceptance Notice**" has the meaning set forth in **Section 9.01(c)**.

"**Act**" means the Delaware Limited Liability Company Act, Title 6, Chapter 18, §§ 18-101, *et seq*, and any successor statute, as it may be amended from time to time.

"**Affiliate**" means, with respect to any Person, any other Person who, directly or indirectly (including through one or more intermediaries), controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control," when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms "controlling" and "controlled" shall have correlative meanings.

"**Agreement**" means this Second Amended and Restated Limited Liability Company Agreement, as executed and as it may be amended, modified, supplemented or restated from time to time, as provided herein.

"**Applicable Law**" means all applicable provisions of (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority; (b) any consents or approvals of any Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

"**Applicable Offered Class A Units**" has the meaning set forth in **Section 10.03(a)(ii)**.

"**Applicable Offered Class B Units**" has the meaning set forth in **Section 10.03(a)(ii)**.

"**Applicable Offered Units**" has the meaning set forth in **Section 10.03(a)(ii)**.

"**Applicable ROFR Rightholders**" has the meaning set forth in **Section 10.03(a)(ii)**.

"**Award Agreements**" has the meaning set forth in **Section 3.04(a)**.

"**Bankruptcy**" means, with respect to a Member, the occurrence of any of the following: (a) the filing of an application by such Member for, or a consent to, the appointment of a trustee of such Member's assets; (b) the filing by such Member of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing such Member's inability to pay its debts as they come due; (c) the making by such Member of a general assignment for the benefit of such Member's creditors; (d) the filing by such Member of an answer admitting the material allegations of, or such

Member's consenting to, or defaulting in answering a bankruptcy petition filed against such Member in any bankruptcy proceeding; or (e) the expiration of sixty days following the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Member a bankrupt or appointing a trustee of such Member's assets.

"**BK Claim**" means a claim as defined in section 101(5) of the Bankruptcy Code, as supplemented by section 102(2) of the Bankruptcy Code, against a Debtor, including, but not limited to: (a) any right to payment from a Debtor whether or not any such right is reduced to judgment, liquidated, unliquidated, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured or (b) any right to an equitable remedy for breach of performance if such performance gives rise to a right of payment from a Debtor, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, whether or not asserted.

"**Board**" has the meaning set forth in **Article VIII**.

"**Board Observer**" has the meaning set forth in **Section 8.04(a)**.

"**Board Schedule**" has the meaning set forth in **Section 8.02(e)**.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which commercial banks in the City of New York are authorized or required to close.

"**Capital Contribution(s)**" means the aggregate of all contributions made by the Members to the Company. Any reference to the Capital Contribution of a then Member shall include a Capital Contribution previously made by any prior Member with respect to the Interest of such then Member.

"**CEO Director**" has the meaning set forth in **Section 8.02(a)(i)**.

"**Certificate of Formation**" has the meaning set forth in the Recitals.

"**Claims**" has the meaning set forth in **Section 13.02(a)**.

"**Class A Tag-along Portion**" has the meaning set forth in **Section 10.05(d)(i)**.

"**Class A Units**" means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Class A Units" in this Agreement.

"**Class B Tag-along Portion**" has the meaning set forth in **Section 10.05(d)(i)**.

"**Class B Director**" has the meaning set forth in **Section 8.02(a)(v)**.

"**Class B Units**" means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Class B Units" in this Agreement.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Company**" has the meaning set forth in the Preamble.

"**Company Competitor**" means (i) any other Person engaged, directly or indirectly, in whole or in part, in the same or similar business as the Company and the Company Subsidiaries, including those engaged in the business of the manufacture and sale of firearms and (ii) any of the financial institutions listed on **Schedule C** [1]attached hereto; *provided*, *however*, that, notwithstanding the foregoing clause (i), any (x) commercial bank, investment bank, insurance company, financial institution, fund invested primarily in debt instruments or any similar entity, in each case, that provides debt to, or invests in the debt of, a Company Competitor or (y) hedge fund, private equity firm, investment bank or any similar entity with ownership interests that do not exceed [__]% of the outstanding equity securities of a portfolio company that is a Company Competitor, in each case, shall not be deemed to be a Company Competitor for any purpose hereunder.

"**Company Subsidiary**" means a Subsidiary of the Company.

"**Confidential Information**" has the meaning set forth in **Section 11.01(a)**.

"**Consenting 8.75% Noteholders**" means Advantage Capital Management, ALJ Capital I, L.P., ALJ Capital II, L.P., LJR Capital, L.P., Armory Advisors LLC, Bowery Investment Management, LLC, Bulwark Bay Investment Group LLC, Fidelity National Financial, Inc., Kamunting Street Capital Management, LP, MPAM Credit Trading Partners L.P., New Generation Advisors, LLC, Newport Global Advisors, LP, Phoenix Investment Adviser LLC, Scoggin LLC, Vertex One Asset Management Inc. and Wolverine Asset Management, LLC.

"**Consortium**" means the ad hoc consortium of beneficial holders of the Senior Notes, the members of which are identified in the Amended Joint Verified Statement of Ashby & Geddes, P.A. and Brown Rudnick LLP Pursuant to Federal Rule of Bankruptcy Procedures 2019 [D.I. 167], filed with the Bankruptcy Court on or about July 7, 2015.

"**Court**" has the meaning set forth in the Recitals.

"**Covered Person**" has the meaning set forth in **Section 13.01(a)**.

"**Damages**" has the meaning set forth in **Section 13.02(a)**.

"**Debtors**" has the meaning set forth in the Recitals.

"**Depository**" means, with respect to any Units issued in global form, The Depository Trust Company and its successors and permitted assigns.

"**Director**" has the meaning set forth in **Article VIII**.

[1] NTD: Company and Members to provide proposed **Schedule C**.

"**Disability**" with respect to any Management Member, has the meaning set forth in any effective Award Agreement, employment agreement or other written contract of engagement entered into between the Company and such Management Member, or if none, then "**Disability**" means such Management Member's incapacity due to physical or mental illness that: (a) shall have prevented such Management Member from performing his duties for the Company or any of the Company Subsidiaries on a full-time basis for more than ninety or more consecutive days or an aggregate of one hundred eighty days in any 365-day period; or (b)(i) the Board determines, in compliance with Applicable Law, is likely to prevent such Management Member from performing such duties for such period of time and (ii) thirty days have elapsed since delivery to such Management Member of the determination of the Board and such Management Member has not resumed such performance (in which case the date of termination in the case of a termination for "**Disability**" pursuant to this clause (b) shall be deemed to be the last day of such thirty-day period).

"**Distribution**" means a distribution made by the Company to a Member, whether in cash, property or securities of the Company and whether by liquidating distribution or otherwise; *provided*, that none of the following shall be a Distribution: (a) any redemption or repurchase by the Company or any Member of any Units or Unit Equivalents; (b) any recapitalization or exchange of securities of the Company; (c) any subdivision (by a split of Units or otherwise) or any combination (by a reverse split of Units or otherwise) of any outstanding Units; or (d) any fees or remuneration paid to any Member in such Member's capacity as a Management Member for the Company or a Company Subsidiary. "**Distribute**" when used as a verb shall have a correlative meaning.

"**Drag-along Member**" has the meaning set forth in **Section 10.04(a)**.

"**Drag-along Notice**" has the meaning set forth in **Section 10.04(c)**.

"**Drag-along Sale**" has the meaning set forth in **Section 10.04(a)**.

"**Dragging Member**" has the meaning set forth in **Section 10.04(a)**.

"**Electronic Transmission**" means any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

"**Eligible Holders**" means each holder of Senior Note Claims other than Fidelity/Newport who beneficially holds $100,000 or more (or such other amount as certain of the Debtors' creditors, the Debtors (and any successors or assigns thereto by merger, consolidation or otherwise), Sciens and the official committee of unsecured creditors appointed by the United States Trustee in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code, as reconstituted from time to time, may agree) in principal amount of Senior Notes and is an accredited investor (as defined in section 230.501(a) of title 17 of the Code of Federal Regulations).

"**Eligible Pre-emptive Member**" shall have the meaning set forth in **Section 9.01(c)**.

"**Equity Offering**" has the meaning set forth in the Recitals.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

"**Exercise Period**" has the meaning set forth in **Section 9.01(c)**.

"**Exercising Member**" has the meaning set forth in **Section 9.01(d)**.

"**Fair Market Value**" of any asset as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for such asset in an arm's-length transaction, as determined in good faith by the Board based on such factors as the Board, in the exercise of its reasonable business judgment, considers relevant.

"**Family Members**" has the meaning set forth in **Section 10.02(b)**.

"**Fidelity/Newport"** means Fidelity Newport Holdings LLC and its Permitted Transferees.

"**Fidelity/Newport Director**" has the meaning set forth in **Section 8.02(a)(i)**.

"**First Amended Colt Holding LLC Agreement**" has the meaning set forth in the Recitals.

"**Fiscal Year**" means the calendar year, unless the Company is required to have a taxable year other than the calendar year, in which case Fiscal Year shall be the period that conforms to its taxable year.

"**Fully Diluted Basis**" means, as of any date of determination, (a) with respect to all the Units, all issued and outstanding Units of the Company and all Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable, or (b) with respect to any specified type, class or series of Units, all issued and outstanding Units designated as such type, class or series and all such designated Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable.

"**Fully Participating Class A Tag-along Member**" has the meaning set forth in **Section 10.05(e)(i)**.

"**Fully Participating Class B Tag-along Member**" has the meaning set forth in **Section 10.05(e)(i)**.

"**GAAP**" means United States generally accepted accounting principles in effect from time to time.

"**Governing Documents**" means with respect to any particular Person, (a) if a corporation, the articles, deed or certificate of incorporation and the bylaws; (b) if a general partnership, the partnership agreement and any statement of partnership or other organizational documents; (c) if a limited

partnership, the limited partnership agreement and the certificate of limited partnership or other organizational documents; (d) if a limited liability company, the constitution deed, certificate of formation, articles of organization, bylaws, and deeds of amendment of bylaws, and operating agreement or other organizational documents; (e) if another type of Person, any other charter or similar document adopted or filed in connection with the creation, formation or organization of the Person; (f) all equityholders' agreements, voting agreements, voting trust agreements, joint venture agreements, registration rights agreements or other agreements or documents relating to the organization, management or operation of any Person or relating to the rights, duties and obligations of the equityholders of any Person; and (g) any amendment or supplement to any of the foregoing.

"**Governmental Authority**" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.

"**Incentive Units**" has the meaning set forth in **Section 3.04(a)** and includes both Restricted Incentive Units and Unrestricted Incentive Units.

"**Incentive Plan**" has the meaning set forth in **Section 3.04(a)**.

"**Independent Director**" has the meaning set forth in **Section 8.02(a)(i)**.

"**Ineligible Holder**" means each beneficial holder of Senior Notes Claims (other than Fidelity/Newport) who is not an Eligible Holder.

"**Initial Colt Holding LLC Agreement**" has the meaning set forth in the Recitals.

"**Initial Member**" has the meaning set forth in the term "**Member**."

"**Initial Public Offering**" has the meaning set forth in **Section 14.18(a)**.

"**IPO Entity**" has the meaning set forth in **Section 14.18(a)**.

"**Issuance Notice**" has the meaning set forth in **Section 9.01(b)**.

"**Joinder Agreement**" means the joinder agreement in form and substance attached hereto.

"**Joint Plan**" has the meaning set forth in the Recitals.

"**Liquidator**" has the meaning set forth in **Section 12.03(a)**.

"**Liquidity Event**" has the meaning set forth in **Section 7.06(a)**.

"**Management Member**" has the meaning set forth in **Section 3.04(a)**.

"**Member**" means (a) each Person identified on the Members Schedule as of the date hereof as a Member who shall have become a Member as a result of the transactions contemplated by the Equity Offering or the Joint Plan (each, an "**Initial Member**"); and (b) and each Person who is hereafter admitted as a Member in accordance with the terms of this Agreement and the Act, in each case so long as such Person is shown on the Company's books and records as the owner of one or more Units. The Members shall constitute the "members" (as that term is defined in the Act) of the Company.

"**Members Schedule**" has the meaning set forth in **Section 3.01**.

"**Membership Interests**" means the entire ownership interest of the Members in the Company.

"**New Management Incentive Plan**" means the Incentive Plan attached here to as Exhibit C.

"**New Securities**" has the meaning set forth in **Section 9.01(a)**.

"**Non-Exercising Member**" has the meaning set forth in **Section 9.01(d)**.

"**NPA**" means NPA Hartford LLC.

"**Offered Class A Units**" has the meaning set forth in **Section 10.03(a)(i)**.

"**Offered Class B Units**" has the meaning set forth in **Section 10.03(a)(i)**.

"**Offered Units**" has the meaning set forth in **Section 10.03(a)(i)**.

"**Offering Documents**" has the meaning set forth in the Recitals.

"**Offering Member**" has the meaning set forth in **Section 10.03(a)(i)**.

"**Offering Member Notice**" has the meaning set forth in **Section 10.03(c)(i)**.

"**Officers**" has the meaning set forth in **Section 8.10**.

"**Outstanding Priority Return**" means the amount of the Priority Return, reduced by the aggregate amount of all Distributions made by the Company in respect of Class A Units pursuant to **Section 7.02(a)** prior to such time.

"**Over-allotment Exercise Period**" has the meaning set forth in **Section 9.01(d)**.

"**Over-allotment Notice**" has the meaning set forth in **Section 9.01(d)**.

"**Participating Consortium Noteholders**" means (i) any Member who was a member of the Consortium (other than Fidelity/Newport) that elected to fully participate in the Equity Offering and purchased Class A Units and (ii) any Member to which a member of the Consortium (other than Fidelity/Newport) transferred its right to participate in the Equity Offering and did so fully participate in the Equity Offering and purchased Class A Units.

"**Participating Holders**" means collectively, (a) any Member who was a member of the Consortium (other than Fidelity/Newport) that were Consenting 8.75% Noteholders but that did not become Participating Consortium Noteholders that elected to participate in the Equity Offering as Eligible Holders and purchased Class A Units and (b) the Participating Consortium Noteholders.

"**Participation Ratio**" has the meaning set forth in **Section 7.07**.

"**Permitted Issuance**" means (i) the issuance of New Securities as a unit dividend or other distribution or upon any subdivision, split or combination of all of the outstanding Units on a proportionate basis to all holders of the affected class of Units; (ii) the issuance of New Securities upon conversion, exchange or redemption of any convertible or exchangeable securities outstanding on the date hereof or which were issued in compliance with **Section 9.01**; (iii) the issuance of Incentive Units to any Management Member pursuant to any equity incentive plan approved and adopted by the Board (provided, that the aggregate of all such issuances as of the time of determination (including the proposed issuance) shall not exceed [ten] percent of the Class A Units outstanding as of the date of this Agreement); (iv) the issuance to any Person that is not a Member or an Affiliate of a Member of New Securities as consideration (whether partial or otherwise) for the purchase by the Company or any Company Subsidiary of assets, stock or other equity securities of any Person, whether in a merger, acquisition, joint venture or otherwise; (v) the issuance of New Securities by any of the Company's wholly-owned Subsidiaries to the Company or any other wholly-owned Subsidiary of the Company; (vi) the issuance of any New Securities to financial institutions, banks or equipment lessors, in connection with bona fide loans from them to the Company or any Company Subsidiary; (vii) to the extent mutually agreed by each of the Company, Sciens, Fidelity/Newport and the Consortium (as determined by the vote of the holders of a majority of Units held by the Consortium), the issuance of up to [___][2] Class A Units in the aggregate to Sciens, Fidelity/Newport and Eligible Holders that participated in the Offering (*provided*, that (A) such issuance is made at the same price per Class A Unit as the Class A Units issued on the date hereof and (B) the aggregate consideration received by the Company does not exceed $[10] million); and (viii) in order to prevent or cure or enable the Company or any Company Subsidiary to prevent or cure a breach in respect of any of the credit facilities or other agreements regarding indebtedness of the Company and Company Subsidiaries, the issuance of New Securities in an amount not to exceed [__]% of the Company's total outstanding Units.

"**Permitted Transfer**" means a Transfer of Units carried out pursuant to **Section 10.02**.

"**Permitted Transferee**" means a recipient of a Permitted Transfer.

"**Person**" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

"**Pre-emptive Member**" means each of (i) NPA (for so long as it is a Member) and (ii) any Member that is an "accredited investor" that holds more than 1% of the voting power of the Units.

[2] NTD: Amount of New Securities to equal $[10] million divided by price per Class A Unit.

"**Pre-emptive Pro Rata Portion**" for purposes of **Section 9.01**, with respect to any Pre-emptive Member, on any issuance date for New Securities, a fraction determined by dividing, (x) with respect to an issuance of Class A Units, (i) the number of Class A Units owned by such Pre-emptive Member immediately prior to such issuance by (ii) the total number of Class A Units outstanding on such date immediately prior to such issuance; or (y) with respect to an issuance of Class B Units, (i) the number of Class B Units owned by such Pre-emptive Member immediately prior to such issuance by (ii) the total number of Class B Units outstanding on such date immediately prior to such issuance.

"**Priority Return**" means, except as otherwise provided in **Section 7.06(a)(i)**, $50 million in cash.

"**Proposed Transferee**" has the meaning set forth in **Section 10.05(a)**.

"**Prospective Purchaser**" has the meaning set forth in **Section 9.01(b)**.

"**Public Offering**" means any underwritten public offering pursuant to a registration statement filed in accordance with the Securities Act.

"**Purchasing Rightholders**" has the meaning set forth in **Section 10.03(e)(ii)**.

"**Qualified Recipients**" means each of NPA (for so long as it is a Member) and all holders of (i) principal amounts outstanding pursuant to the Senior Exit Facility, (ii) principal amounts outstanding pursuant to the Third Lien Exit Facility, (iii) more than three percent of the voting power of the Units, or (iv) more than one percent of the voting power of the Units that are also Participating Consortium Noteholders.

"**Qualified Public Offering**" means the sale, in a firm commitment underwritten public offering led by a nationally recognized underwriting firm pursuant to an effective registration statement under the Securities Act, of Units (or common stock of the Company or an IPO Entity) having an aggregate offering value (net of underwriters' discounts and selling commissions) of at least the amount of the then outstanding aggregate Outstanding Priority Return.

"**Remaining Class A Portion**" has the meaning set forth in **Section 10.05(e)(i)**.

"**Remaining Class B Portion**" has the meaning set forth in **Section 10.05(e)(i)**.

"**Remaining Portion Notice**" has the meaning set forth in **Section 10.05(e)(i)**.

"**Remaining Tag-along Notice**" has the meaning set forth in **Section 10.05(e)(ii)**.

"**Representative**" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"**Restricted Incentive Units**" has the meaning set forth in **Section 3.04(c)(i)**.

"**ROFR Exercise Notice**" has the meaning set forth in **Section 10.03(d)(iii)**.

"**ROFR Pro Rata Portion**" means, for purposes of **Section 10.03** and with respect to an Applicable ROFR Rightholder, on any date of a proposed Transfer by an Offering Member, a fraction determined by dividing (i) the number of Class A Units on a Fully Diluted Basis owned by such Applicable ROFR Rightholder immediately prior to such Transfer by (ii) the total number of Class A Units on a Fully Diluted Basis held by all of the ROFR Rightholders on such date immediately prior to such Transfer.

"**ROFR Option Period**" has the meaning set forth in **Section 10.03(d)(iii)**.

"**ROFR Rightholder**" has the meaning set forth in **Section 10.03(a)(i)**.

"**Sale Notice**" has the meaning set forth in **Section 10.05(c)**.

"**Sciens**" means Sciens Capital Management, LLC, its Affiliates and its and their Permitted Transferees.

"**Sciens Director**" has the meaning set forth in **Section 8.02(a)(i)**.

"**Securities Act**" means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

"**Selling Member**" has the meaning set forth in **Section 10.05(a)**.

"**Senior Exit Facility**" means that certain senior secured term loan facility by and among the Company and Colt Canada Corporation, as borrowers, the Company Subsidiaries and Affiliates of the Company named as guarantors therein, the lenders that are parties thereto and Cantor Fitzgerald Securities, as agent, in an aggregate principal amount of at least $40 million entered into pursuant to the Joint Plan.

"**Senior Note Claims**" means all BK Claims against any of the Debtors related to, arising out of, or in connection with, the Senior Notes.

"**Senior Notes**" means those certain 8.75% Senior Notes due 2017 of Colt Defense LLC and Colt Finance Corp. in the aggregate outstanding principal amount of $250,000,000 issued pursuant to and in accordance with the Senior Notes Indenture.

"**Senior Notes Indenture**" means that certain Indenture dated as of November 10, 2009 (as supplemented by the supplemental indenture, dated as of June 19, 2013 and the supplemental indenture, dated as of July 12, 2013), by and among Colt Defense LLC, Colt Finance Corp., the other Debtors as guarantors, and Wilmington Trust, National Association (as successor by merger to Wilmington Trust FSB).

"**Subsidiary**" means, with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

"**Supermajority Approval of the Members**" means the written consent or approval of Members holding at least 66.67% of the voting power of the Units.

"**Tag-along Member**" has the meaning set forth in **Section 10.05(a)**.

"**Tag-along Notice**" has the meaning set forth in **Section 10.05(d)(ii)**.

"**Tag-along Period**" has the meaning set forth in **Section 10.05(d)(ii)**.

"**Tag-along Sale**" has the meaning set forth in **Section 10.05(a)**.

"**Third Lien Exit Facility**" means that certain third lien credit facility by and among the Company and Colt Canada Corporation, as borrowers, the Company Subsidiaries and Affiliates of the Company named as guarantors therein, the lenders that are parties thereto and Cantor Fitzgerald Securities, as agent, in an initial principal amount of $50 million entered into pursuant to the Joint Plan.

"**Third Party Purchaser**" means any Person who, immediately prior to the contemplated transaction, is not a Permitted Transferee of any Person who directly or indirectly owns or has the right to acquire any Units (or applicable Unit Equivalents).

"**Transfer**" means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Units owned by a Person or any interest (including a beneficial interest) in any Units or Unit Equivalents owned by a Person. "**Transfer**" when used as a noun shall have a correlative meaning.

"**Transfer Agent**" means such bank, trust company or other Person (including the Company or one of its Affiliates) as shall be appointed from time to time by the Company to act as registrar and transfer agent for the Units or as may be appointed to act as registrar and transfer agent for any other Company Securities; *provided* that if no Transfer Agent is specifically designated for any other Unit Equivalent, the Company shall act in such capacity.

"**Transferor**" and "**Transferee**" mean a Person who makes or receives a Transfer, respectively.

"**Unit**" means a unit representing a fractional part of the Membership Interests of the Members and shall include all types and classes of Units, including the Class A Units, the Class B Units and the Incentive Units; *provided*, that any type or class of Unit shall have the privileges, preference, duties, liabilities, obligations and rights set forth in this Agreement and the Membership Interests represented by such type or class or series of Unit shall be determined in accordance with such privileges, preference, duties, liabilities, obligations and rights.

"**Unit Equivalents**" means any security or obligation that is by its terms, directly or indirectly, convertible into, exchangeable or exercisable for Units, and any option, warrant or other right to subscribe for, purchase or acquire Units.

"**Unrestricted Incentive Units**" has the meaning set forth in **Section 3.04(c)(ii)**.

Section 1.02 Interpretation. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (x) to Articles, Sections, and Exhibits mean the Articles and Sections of, and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

ARTICLE II
ORGANIZATION

Section 2.01 Formation.

(a) The Company was formed on March 13, 2015, pursuant to the provisions of the Act, upon the filing of the Certificate of Formation with the Secretary of State of the State of Delaware. The Initial Colt Holding LLC Agreement was entered into by the initial member on March 13, 2015 and the members of the Company subsequently entered into the First Amended Colt Holding LLC Agreement on April 9, 2015. This Agreement amends, restates and supersedes the First Amended Colt Holding LLC Agreement in its entirety.

(b) This Agreement shall constitute the "limited liability company agreement" (as that term is used in the Act) of the Company. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control.

Section 2.02 Name. The name of the Company is "Colt Holding Company, LLC" or such other name or names as the Board may from time to time designate.

Section 2.03 Principal Office. The principal place of business of the Company is 547 New Park Avenue, West Hartford, CT 06110, or such other place as from time to time may be designated by the Board.

Section 2.04 Registered Office; Registered Agent. The registered office of the Company in the State of Delaware shall be located at Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, and the Company's registered agent at such address for service of process is Corporation Service Company. The registered office(s) in the state(s) in which the Company does business shall be established by the Board.

Section 2.05 Purpose; Powers. The purpose of the Company is to engage in any lawful act or activity for which limited liability companies may be formed under the Act and to engage in any and all activities necessary or incidental thereto. The Company shall have all the powers necessary or convenient to carry out the purposes for which it is formed, including the powers granted by the Act.

Section 2.06 Term. The term of the Company commenced on the date the Certificate of Formation was filed with the Secretary of State of the State of Delaware and shall continue in existence perpetually until the Company is dissolved in accordance with the provisions of this Agreement or the Act.

Section 2.07 No State-Law Partnership. The Members intend that the Company shall be treated as a corporation for federal and, if applicable, state and local income tax purposes, and, to the extent permissible, the Company shall elect to be treated as a corporation for such purposes. The Company and each Member shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment and no Member shall take any action inconsistent with such treatment. The Members intend that the Company shall not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member, Director or Officer of the Company shall be a partner or joint venturer of any other Member, Director or Officer of the Company, for any purposes.

ARTICLE III
UNITS

Section 3.01 Units Generally. The Membership Interests of the Members shall be represented by issued and outstanding Units, which may be divided into one or more types, classes or series. Each type, class or series of Units shall have the privileges, preference, duties, liabilities, obligations and rights, including voting rights, if any, set forth in this Agreement with respect to such type, class or series. The Board shall maintain, or cause the Transfer Agent to maintain, a schedule of all Members, their respective mailing addresses and the amount and series or class of Units held by them (the "**Members Schedule**"), and shall update, or cause the Transfer Agent to update, the Members Schedule upon the issuance or Transfer of any Units to any new or existing Member. [A copy of the Members Schedule as of the execution of this Agreement is attached hereto as **Schedule A**.]

Section 3.02 Authorization and Issuance of Class A Units. Subject to compliance with **Section 9.01** and **Section 10.01(b)**, the Company is hereby authorized to issue from time to time a class of Units designated as Class A Units. As of the date hereof and after giving effect to the transactions contemplated by the Equity Offering and the Joint Plan (including the New Management Incentive Plan), [_____] Class A Units are issued and outstanding to the Members in the amounts set forth on the Members Schedule opposite each Member's name.

Section 3.03 Authorization and Issuance of Class B Units. Subject to compliance with **Section 9.01** and **Section 10.01(b)**, the Company is hereby authorized to issue from time to time a class of Units designated as Class B Units. As of the date hereof and after giving effect to the transactions contemplated by the Equity Offering and the Joint Plan, [_____] Class B Units are issued and outstanding in the amounts set forth on the Members Schedule opposite each Member's name.

Section 3.04 Authorization and Issuance of Incentive Units.

(a) The Board is hereby authorized to cause the Company to issue Class A Units or, after a Conversion has occurred, Class B Units (any such Units, "**Incentive Units**") to Directors, Officers, employees or consultants of the Company or any Company Subsidiary (collectively, "**Management Members**"). As of the date hereof, [_____] Incentive Units are issued and outstanding in the amounts set forth on the Members Schedule opposite each Member's name. The Board is hereby authorized and directed to adopt a written plan pursuant to which all Incentive Units shall be granted in compliance with Rule 701 of the Securities Act or another applicable exemption (such plan as in effect from time to time, the "**Incentive Plan**"); *provided* that any such Incentive Plan must be consistent with the requirements of the New Management Incentive Plan. In connection with the adoption of the Incentive Plan and issuance of Incentive Units, the Board is hereby authorized to negotiate and enter into award agreements with each Management Member to whom it grants Incentive Units (such agreements, "**Award Agreements**"). Each Award Agreement shall include such terms, conditions, rights and obligations as may be determined by the Board, in its sole discretion, consistent with the terms herein.

(b) Notwithstanding anything contained herein to the contrary, the number of Incentive Units that the Company may issue pursuant to the Incentive Plan, when combined with any Restricted Incentive Units and any Unrestricted Incentive Units already issued and outstanding, shall not exceed [10.0]% of the aggregate total of Class A Units outstanding on the date hereof, assuming all Incentive Units are issued as of the date hereof.

(c) The Board shall establish such vesting criteria for the Incentive Units as it determines in its discretion and shall include such vesting criteria in the Incentive Plan and/or the applicable Award Agreement for any grant of Incentive Units. As of the date hereof, none of the issued and outstanding Incentive Units shall be deemed vested. As used in this Agreement:

(i) any Incentive Units that have not vested pursuant to the terms of the Incentive Plan and any associated Award Agreement are referred to as "**Restricted Incentive Units**"; and

(ii) any Incentive Units that have vested pursuant to the terms of the Incentive Plan and any associated Award Agreement are referred to as "**Unrestricted Incentive Units.**"

(d) For the avoidance of doubt:

(i) no Restricted Incentive Units shall have any pre-emptive right to acquire New Securities pursuant to **Section 9.01(a)**;

(ii) no Restricted Incentive Units shall have any right to participate as a Tag-along Member in any Tag-along Sale pursuant to **Section 10.05**; and

(iii) all Incentive Units, including Unrestricted Incentive Units, shall be subject to the rights of the applicable Members to drag along the holders of Incentive Units pursuant to **Section 10.04**.

Section 3.05 Book-Entry; Certificates.

(a) The Company shall issue Units in book-entry form, such books and records to be maintained by the Company or by a Transfer Agent selected by the Board, which Transfer Agent may be the Depository.

(b) No Member shall be entitled to receive a certificate evidencing Units, unless otherwise required by the Act or Applicable Law or the Transfer Agent gives notice of its intention to resign or is no longer eligible to act as such and the Company shall have not selected a substitute Transfer Agent within sixty calendar days thereafter. So long as the Transfer Agent shall have been appointed and is serving, payments and communications made by the Company to Members shall be made by making payments to, and communicating with, the Transfer Agent.

(c) The Company shall cooperate with the Initial Members and use its best efforts to permit the Units to be eligible for clearance and settlement through the facilities of the Transfer Agent.

(d) If the Company is required by the Act or Applicable Law to have certificated Units or the Board otherwise determines it is in the best interest of the Company to certificate the Units, then the Units may be represented by certificates, in such form as the Board may from time to time prescribe, signed by the Persons authorized by the Board to sign such certificates. Any or all signatures upon a certificate may be a facsimile. Even if an authorized person, officer, Transfer Agent who has signed or whose facsimile signature has been placed upon a certificate ceases to be that authorized person, officer, transfer agent or registrar before the certificate is issued, that certificate may be issued by the Company with the same effect as if he or it were that officer, Transfer Agent at the date of issue.

(e) The Board may direct that a new certificate be issued in place of any certificate issued by the Company that is alleged to have been lost, stolen or destroyed. When doing so, the Board may prescribe such terms and conditions precedent to the issuance of the new certificate as it deems expedient, and may require a bond sufficient to indemnify the Company against any claim that may be made against it with regard to the allegedly lost, stolen or destroyed certificate or the issuance of the new certificate.

(f) The Company or the Transfer Agent, if any, upon surrender to it of a certificate representing Units, duly endorsed or accompanied by proper evidence of lawful succession, assignment

or authority to transfer, shall issue a new certificate to the Person entitled thereto, and shall cancel the old certificate and record the transaction upon the books of the Company

(g) In addition to any other legend required by Applicable Law, if the Company is required to certificate the Units or if the Board otherwise determines to certificate the Units, then all certificates representing issued and outstanding Units shall bear a legend substantially in the following form:

> THE UNITS REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (THE "**LLC AGREEMENT**") AMONG THE COMPANY AND ITS MEMBERS, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICE OF THE COMPANY. NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE UNITS REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH LLC AGREEMENT.
>
> THE UNITS REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT EFFECTIVE UNDER SUCH ACT AND LAWS, OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION THEREUNDER.

ARTICLE IV
MEMBERS

Section 4.01 Admission of New Members.

(a) New Members may be admitted from time to time (i) in connection with an issuance of Units by the Company, subject to compliance with the provisions of **Section 4.06(b)**, **Section 9.01** and **Section 10.01(b)**, as applicable, and (ii) in connection with a Transfer of Units, subject to compliance with the provisions of **Article X**, and in either case, following compliance with the provisions of **Section 4.01(b)**.

(b) In order for any Person not already a Member of the Company to be admitted as a Member, whether pursuant to an issuance or Transfer of Units, such Person shall be required to execute and deliver to the Company a written undertaking substantially in the form of the Joinder Agreement or otherwise agreed to be bound by the terms of this Agreement in a form satisfactory to the Company. Upon the amendment of the Members Schedule by the Board, or the Transfer Agent at the direction of the Board, and the satisfaction of any other applicable conditions, including, if a condition, the receipt by the Company of payment for the issuance of the applicable Units, such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company and thereupon shall be issued his, her or its Units.

Section 4.02 Representations and Warranties of Members. By execution and delivery of the Offering Documents, a Joinder Agreement, or by otherwise agreeing to be bound by the terms of this Agreement in a form satisfactory to the Company, as applicable, each Member (other than a Member holding Class B Units that were issued in connection with the transactions contemplated by the Joint Plan) whether admitted as of the date hereof or pursuant to **Section 4.01**, represents and warrants to the Company and acknowledges that:

(a) The Units have not been registered under the Securities Act or the securities laws of any other jurisdiction, are issued in reliance upon federal and state exemptions for transactions not involving a Public Offering and cannot be disposed of unless (i) they are subsequently registered or exempted from registration under the Securities Act and (ii) the provisions of this Agreement have been complied with;

(b) The execution, delivery and performance of this Agreement have been duly authorized by such Member and do not require such Member to obtain any consent or approval that has not been obtained and do not contravene or result in a default in any material respect under any provision of any law or regulation applicable to such Member or other Governing Documents or any agreement or instrument to which such Member is a party or by which such Member is bound;

(c) This Agreement is valid, binding and enforceable against such Member in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general applicability relating to or affecting creditors' rights or general equity principles (regardless of whether considered at law or in equity); and

(d) Neither the issuance of any Units to any Member nor any provision contained herein will entitle the Member to remain in the employment of the Company or any Company Subsidiary or affect the right of the Company or any Company Subsidiary to terminate the Member's employment at any time for any reason, other than as otherwise provided in such Member's employment agreement or other similar agreement with the Company or Company Subsidiary, if applicable.

None of the foregoing shall replace, diminish or otherwise adversely affect any Member's representations and warranties made by it in any Offering Document or Award Agreement, as applicable.

Section 4.03 No Personal Liability. Except as otherwise provided in the Act, by Applicable Law or expressly in this Agreement, no Member will be obligated personally for any debt, obligation or liability of the Company or of any Company Subsidiaries or other Members, whether arising in contract, tort or otherwise, solely by reason of being a Member.

Section 4.04 No Withdrawal. A Member shall not cease to be a Member as a result of the Bankruptcy of such Member or as a result of any other events specified in § 18-304 of the Act. So long as a Member continues to hold any Units, such Member shall not have the ability to withdraw or resign as a Member prior to the dissolution and winding up of the Company and any such withdrawal or resignation or attempted withdrawal or resignation by a Member prior to the dissolution or winding up

of the Company shall be null and void. As soon as any Person who is a Member ceases to hold any Units, such Person shall no longer be a Member and shall not be entitled to any rights under this Agreement.

Section 4.05 Death. The death of any Member shall not cause the dissolution of the Company. In such event the Company and its business shall be continued by the remaining Member or Members and the Units owned by the deceased Member shall automatically be Transferred to such Member's heirs; *provided*, that within a reasonable time after such Transfer, the applicable heirs shall sign a written undertaking substantially in the form of the Joinder Agreement.

Section 4.06 Voting.

(a) Except as otherwise provided by this Agreement (including **Section 4.06(b)**, **Section 4.06(c)** and **Section 14.09**) or as otherwise required by the Act:

(i) each Member holding Class A Units shall be entitled to one hundred votes per Class A Unit on all matters upon which the Members have the right to vote under this Agreement;[3]

(ii) each Member holding Class B Units shall be entitled to one vote per Class B Unit on all matters upon which the Members have the right to vote under this Agreement; and

(iii) the Members will vote together as a single class.

(b) Notwithstanding anything to the contrary contained in this Agreement, the holders of Class B Units shall be entitled to vote as a separate class with respect to any matter that is disproportionate and adverse to the holders of Class B Units relative to the rights of another class of Units, including, prior to any Conversion, any proposed disproportionate issuance of Class B Units relative to Class A Units, other than in connection with the Conversion.

(c) Notwithstanding anything to the contrary contained in this Agreement, at any time that there are any Class A Units outstanding, the Company shall not, and shall not permit any of the Company Subsidiaries to, engage in or cause any of the following transactions or take any of the following actions, and the Board shall not permit or cause the Company or any of the Company Subsidiaries to engage in, take or cause any such action except with Supermajority Approval of the Members:

(i) the amendment, alteration, or repeal of any provision of the Governing Documents of the Company or any Company Subsidiary; or

(ii) the increase or decrease in the authorized number of directors of the Company or any Company Subsidiary.

(d) Notwithstanding anything to the contrary contained in this Agreement, the Company shall not create or issue any class, group, series or tranche of non-voting Units, as and to the extent required by Section 1123 of the Bankruptcy Code.

[3] NTD: NPA voting rights to be addressed.

Section 4.07 Meetings.

(a) **Calling the Meeting.** Meetings of the Members may be called by (i) the Board or (ii) by a Member or group of Members holding at least a majority of the voting power of the Units.

(b) **Notice.** Written notice stating the place, date and time of the meeting and, in the case of a meeting of the Members not regularly scheduled, describing the purposes for which the meeting is called, shall be delivered not fewer than ten days and not more than thirty days before the date of the meeting to each Member, by or at the direction of the Board or the Member(s) calling the meeting, as the case may be. The Members may hold meetings at the Company's principal office or at such other place as the Board may designate by notice to the Members.

(c) **Participation.** Any Member may participate in a meeting of the Members by means of conference telephone or other communications equipment by means of which all Persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) **Vote by Proxy.** On any matter that is to be voted on by Members, a Member may vote in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission or as otherwise permitted by Applicable Law. Every proxy shall be revocable in the discretion of the Member executing it unless otherwise provided in such proxy; *provided*, that such right to revocation shall not invalidate or otherwise affect actions taken under such proxy prior to such revocation.

(e) **Conduct of Business.** The business to be conducted at such meeting need not be limited to the purpose described in the notice and can include business to be conducted by the Members. Attendance of a Member at any meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 4.08 Quorum. A quorum of any meeting of the Members shall require the presence of the Members holding a majority of the voting power held by all Members. Subject to **Section 4.09** and **Section 4.06(b)**, no action at any meeting may be taken by the Members unless a quorum is present. Subject to **Section 4.09**, no action may be taken by the Members at any meeting at which a quorum is present without the affirmative vote of Members holding a majority of the voting power of the Units present and voting, unless this Agreement expressly requires a greater amount.

Section 4.09 Action Without Meeting. Notwithstanding the provisions of **Section 4.08** and except as otherwise provided in **Section 4.06(b)**, any matter that is to be voted on, consented to or approved by the Members may be taken without a meeting, without prior notice and without a vote if consented to, in writing or by Electronic Transmission, by a Member or Members holding not less than a majority of the voting power of the Units held by all Members, unless this Agreement expressly requires a greater amount or a separate vote by a class of Units with respect to such matter. A record shall be maintained by the Board of each such action taken by written consent of a Member or Members and a copy of each such written consent shall promptly following the execution thereof be delivered to each Member.

Section 4.10 Power of Members. The Members shall have the power to exercise any and all rights or powers granted to Members pursuant to the express terms of this Agreement and the Act (as modified by this Agreement). Except as otherwise specifically provided by this Agreement or required by the Act, no Member, in its capacity as a Member, shall have the power to act for or on behalf of, or to bind, the Company.

Section 4.11 No Interest in Company Property. No real or personal property of the Company shall be deemed to be owned by any Member individually, but shall be owned by, and title shall be vested solely in, the Company. Without limiting the foregoing, each Member hereby irrevocably waives during the term of the Company any right that such Member may have to maintain any action for partition with respect to the property of the Company.

ARTICLE V
CAPITAL CONTRIBUTIONS

Section 5.01 Initial Capital Contributions. After the date hereof, no Member shall be obligated to make any additional Capital Contributions to the Company. Any future Capital Contributions made by any Member shall only be made with the consent of the Board and in connection with an issuance of Units made in compliance with **Section 9.01**. No Member shall be required to lend any funds to the Company and no Member shall have any personal liability for the payment or repayment of any Capital Contribution by or to any other Member.

ARTICLE VI
TAX MATTERS

Section 6.01 Taxation as Corporation. The Company has filed an initial classification election pursuant to Treasury Regulation Section 1.7701-3 to be taxed as a corporation and not as a partnership for United States income tax purposes. No Member shall take any position for any tax purpose that is inconsistent with the Company's treatment as a corporation for United States income tax purposes.

Section 6.02 Filing of Tax Returns. The Board shall prepare and file, or cause the accountants of the Company to prepare and file, a Form 1120-U.S. Corporation Income Tax Return and any required state and local income tax and information returns for each tax year of the Company.

ARTICLE VII
DISTRIBUTIONS; CONVERSION

Section 7.01 General.

(a) Subject to **Section 7.01(b)**, **Section 7.02** and **Section 7.04**, the Board shall have sole discretion regarding the amounts and timing of Distributions to Members, including to decide to forego payment of Distributions in order to provide for the retention and establishment of reserves of, or payment to third parties of, such funds as it deems necessary with respect to the reasonable business needs of the Company (which needs may include the payment or the making of provision for the payment when due of the Company's obligations, including, but not limited to, present and anticipated debts and obligations, capital needs and expenses, the payment of any management or administrative fees and expenses, and reasonable reserves for contingencies).

(b) Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any Distribution to Members if such Distribution would violate § 18-607 of the Act or other Applicable Law.

Section 7.02 Priority of Distributions. Subject to the priority of Distributions pursuant to **Section 12.03(c)**, if applicable, all Distributions determined to be made by the Board pursuant to **Section 7.01** shall be made in the following manner:

(a) first, to the Members pro rata in proportion to their holdings of Class A Units[4] until cumulative aggregate Distributions under this **Section 7.02(a)** equal the Priority Return; and

(b) second, upon the Conversion of the Class A Units to Class B Units in accordance with **Section 7.07**, to the holders of Class B Units in accordance with their pro rata share.

For the avoidance of doubt, no Distributions shall be made on account of any Class B Units prior to the payment in full of the Priority Return to holders of Class A Units and the Conversion pursuant to **Section 7.07**.

Section 7.03 Limitations on Distributions to Incentive Units.

(a) Notwithstanding the provisions of **Section 7.02**, no Distribution (other than Distributions pursuant to **Section 7.05**) shall be made to a Member on account of its Restricted Incentive Units. Any amount that would otherwise be Distributed to such a Member but for the application of the preceding sentence shall instead be retained in a segregated Company account to be Distributed in accordance with **Section 7.02** by the Company and paid to such Member if, as and when the Restricted Incentive Unit to which such retained amount relates vests pursuant to **Section 3.04(c)**.

Section 7.04 Tax Withholding. If requested by the Board, each Member shall, if able to do so, deliver to the Board:

(a) an affidavit in form satisfactory to the Board that the applicable Member (or its members, as the case may be) is not subject to withholding under the provisions of any federal, state, local, foreign or other Applicable Law;

[4] NTD: Participation of Restricted Incentive Units to be conformed to the New Management Incentive Plan.

(b) any certificate that the Board may reasonably request with respect to any such laws; and/or

(c) any other form or instrument reasonably requested by the Board relating to any Member's status under such law.

Section 7.05 Distributions in Kind.

(a) The Board is hereby authorized, in its sole discretion, to make Distributions to the Members in the form of securities or other property held by the Company. In any non-cash Distribution, the securities or property so Distributed will be Distributed among the Members in the same proportion and priority as cash equal to the Fair Market Value of such securities or property would be Distributed among the Members pursuant to **Section 7.02**. Except as otherwise provided in **Section 7.06(a)(i)** and **Section 7.06(a)(ii)**, non-cash Distributions shall not be taken into account for purposes of determining payment of the Priority Return.

(b) Any Distribution of securities shall be subject to such conditions and restrictions as the Board determines are required or advisable to ensure compliance with Applicable Law. In furtherance of the foregoing, the Board may require that the Members execute and deliver such documents as the Board may deem necessary or appropriate to ensure compliance with all federal and state securities laws that apply to such Distribution and any further Transfer of the Distributed securities, and may appropriately legend the certificates that represent such securities to reflect any restriction on Transfer with respect to such laws.

Section 7.06 Liquidity Event. Each Class A Unit shall automatically convert into and become Class B Units (as is more fully set forth in **Section 7.07**, the "**Conversion**") upon the occurrence of the following events:

(a) Upon the occurrence of a "**Liquidity Event**", which, for the purposes of this Agreement shall mean any of the following events:

(i) a Qualified Public Offering; *provided* that if the Board determines in good faith that it is not in the best interests of the Company to satisfy the entire Outstanding Priority Return with proceeds from a Qualified Public Offering, then upon such Qualified Public Offering, the holders of Class A Units immediately before the consummation of the Qualified Public Offering will, after the Conversion of Class A Units to Class B Units in accordance with **Section 7.07**, receive an additional number of Class B Units in an amount equal to the quotient of the Outstanding Priority Return and the price per unit sold in the Qualified Public Offering (*for example purposes only, if the Qualified Public Offering with an Initial Public Offering price of $10 per share generates $100 million of net proceeds to the Company, a portion of which proceeds are used to repay debt of the Company and $30 million of which are used to pay the Outstanding Priority Return of $50 million, then the Company shall distribute to the holders of Class A Units an additional two million units of Class B Units (which would have an aggregate value of $20 million based on the Initial Public Offering price), immediately after the automatic conversion of the Class A Units into Class B units as a result of such Qualified Public Offering*);

(ii) a sale, merger or business combination transaction generating proceeds that are distributed to the holders of the Class A Units in the aggregate of at least the Outstanding Priority Return;

(iii) a sale of assets of the Company and/or Company Subsidiaries, or a series of sales of such assets, generating proceeds that are distributed to the holders of Class A Units in the aggregate of at least the Outstanding Priority Return; and

(iv) upon the payment of aggregate cash Distributions to the holders of Class A Units equal to the aggregate Priority Return such that the Outstanding Priority Return is reduced to zero.

For the avoidance of doubt, holders of Class A Units shall be paid the Priority Return in full in cash (except as set forth in **Section 7.06(a)(i)** above) in connection with the conversion of Class A Units into Class B Units as a result of a Liquidity Event, or a Liquidity Event will be deemed to not have occurred.

Section 7.07 Conversion. If a Conversion is triggered pursuant to **Section 7.06**, then the Class A Units outstanding immediately prior to the Conversion, shall be converted into Class B Units in accordance with the Participation Ratio. Upon a Conversion, the Class A Units shall be converted into a number of Class B Units of the Company that represents [•]% of the total outstanding Units, and the number of Class B Units outstanding immediately prior to the Conversion shall represent [•]% of the total outstanding Units (the "**Participation Ratio**").

ARTICLE VIII
MANAGEMENT

Section 8.01 Establishment of the Board. A board of directors of the Company (the "**Board**") is hereby established and shall be comprised of natural Persons (each such Person, a "**Director**") who shall be appointed in accordance with the provisions of **Section 8.02**. The business and affairs of the Company shall be managed, operated and controlled by or under the direction of the Board, and the Board shall have, and is hereby granted, the full and complete power, authority and discretion for, on behalf of and in the name of the Company, to take such actions as it may in its sole discretion deem necessary or advisable to carry out any and all of the objectives and purposes of the Company, subject only to the terms of this Agreement.

Section 8.02 Board Composition; Vacancies.

(a) The Company and the Members shall take such actions as may be required to ensure that the number of Directors constituting the Board is at all times seven; provided, that in the event that a Liquidity Event is not consummated on or before the fifth anniversary of the date of this Agreement, the number of members of the Board shall be increased by one, and thereafter the Company and the Members shall take such actions as may be required to ensure that the number of Directors constituting the Board is at all times eight. The Board shall be comprised as follows:

(i) the Chief Executive Officer of the Company (the "**CEO Director**"), who shall initially be Dennis Veilleux;

(ii) two individuals designated by the Fidelity/Newport, for so long as Fidelity/Newport holds in the aggregate not less than [__]% of the voting power of the Units (the "**Fidelity/Newport Directors**"), who shall initially be [_____] and [_____]; *provided* that if Fidelity/Newport holds less than [__]% of the voting power of the Units but more than [___]% of the voting power of the Units, then Fidelity/Newport shall be entitled to designate one individual to the Board;

(iii) two individuals who shall be designated in accordance with **Section 8.02(b)** (the "**Independent Directors**"), who shall initially be [_____] and [_____];

(iv) two individuals designated by Sciens, for so long as Sciens holds not less than [__]% of the voting power of the Units (the "**Sciens Directors**"), who shall initially be [_____] and [_____]; *provided* that if Sciens holds less than [__]% of the voting power of the Units but more than [___]% of the voting power of the Units, then Sciens shall be entitled to designate one individual to the Board; and

(v) if the Board is increased to eight Directors in accordance with this **Section 8.02(a)**, one individual designated by the Members holding a majority of the Class B Units (excluding the holdings of any Members who hold Class A Units that were converted to Class B Units in accordance with this Agreement) (the "**Class B Director**").

(b) (i) The Participating Consortium Noteholders shall have the right to designate one of the Independent Directors and (ii) Sciens and Fidelity/Newport, acting together, shall have the right to designate one of the Independent Directors. Notwithstanding the preceding sentence, any Person that the Participating Consortium Noteholders, on the one hand, or Sciens and Fidelity/Newport acting together, on the other hand, propose to designate as an Independent Director, (A) cannot be a director, partner, member, shareholder, consultant, officer or employee of any Company Competitor, (B) must be reasonably acceptable to each of Fidelity/Newport, Sciens, and holders of a majority of the Units held by Participating Holders (other than Fidelity/Newport) and (C) cannot be an Affiliate of any Member that holds more than one percent of the outstanding Units; *provided*, *however*, that John Brecker shall qualify as, and be deemed to be, an Independent Director for purposes of this **Section 8.02** notwithstanding that he is a senior advisor to Bowery Investment Management, a Member of the Company.

(c) In the event that a vacancy is created on the Board at any time due to the death, Disability, retirement, resignation or removal of any Director (other than the CEO Director), then the Member (or group of Members) that designated such Director shall have the right to designate an individual to fill such vacancy and the Company and each Member hereby agree to take such actions as may be required to ensure the election or appointment of such designee to fill such vacancy on the Board.

(d) If the CEO Directors resigns, is removed as the Chief Executive Officer of the Company or is otherwise replaced as the Chief Executive Officer of the Company, such person shall automatically, and without any action by the Board or Members, cease to be a Director, and the Company's successor Chief Executive Officer appointed pursuant to **Section 8.10** shall automatically become the CEO Director.

(e) The Board shall maintain a schedule of all Directors with their respective mailing addresses (the "**Board Schedule**"), and shall update the Board Schedule upon the removal or replacement of any Director in accordance with this **Section 8.02** or **Section 8.03**. A copy of the Board Schedule as of the execution of this Agreement is attached hereto as **Schedule B**.

Section 8.03 Removal; Resignation.

(a) A Sciens Director may be removed at any time from the Board, with or without cause, upon the written request of Sciens.

(b) A Fidelity/Newport Director may be removed at any time from the Board, with or without cause, upon the written request of Fidelity/Newport.

(c) An Independent Director may be removed at any time from the Board, with or without cause, upon the written request of the Member (or group of Members) that were entitled to designate such Director.

(d) A Class B Director, if any, may be removed at any time from the Board, with or without cause, upon, the written request of the Members holding a majority of the Class B Units (excluding the holdings of any Members who hold Class A Units that were converted to Class B Units in accordance with this Agreement).

(e) The Chief Executive Officer may be removed in the same manner as any other Officer of the Company, in accordance with **Section 8.10**.

(f) Notwithstanding anything to the contrary in this **Section 8.03**, any Director may be removed at any time from the Board with cause. The holder or holders of Units who appointed any Director so removed shall have the right to select such Director's replacement in accordance with **Section 8.02**.

(g) A Director may resign at any time from the Board by delivering his or her written resignation to the Board. Any such resignation shall be effective upon receipt thereof unless it is specified to be effective at some other time or upon the occurrence of some other event. The Board's acceptance of a resignation shall not be necessary to make it effective.

(h) In the event that any Member (or group of Members) loses its right to designate one or more Directors pursuant to **Section 8.02(a)**, such Member shall cause one or more of the Directors (as applicable) that it designated to resign from the Board. If such Director fails for any reason to resign as required by the preceding sentence, the Company and the Members, including the Member that originally designated such Director, agree to take all necessary or desirable actions to remove such Director.

Section 8.04 Board Observer.

(a) Until a Class B Director is designated pursuant to **Section 8.02(a)(v)**, the Participating Consortium Noteholders shall have the nontransferable right to appoint one nonvoting observer to the Board (the "**Board Observer**"), and [_____] shall be the initial Board Observer. Any Board

Observer appointed by the Participating Consortium Noteholders to replace a Board Observer, (i) cannot be a director, partner, member, shareholder, consultant, officer or employee of any Company Competitor and (ii) must be reasonably acceptable to the to each of Fidelity/Newport, Sciens, and the majority of the Participating Holders (other than Fidelity/Newport). Upon the designation of a Class B Director, the Board Observer, in his capacity as a Board Observer, shall no longer have any rights as set forth in this **Section 8.04**.

(b) The Board Observer shall have the following rights, obligations and limitations, as applicable:

(i) the Board Observer shall have the right to attend meetings of the Board and any committee thereof (and receive notices of such meetings), other than executive or attorney-client privileged sessions; provided that the failure to so notify the Board Observer of any meeting of the Board shall not prevent the Board (or any committee thereof) from holding any meetings or taking any action that it is otherwise permitted to take;

(ii) the Board Observer shall have the right to receive all information provided to the members of the Board and its committees thereof, other than matters which are being considered in an executive or attorney-client privileged session;

(iii) the Board Observer shall not have the ability to vote on any matter submitted to the Board (or any committee thereof); and

(iv) the Board Observer shall be subject to the same obligations as members of the Board with respect to confidentiality, conflicts of interest, misappropriation of corporate opportunities and other duties under Applicable Law.

Section 8.05 Meetings.

(a) **Generally.** The Board shall meet at such time and at such place as the Board may designate. Meetings of the Board may be held either in person or by means of telephone or video conference or other communications device that permits all Directors participating in the meeting to hear each other, at the offices of the Company or such other place (either within or outside the State of Delaware) as may be determined from time to time by the Board. Written notice of each meeting of the Board shall be given to each Director at least forty-eight hours prior to each such meeting, unless such notice is waived by all Directors.

(b) **Special Meetings.** Special meetings of the Board shall be held on the call of either the CEO Director or any three Directors upon at least five days' written notice (if the meeting is to be held in person) or one day's written notice (if the meeting is to be held by telephone communications or video conference) to the Directors, or upon such shorter notice as may be approved by all the Directors. Any Director may waive such notice as to himself or herself.

(c) **Attendance and Waiver of Notice.** Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully

called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

Section 8.06 Quorum; Manner of Acting.

(a) **Quorum.** A majority of the Directors serving on the Board shall constitute a quorum for the transaction of business of the Board. At all times when the Board is conducting business at a meeting of the Board, a quorum of the Board must be present at such meeting.

(b) **Participation.** Any Director may participate in a meeting of the Board by means of telephone or video conference or other communications device that permits all Directors participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(c) **Binding Act.** Each Director shall have one vote on all matters submitted to the Board or any committee thereof on which such Director sits. With respect to any matter before the Board (or any committee thereof), the act of a majority of the Directors constituting a quorum shall be the act of the Board (or committee thereof); *provided*, *however*, that the vote of a majority of the disinterested Directors shall be required for the Board to approve and authorize the Company or any of the Company Subsidiaries to enter into any transaction with any Member or its Affiliates (including any Director that is designated by such Member (or group of Members)). Any such transaction approved by a vote of a majority of the disinterested Directors shall be entered into on an arms'-length basis.

Section 8.07 Action By Written Consent. Notwithstanding anything herein to the contrary, any action of the Board (or any committee of the Board) may be taken without a meeting if a written consent constituting all of the Directors on the Board (or committee) shall approve such action. Such consent shall have the same force and effect as a vote at a meeting where a quorum was present and may be stated as such in any document or instrument filed with the Secretary of State of Delaware.

Section 8.08 Compensation; No Employment.

(a) Each Director shall be reimbursed for his reasonable out-of-pocket expenses incurred in the performance of his duties as a Director and each [Independent] Director may receive compensation for services performed for the Board, in each case pursuant to such policies as from time to time are established by the Board. Nothing contained in this **Section 8.08** shall be construed to preclude any Director from serving the Company in any other capacity and receiving reasonable compensation for such services.

(b) This Agreement does not, and is not intended to, confer upon any Director any rights with respect to continued employment by the Company, and nothing herein should be construed to have created any employment agreement with any Director.

Section 8.09 Committees.

(a) **Establishment.** The Board may, by resolution, designate from among the Directors one or more committees, each of which shall be comprised of one or more Directors; *provided*, that in no event may the Board designate any committee with all of the authority of the Board. Subject to the immediately preceding proviso, any such committee, to the extent provided in the resolution forming such committee, shall have and may exercise the authority of the Board, subject to the limitations set forth in **Section 8.09(b)**. The Board may dissolve any committee or remove any member of a committee at any time. For so long as Fidelity/Newport is entitled to designate a Fidelity/Newport Director pursuant to **Section 8.01**, then any committee of the Board must include at least one Fidelity/Newport Director. For so long as Sciens (or an Affiliate of Sciens) is entitled to designate a Sciens Director pursuant to **Section 8.01**, then any committee of the Board must include at least one Sciens Director.

(b) **Limitation of Authority.** No committee of the Board shall have the authority of the Board in reference to:

(i) authorizing or making Distributions to the Members;

(ii) authorizing the issuance of Units;

(iii) approving a plan of merger or sale of the Company;

(iv) recommending to the Members a voluntary dissolution of the Company or a revocation thereof;

(v) filling vacancies in the Board; or

(vi) altering or repealing any resolution of the Board that by its terms provides that it shall not be so amendable or repealable.

Section 8.10 Officers. The Board may appoint individuals as officers of the Company (the "**Officers**") as it deems necessary or desirable to carry on the business of the Company and the Board may delegate to such Officers such power and authority as the Board deems advisable. No Officer need be a Member or Director, except that the Chief Executive Officer shall automatically become a Director pursuant to **Section 8.02**. Any individual may hold two or more offices of the Company. Each Officer shall hold office until his successor is designated by the Board or until his earlier death, resignation or removal. Any Officer may resign at any time upon written notice to the Board. Any Officer may be removed by the Board (acting by majority vote of all Directors other than the Officer being considered for removal, if applicable) with or without cause at any time. A vacancy in any office occurring because of death, resignation, removal or otherwise, may, but need not, be filled by the Board.

Section 8.11 No Personal Liability. Except as otherwise provided in the Act, by Applicable Law or expressly in this Agreement, no Director or Officer will be obligated personally for any debt, obligation or liability of the Company or of any Company Subsidiaries, whether arising in contract, tort or otherwise, solely by reason of being a Director or Officer.

ARTICLE IX
PRE-EMPTIVE RIGHTS

Section 9.01 Pre-emptive Right.

(a) **Issuance of New Securities.** Subject to **Section 4.06(b)**, the Company hereby grants to each Pre-Emptive Member, (i) if such Pre-Emptive Member is a holder of Class A Units, the right to purchase its Pre-emptive Pro Rata Portion (including its Pre-emptive Pro Rata Portion pursuant to an Over-Allotment Notice) of any authorized but unissued Class A Units and any Unit Equivalents convertible into Class A Units, exchangeable or exercisable for Class A Units, or providing a right to subscribe for, purchase or acquire Class A Units; or (ii) if such Pre-Emptive Member is a holder of Class B Units, the right to purchase its Pre-emptive Pro Rata Portion (including its Pre-emptive Pro Rata Portion pursuant to an Over-Allotment Notice) of any authorized but unissued Class B Units and any Unit Equivalents convertible into Class B Units, exchangeable or exercisable for Class B Units, or providing a right to subscribe for, purchase or acquire Class B Units; in either case other than any Permitted Issuance or in connection with a Qualified Public Offering (all such equity securities and other rights and securities, collectively, the "**New Securities**") that the Company may from time to time propose to issue to any Person between the date hereof and the consummation of a Qualified Public Offering.

(b) **Additional Issuance Notices.** The Company shall give written notice (an "**Issuance Notice**") of any proposed issuance described in **Section 9.01(a)** to the Pre-emptive Members within five Business Days following any meeting of the Board at which any such issuance is approved. The Issuance Notice shall, if applicable, be accompanied by a written offer from any prospective purchaser seeking to subscribe for New Securities (a "**Prospective Purchaser**") and shall set forth the material terms and conditions of the proposed issuance, including:

(i) the number and description of the New Securities proposed to be issued and the percentage of the Company's Units then outstanding on a Fully Diluted Basis (both in the aggregate and with respect to each class or series of Units proposed to be issued) that such issuance would represent;

(ii) the proposed issuance date, which shall be at least twenty Business Days from the date of the Issuance Notice;

(iii) the proposed purchase price per unit of the New Securities; and

(iv) if the consideration to be paid by the Prospective Purchaser includes non-cash consideration, the Board's good-faith determination of the Fair Market Value thereof.

The Issuance Notice shall also be accompanied by a current copy of the Members Schedule indicating the Pre-emptive Members' holdings of Units in a manner that enables each Pre-emptive Member to determine its eligibility to purchase New Securities pursuant to Section 9.01(a) hereof and to calculate its Pro Rata Portion of any New Securities.

(c) **Exercise of Pre-emptive Rights.** Each Pre-emptive Member that is eligible to purchase New Securities pursuant to Section 9.01(a) hereof (an "**Eligible Pre-emptive Member**") shall for a period of ten Business Days following the receipt of an Issuance Notice (the "**Exercise Period**") have

the right to elect irrevocably to subscribe for all or any portion of its Pre-emptive Pro Rata Portion of any New Securities at the purchase price set forth in the Issuance Notice by delivering a written notice to the Company (an "**Acceptance Notice**") specifying the number of New Securities it desires to purchase. The delivery of an Acceptance Notice by an Eligible Pre-emptive Member shall be a binding and irrevocable offer by such Member to purchase the New Securities described therein. The failure of an Eligible Pre-emptive Member to deliver an Acceptance Notice by the end of the Exercise Period shall constitute a waiver of its rights under this **Section 9.01** with respect to the purchase of such New Securities, but shall not affect its rights with respect to any future issuances or sales of New Securities. The Company shall not accept any Acceptance Notice from a Member that is not an Eligible Pre-emptive Member.

(d) **Over-allotment.** No later than five Business Days following the expiration of the Exercise Period, the Company shall notify each Eligible Pre-emptive Member in writing of the number of New Securities that each Eligible Pre-emptive Member has agreed to purchase (including, for the avoidance of doubt, where such number is zero) (the "**Over-allotment Notice**"). Each Eligible Pre-emptive Member exercising its rights to purchase its Pre-emptive Pro Rata Portion of the New Securities in full (an "**Exercising Member**") shall have a right of over-allotment such that if any other Eligible Pre-emptive Member has failed to exercise its right under this **Section 9.01** to subscribe for its full Pre-emptive Pro Rata Portion of the New Securities (each, a "**Non-Exercising Member**"), such Exercising Member may subscribe for its Pre-emptive Pro Rata Portion of such Non-Exercising Member's allotment by giving written notice to the Company within five Business Days of receipt of the Over-allotment Notice (the "**Over-allotment Exercise Period**").

(e) **Sales to the Prospective Purchaser.** Following the expiration of the Exercise Period and, if applicable, the Over-allotment Exercise Period, the Company shall be free to complete the proposed issuance or sale of New Securities described in the Issuance Notice with respect to which Eligible Pre-emptive Members declined to exercise the pre-emptive right set forth in this **Section 9.01** on terms no less favorable to the Company than those set forth in the Issuance Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced); *provided*, that: (i) such issuance or sale is closed within twenty Business Days after the expiration of the Exercise Period and, if applicable, the Over-allotment Exercise Period (subject to the extension of such twenty-Business Day period for a reasonable time to the extent reasonably necessary to obtain any required approvals or consents from any Governmental Authority); and (ii) for the avoidance of doubt, the price at which the New Securities are sold to the Prospective Purchaser is at least equal to or higher than the purchase price described in the Issuance Notice. In the event the Company has not issued such New Securities within such time period, the Company shall not thereafter issue any New Securities without first again offering such securities to the Members in accordance with the procedures set forth in this **Section 9.01**.

(f) **Prior Offer.** Subject to **Section 4.06(b)** and notwithstanding the foregoing provisions of this **Section 9.01**, the Company may proceed with the issuance of New Securities without first following the procedures in **Sections 9.01(b)** – **(e)**; *provided* that (i) the Prospective Purchasers of such New Securities agree in writing to take such New Securities subject to the provisions of **Section 9.01(a)**, and (ii) within ten (10) days following the issuance of such New Securities, the Company or the Prospective Purchasers of the New Securities undertake steps substantially similar to those in **Sections 9.01(b)** – **(e)** to offer to all Eligible Pre-Emptive Members the right to purchase from the Company or the Prospective

Purchasers of the New Securities their applicable Pre-Emptive Pro Rata Portion of such New Securities or equivalent at the same price and terms applicable to the Prospective Purchasers' purchase thereof so as to achieve substantially the same effect from a dilution protection standpoint as if the procedures set forth above in this **Section 9.01** had been followed prior to the issuance of such New Securities.

(g) **Closing of the Issuance.** The closing of any purchase by any Pre-emptive Member shall be consummated concurrently with the consummation of the issuance or sale described in the Issuance Notice. Upon the issuance or sale of any New Securities in accordance with this **Section 9.01**, the Company shall deliver the New Securities free and clear of any liens (other than those arising hereunder and those attributable to the actions of the purchasers thereof). Each Exercising Member shall deliver to the Company the purchase price for the New Securities purchased by it by certified or bank check or wire transfer of immediately available funds. Each party to the purchase and sale of New Securities shall take all such other actions as may be reasonably necessary to consummate the purchase and sale including, without limitation, entering into such additional agreements as may be necessary or appropriate.

ARTICLE X
TRANSFER

Section 10.01 General Restrictions on Transfer.

(a) Each Member acknowledges and agrees that, until the consummation of a Qualified Public Offering, such Member (or any Permitted Transferee of such Member) shall not Transfer any Units or Unit Equivalents except as permitted pursuant to **Section 10.02** or in accordance with the procedures described in **Section 10.03** through **Section 10.5**, as applicable. Notwithstanding the foregoing or anything in this Agreement to the contrary,

(i) Transfers of Incentive Units shall not be permitted prior to the consummation of a Qualified Public Offering except:

(A) pursuant to **Section 10.02**(b);

(B) when required of a Drag-along Member pursuant to **Section 10.04**;

(C) when permitted pursuant to **Section 10.05**; or

(D) as set forth in the Incentive Plan or applicable Award Agreement.

(ii) No Transfer of Units or Unit Equivalents to a Person not already a Member of the Company shall be deemed completed until the prospective Transferee is admitted as a Member of the Company in accordance with **Section 4.01(b)** hereof.

(b) Notwithstanding any other provision of this Agreement (including **Section 10.02**), prior to the consummation of a Qualified Public Offering, each Member agrees that it will not, directly or indirectly, Transfer any of its Units or Unit Equivalents, and the Company agrees that it shall not issue any Units or Unit Equivalents:

(i) except as permitted under the Securities Act and other applicable federal or state securities or blue sky laws, and then, with respect to a Transfer of Units or Unit Equivalents, if requested by the Company, only upon delivery to the Company of an opinion of counsel in form and substance reasonably satisfactory to the Company to the effect that such Transfer may be effected without registration under the Securities Act;

(ii) if such Transfer would result in the Company or any Company Subsidiary becoming subject to the reporting requirements of the Exchange Act; or

(iii) if such Transfer or issuance is to a Company Competitor.

(c) Any Transfer or attempted Transfer of any Units or Unit Equivalents in violation of this Agreement shall be null and void, no such Transfer shall be recorded on the Company's books and the purported Transferee in any such Transfer shall not be treated (and the purported Transferor shall continue be treated) as the owner of such Units or Unit Equivalents for all purposes of this Agreement.

(d) For the avoidance of doubt, any Transfer of Units or Unit Equivalents permitted by **Section 10.02** or made in accordance with the procedures described in **Section 10.03** through **Section 10.5**, as applicable, and purporting to be a sale, transfer, assignment or other disposal of the entire Membership Interest represented by such Units or Unit Equivalents, inclusive of all the rights and benefits applicable to such Membership Interest as described in the definition of the term **"Membership Interest,"** shall be deemed a sale, transfer, assignment or other disposal of such Membership Interest in its entirety as intended by the parties to such Transfer, and shall not be deemed a sale, transfer, assignment or other disposal of any less than all of the rights and benefits described in the definition of the term **"Membership Interest,"** unless otherwise explicitly agreed to by the parties to such Transfer.

Section 10.02 Permitted Transfers. The provisions of **Section 10.01(a)**, [**Section 10.03**,] **Section 10.04** (with respect to the Dragging Member only) and **Section 10.05** shall not apply to any of the following Transfers by any Member of any of its Units or Unit Equivalents:

(a) With respect to any Member, to any Affiliate of such Member or to any other Member;

(b) With respect to any Management Member, to (i) such Member's spouse, parent, siblings, descendants (including adoptive relationships and stepchildren) and the spouses of each such natural persons (collectively, "**Family Members**"), (ii) a trust under which the distribution of Units may be made only to such Member and/or any Family Member of such Member, (iii) a charitable remainder trust, the income from which will be paid to such Member during his life, (iv) a corporation, partnership or limited liability company, the stockholders, partners or members of which are only such Member and/or Family Members of such Member, or (v) by will or by the laws of intestate succession, to such Member's executors, administrators, testamentary trustees, legatees or beneficiaries; *provided*, that any Member who Transfers Units shall remain bound by the provisions of **Section 11.01**; or

(c) Pursuant to a Public Offering.

Section 10.03 Right of First Refusal.

(a) **Offered Units.**

(i) At any time prior to the consummation of a Qualified Public Offering, and subject to the terms and conditions specified in **Section 10.01** and this **Section 10.03**, each of the Participating Consortium Noteholders, Fidelity/Newport and Sciens (in each case so long as such Person remains a Member) (each such Member, a "**ROFR Rightholder**"), shall have a right of first refusal if any other Member (the "**Offering Member**") receives a bona fide offer from a [Third Party Purchaser or other Member], other than as provided in **Section 10.03(b)** herein, that the Offering Member desires to accept to Transfer all or any portion of the Offering Member's Class A Units (or applicable Unit Equivalents) (the "**Offered Class A Units**") and/or Class B Units (or applicable Unit Equivalents) (the "**Offered Class B Units**") it owns (the Offered Class A Units and the Offered Class B Units, collectively, the "**Offered Units**").

(ii) As used herein, the term "**Applicable Offered Units**" shall mean (A) the Offered Class A Units with respect to those Members holding Class A Units (or applicable Unit Equivalents) (the "**Applicable Offered Class A Units**") and (B) the Offered Class B Units with respect to those Members holding Class B Units (or applicable Unit Equivalents) (the "**Applicable Offered Class B Units**"). As used herein, the term "**Applicable ROFR Rightholders**" shall mean, in the case of a proposed Transfer of Class A Units (or applicable Unit Equivalents), all ROFR Rightholders other than the Offering Member holding Class A Units (or applicable Unit Equivalents), and in the case of a proposed Transfer of Class B Units (or applicable Unit Equivalents), all ROFR Rightholders other than the Offering Member holding Class B Units (or applicable Unit Equivalents).

(b) **Offering; Exceptions.** Each time the Offering Member receives an offer for a Transfer of any of its Class A Units and/or Class B Units (or applicable Unit Equivalents) (other than Transfers that (i) are permitted by **Section 10.02**, (ii) are proposed to be made by a Dragging Member or required to be made by a Drag-along Member pursuant to **Section 10.04**, or (iii) are made by a Tag-along Member upon the exercise of its tag-along right pursuant to **Section 10.05** after the Company and Applicable ROFR Rightholders have declined to exercise their rights in full under this **Section 10.03**), the Offering Member shall first make an offering of the Offered Units to the Applicable ROFR Rightholders, all in accordance with the following provisions of this **Section 10.03**, prior to Transferring such Offered Units to the proposed purchaser.

(c) **Offer Notice.**

(i) The Offering Member shall, within five Business Days of receipt of the Transfer offer, give written notice (the "**Offering Member Notice**") to the Company and the Applicable ROFR Rightholders stating that it has received a bona fide offer for a Transfer of its Class A Units and/or Class B Units (or applicable Unit Equivalents), as the case may be, and specifying:

(A) the number of Offered Class A Units and/or Offered Class B Units to be Transferred by the Offering Member;

(B) the proposed date, time and location of the closing of the Transfer, which shall not be less than sixty days from the date of the Offering Member Notice;

(C) the purchase price per Applicable Offered Unit and the other material terms and conditions of the Transfer; and

(D) the name of the Person who has offered to purchase such Offered Units.

(ii) The Offering Member Notice shall constitute the Offering Member's offer to Transfer the Offered Units to the Applicable ROFR Rightholders, which offer shall be irrevocable until the end of the ROFR Option Period described in **Section 10.03(d)(iii)**.

(iii) By delivering the Offering Member Notice, the Offering Member represents and warrants to each Applicable ROFR Rightholder that:

(A) the Offering Member has full right, title and interest in and to the Offered Units;

(B) the Offering Member has all the necessary power and authority and has taken all necessary action to Transfer such Offered Units as contemplated by this **Section 10.03**;

(C) the Offered Units are free and clear of any and all liens other than those arising as a result of or under the terms of this Agreement; and

(D) the offer received by the Offering Member and set forth in the Offering Member Notice is a bona fide offer.

(d) **Exercise of Right of First Refusal.**

(i) Upon receipt of the Offering Member Notice, each Applicable ROFR Rightholder shall have the right to purchase the Applicable Offered Units in accordance with the procedures set forth in **Section 10.03(d)(iii)**. Notwithstanding the foregoing, the Applicable ROFR Rightholders may only exercise their right to purchase the Offered Units if, after giving effect to all elections made under this **Section 10.03(d)**, no less than all of the Offered Units will be purchased by the Applicable ROFR Rightholders.

(ii) For the avoidance of doubt, in the event of a proposed Transfer of both Class A Units and Class B Units (and/or applicable Unit Equivalents), the Offering Member may deliver a single Offering Member Notice to the Company and all ROFR Rightholders. Upon their receipt of the Offering Member Notice, the Applicable ROFR Rightholder shall have the right to elect to purchase all or none of the Applicable Offered Units; *provided* that the Applicable ROFR Rightholders' rights to purchase any Offered Units will only be exercisable if, after giving effect to all elections made under this **Section 10.03(d)**, the Applicable ROFR Rightholders shall have elected to purchase no less than all the Offered Units.

(iii) The initial right of the ROFR Rightholders to purchase any Offered Units shall be exercisable with the delivery of a written notice (the "**ROFR Exercise Notice**") by the Applicable ROFR Rightholders to the Offering Member within fifteen Business Days of receipt of the Offering Member Notice (the "**ROFR Option Period**"), stating the number (including where such number is zero) and type of Offered Units the Applicable ROFR Rightholders elects irrevocably to purchase on the terms and respective purchase prices set forth in the Offering Member Notice. The ROFR Exercise Notice shall be binding upon delivery and irrevocable by the Applicable ROFR Rightholders. Each Applicable ROFR Rightholder shall have the right to elect irrevocably to purchase all or none of its ROFR Pro Rata Portion of the Applicable Offered Class A Units and/or all or none of its ROFR Pro

Rata Portion of the Applicable Offered Class B Units, on the terms and respective purchase prices set forth in the Offering Member Notice. In addition, each Applicable ROFR Rightholder shall include in its ROFR Exercise Notice the number of remaining Applicable Offered Units that it wishes to purchase if any other Applicable ROFR Rightholders do not exercise their rights to purchase their entire ROFR Pro Rata Portions of the remaining Applicable Offered Units.

(iv) The failure of any Applicable ROFR Rightholder to deliver a ROFR Exercise Notice by the end of the ROFR Option Period shall constitute a waiver of their respective rights of first refusal under this **Section 10.03** with respect to the Transfer of Offered Units, but shall not affect their respective rights with respect to any future Transfers.

(e) **Allocation of Offered Units.** Upon the expiration of the ROFR Option Period, the Applicable Offered Units shall be allocated for purchase among the Applicable ROFR Rightholders as follows:

(i) First, to each Applicable ROFR Rightholder having elected to purchase its entire ROFR Pro Rata Portion of such Units, such Applicable ROFR Rightholder's ROFR Pro Rata Portion of such Units; and

(ii) Second, the balance, if any, not allocated under clause (i) above, shall be allocated to those Applicable ROFR Rightholders who set forth in their ROFR Exercise Notices a number of Applicable Offered Units that exceeded their respective Applicable Pro Rata Portions (the "**Purchasing Rightholders**"), in an amount, with respect to each such Purchasing Rightholder, that is equal to the lesser of:

(A) the number of Applicable Offered Units that such Purchasing Rightholder elected to purchase in excess of its Applicable Pro Rata Portion; or

(B) the product of (x) the number of Applicable Offered Units not allocated under clause (i), multiplied by (y) a fraction, the numerator of which is the number of Applicable Offered Units that such Purchasing Rightholder was permitted to purchase pursuant to clause (i), and the denominator of which is the aggregate number of Applicable Offered Units that all Purchasing Rightholders were permitted to purchase pursuant to clause (i).

(f) **Consummation of Sale.** In the event that the Applicable ROFR Rightholders shall have, in the aggregate, exercised their respective rights to purchase all and not less than all of the Offered Units, then the Offering Member shall sell such Offered Units to the Applicable ROFR Rightholders, and the Applicable ROFR Rightholders shall purchase such Offered Units, within sixty days following the expiration of the ROFR Option Period (which period may be extended for a reasonable time to the extent reasonably necessary to obtain required approvals or consents from any Governmental Authority). Each Member shall take all actions as may be reasonably necessary to consummate the sale contemplated by this **Section 10.03(f)**, including, without limitation, entering into agreements and delivering certificates and instruments and consents as may be deemed necessary or appropriate. At the closing of any sale and purchase pursuant to this **Section 10.03(f)**, the Offering Member shall deliver to the Applicable ROFR Rightholders certificates representing the Offered Units to be sold, free and clear of any liens or encumbrances (other than those contained in this Agreement), accompanied by evidence

of transfer and all necessary transfer taxes paid and stamps affixed, if necessary, against receipt of the purchase price therefor from such Applicable ROFR Rightholders by certified or official bank check or by wire transfer of immediately available funds.

(g) **Sale to Proposed Purchaser.** In the event that the Applicable ROFR Rightholders shall not have collectively elected to purchase all of the Offered Units, then, provided the Offering Member has also complied with the provisions of **Section 10.05**, to the extent applicable, the Offering Member may Transfer all of such Offered Units, at a price per Applicable Offered Unit not less than specified in the Offering Member Notice and on other terms and conditions which are not materially more favorable in the aggregate to the proposed purchaser than those specified in the Offering Member Notice, but only to the extent that such Transfer occurs within ninety days after expiration of the ROFR Option Period (which period may be extended for a reasonable time to the extent reasonably necessary to obtain required approvals or consents from any Governmental Authority). Any Offered Units not Transferred within such ninety-day period will be subject to the provisions of this **Section 10.03** upon subsequent Transfer.

Section 10.04 Drag-along Rights.

(a) **Participation.** At any time prior to the consummation of a Qualified Public Offering, if one or more Members holding more than fifty percent of the voting power of the Units (such Member or Members, the "**Dragging Member**"), propose to sell all of their Units in one transaction or a series of related transactions (a "**Drag-along Sale**"), the Dragging Member shall have the right, after delivering the Drag-along Notice in accordance with **Section 10.04(c)** and subject to compliance with **Section 10.04(d)**, to require that each other Member (each, a "**Drag-along Member**") participate in such sale (including, if necessary, by converting their Unit Equivalents into the Units to be sold in the Drag-along Sale) in the manner set forth in **Section 10.04(b)**; *provided, however*, that the rights of the Dragging Member set forth in this **Section 10.04** shall only be available in connection with a Drag-along Sale that has received the prior approval of a majority of the Board.

(b) **Sale of Units.** Subject to compliance with **Section 10.04(d)**, for any Drag-Along Sale, each Drag-along Member shall sell, with respect to each class or series of Units proposed by the Dragging Member to be included in the Drag-along Sale, the number of Units and/or Unit Equivalents of such class or series equal to the product obtained by multiplying (i) the number of applicable Units on a Fully Diluted Basis held by such Drag-along Member by (ii) a fraction (x) the numerator of which is equal to the number of applicable Units on a Fully Diluted Basis that the Dragging Member proposes to sell in the Drag-along Sale and (y) the denominator of which is equal to the number of applicable Units on a Fully Diluted Basis held by the Dragging Member at such time. The price-per-unit for Class B Units must be an amount greater than zero, and such price-per-unit shall equal the price-per-unit of Class A Units (on an as converted basis giving effect to the Participation Ratio) less the then per unit Outstanding Priority Return.

(c) **Sale Notice.** The Dragging Member shall exercise its rights pursuant to this **Section 10.04** by delivering a written notice (the "**Drag-along Notice**") to the Company and each Drag-along Member no more than ten Business Days after the execution and delivery by all of the parties thereto of the definitive agreement entered into with respect to the Drag-along Sale and, in any event, no later than

twenty Business Days prior to the closing date of such Drag-along Sale. The Drag-along Notice shall make reference to the Dragging Members' rights and obligations hereunder and shall describe in reasonable detail:

(i) The name of the person or entity to whom such Units are proposed to be sold;

(ii) The proposed date, time and location of the closing of the sale;

(iii) The number of each class or series of Units to be sold by the Dragging Member, the proposed amount of consideration for the Drag-along Sale and the other material terms and conditions of the Drag-along Sale, including, if available, the purchase price per Unit of each applicable class or series (which shall take into account the per unit Class A Priority Return); and

(iv) A copy of any form of agreement proposed to be executed in connection therewith.

(d) **Conditions of Sale.** The obligations of the Drag-along Members in respect of a Drag-along Sale under this **Section 10.04** are subject to the satisfaction of the following conditions:

(i) The consideration to be received by each Drag-along Member shall only be in cash and the same amount of consideration to be received by the Dragging Member per Unit of each applicable class or series (the Distribution of which shall be made in accordance with **Section 10.04(b)**) and the terms and conditions of such sale shall, except as otherwise provided in **Section 10.04(d)(ii)**, be the same as those upon which the Dragging Member sells its Units; and

(ii) Each Drag-along Member shall execute the applicable purchase agreement; *provided*, that each Drag-along Member shall only be obligated to make individual representations and warranties with respect to its title to and ownership of the applicable Units, authorization, execution and delivery of relevant documents, enforceability of such documents against the Drag-along Member, and other matters relating to such Drag-along Member, but not with respect to any of the foregoing with respect to any other Members or their Units and not with respect to the business of the Company; *provided*, *further*, that all representations, warranties, covenants and indemnities shall be made by the Dragging Member and each Drag-along Member severally and not jointly and any indemnification obligation shall be pro rata based on the consideration received by the Dragging Member and each Drag-along Member, in each case in an amount not to exceed the aggregate proceeds received by the Dragging Member and each such Drag-along Member in connection with the Drag-along Sale.

(e) **Cooperation.** Each Drag-along Member shall take all actions as may be reasonably necessary to consummate the Drag-along Sale, including, without limitation, entering into agreements and delivering certificates and instruments, in each case, consistent with the agreements being entered into and the certificates being delivered by the Dragging Member, but subject to **Section 10.04(d)(ii)**.

(f) **Expenses.** The fees and expenses of the Dragging Member incurred in connection with a Drag-along Sale and for the benefit of all Drag-along Members (it being understood that costs incurred by or on behalf of a Dragging Member for its sole benefit will not be considered to be for the benefit of all Drag-along Members), to the extent not paid or reimbursed by the Company or the Third Party Purchaser, shall be shared by the Dragging Member and all the Drag-along Members on a pro rata basis,

based on the consideration received by each such Member; *provided*, that no Drag-along Member shall be obligated to make any out-of-pocket expenditure prior to the consummation of the Drag-along Sale.

(g) **Consummation of Sale.** The Dragging Member shall have one hundred twenty days following the date of the Drag-along Notice in which to consummate the Drag-along Sale, on the terms set forth in the Drag-along Notice (which 120-day period may be extended for a reasonable time not to exceed sixty days to the extent reasonably necessary to obtain required approvals or consents from any Governmental Authority). If at the end of such period the Dragging Member has not completed the Drag-along Sale, the Dragging Member may not then exercise its rights under this **Section 10.04** without again fully complying with the provisions of this **Section 10.04**.

Section 10.05 Tag-along Rights.

(a) **Participation.** At any time prior to the consummation of a Qualified Public Offering, and subject to the terms and conditions specified in **Section 10.01** and **Section 10.03**, (i) if any Member or group of Members (the "**Selling Member**") proposes to Transfer (other than to a Permitted Transferee pursuant to **Section 10.02**) twenty percent or more (in one or more related transactions) of the outstanding Units of a particular class of Units to any Person (a "**Proposed Transferee**"), each other Member holding Units of the same class (each, a "**Tag-along Member**") shall be permitted to participate in such sale (a "**Tag-along Sale**") on the terms and conditions set forth in this **Section 10.05**; or (ii) in the event that a Dragging Member proposes a Drag-along Sale (regardless of whether such Drag-along Sale is approved by the Board), but such Dragging Member elects not to exercise its rights pursuant to **Section 10.04**, then each Member will have the right to participate in such Drag-Along Sale and the provisions of **Section 10.4(b)(i)** and **Section 10.4(c) – (e)** shall apply to such sale, *mutatis mutandis*.

(b) **Application of Transfer Restrictions.** The provisions of this **Section 10.05** shall only apply to Transfers in which:

(i) The Applicable ROFR Rightholders have not exercised their rights in full under **Section 10.03** to purchase all of the Offered Units; and

(ii) The Dragging Member has elected not to exercise its drag-along right under **Section 10.04**.

(c) **Sale Notice.** Prior to the consummation of any Transfer of Class A Units and/or Class B Units (or any Unit Equivalents of such Units) qualifying under **Section 10.05(b)**, and after satisfying its obligations pursuant to **Section 10.03**, the Selling Member shall deliver to the Company and each other Member holding Units (or any Unit Equivalents of such Units) of the class or series proposed to be Transferred a written notice (a "**Sale Notice**") of the proposed Tag-along Sale as soon as practicable following the expiration of the ROFR Option Period, and in no event later than five Business Days thereafter. The Sale Notice shall make reference to the Tag-along Members' rights hereunder and shall describe in reasonable detail:

(i) The aggregate number of Class A Units and/or Class B Units (or any Unit Equivalents of such Units) the Proposed Transferee has offered to purchase;

(ii) The identity of the Proposed Transferee;

(iii) The proposed date, time and location of the closing of the Tag-along Sale;

(iv) The purchase price per applicable Unit and the other material terms and conditions of the Transfer; and

(v) A copy of any form of agreement proposed to be executed in connection therewith.

(d) **Exercise of Tag-along Right.**

(i) The Selling Member and each Tag-along Member timely electing to participate in the Tag-along Sale pursuant to **Section 10.05(d)(ii)** shall have the right to Transfer in the Tag-along Sale the number of Class A Units and/or Class B Units (and applicable Unit Equivalents, if any), as the case may be and with the Class A Units and Class B Units treated as separate classes for purposes of this calculation, equal to the product of (x) the aggregate number of Class A Units or Class B Units (and applicable Unit Equivalents), as the case may be, that the Proposed Transferee proposes to buy as stated in the Sale Notice and (y) a fraction (A) the numerator of which is equal to the number of Class A Units or Class B Units, as the case may be, on a Fully Diluted Basis then held by the applicable Member, and (B) the denominator of which is equal to the number of Class A Units or Class B Units, as the case may be, on a Fully Diluted Basis then held by the Selling Member and all of the Tag-along Members timely electing to participate in the Tag-along Sale pursuant to **Section 10.05(d)(ii)** (such amount with respect to the Class A Units (and applicable Unit Equivalents, if any), the "**Class A Tag-along Portion**", and with respect to the Class B Units (and applicable Unit Equivalents, if any), the "**Class B Tag-along Portion**").

(ii) Each Tag-along Member shall exercise its right to participate in a Tag-along Sale by delivering to the Selling Member a written notice (a "**Tag-along Notice**") stating its election to do so and specifying the number of Class A Units and/or Unit Equivalents (up to its Class A Tag-along Portion) and/or Class B Units and/or Unit Equivalents (up to its Class B Tag-along Portion), as the case may be, to be Transferred by it no later than ten Business Days after receipt of the Sale Notice (the "**Tag-along Period**").

(iii) The offer of each Tag-along Member set forth in a Tag-along Notice shall be irrevocable, and, to the extent such offer is accepted, such Tag-along Member shall be bound and obligated to consummate the Transfer on the terms and conditions set forth in this **Section 10.05**.

(e) **Remaining Portions.**

(i) If any Tag-along Member declines to exercise its right under **Section 10.05(d)(i)** or elects to exercise it with respect to less than its full Class A Tag-Along Portion or full Class B Tag-along Portion (the aggregate amount of Class A Units resulting from all such unexercised Class A Tag-Along Portions, the "**Remaining Class A Portion**", and the aggregate amount of Class B Units resulting from all such unexercised Class B Tag-Along Portions, the "**Remaining Class B Portion**"), the Selling Member shall promptly deliver a written notice (a "**Remaining Portion Notice**") to those Tag-along Members who have elected to Transfer their Class A Tag-Along Portion in full (each, a "**Fully Participating Class A Tag-along Member**") and/or those Tag-along Members who have elected to

Transfer their Class B Tag-Along Portion in full (each, a "**Fully Participating Class B Tag-along Member**"). The Selling Member, each Fully Participating Class A Tag-along Member (with respect to any Remaining Class A Portion) and each Fully Participating Class B Tag-along Member (with respect to any Remaining Class B Portion) shall be entitled to Transfer, in addition to any applicable Units or Unit Equivalents already being Transferred, a number of Class A Units and/or Class B Units (or applicable Unit Equivalents), as the case may be, held by it equal to the product of (x) the Remaining Class A Portion and/or Remaining Class B Portion, as the case may be, and (y) a fraction (A) the numerator of which is equal to the number of Class A Units and/or Class B Units (and applicable Unit Equivalents), as the case may be, then held by the applicable Member, and (B) the denominator of which is equal to the number of Class A Units and/or Class B Units (and applicable Unit Equivalents), as the case may be, then held by the Selling Member and all Fully Participating Class A Tag-along Members and/or Fully Participating Class B Tag-along Members, as the case may be.

(ii) Each Fully Participating Class A Tag-along Member and/or Fully Participating Class B Tag-along Member, as the case may be, shall exercise its right to participate in the Transfer described in **Section 10.05(e)(i)** by delivering to the Selling Member a written notice (a "**Remaining Tag-along Notice**") stating its election to do so and specifying the number of Class A Units and/or Class B Units (or applicable Unit Equivalents), as the case may be (up to the amounts it may Transfer pursuant to **Section 10.05(e)(i)**), to be Transferred by it no later than five Business Days after receipt of the Remaining Portion Notice.

(iii) The offer of each Fully Participating Class A Tag-along Member and each Fully Participating Class B Tag-along Member set forth in a Remaining Tag-along Notice shall be irrevocable, and, to the extent such offer is accepted, such Member shall be bound and obligated to consummate the Transfer on the terms and conditions set forth in this **Section 10.05**.

(f) **Waiver.** Each Tag-along Member who does not deliver a Tag-along Notice in compliance with **Section 10.05(d)(ii)** shall be deemed to have waived all of such Tag-along Member's rights to participate in the Tag-along Sale with respect to the Class A Units and/or Class B Units (and/or Unit Equivalents) owned by such Tag-along Member, and the Selling Member shall (subject to the rights of any other participating Tag-along Member) thereafter be free to sell to the Proposed Transferee the Units and/or Unit Equivalents identified in the Sale Notice at a per Unit price that is no greater than the applicable per Unit price set forth in the Sale Notice and on other terms and conditions which are not in the aggregate materially more favorable to the Selling Member than those set forth in the Sale Notice, without any further obligation to the non-accepting Tag-along Members.

(g) **Conditions of Sale.**

(i) Each Member participating in the Tag-along Sale shall receive the same per Unit Amount and form of consideration per Class A Unit and/or Class B Unit, as the case may be, after deduction of such Member's proportionate share of the related expenses in accordance with **Section 10.05(i)** below.

(ii) Each Tag-along Member shall only be obligated to make individual representations and warranties with respect to its title to and ownership of the applicable Units, authorization, execution and delivery of relevant documents, enforceability of such documents against

the Tag-along Member, and other matters relating to such Tag-along Member, but not with respect to any of the foregoing with respect to any other Members or their Units and not with respect to the business of the Company; *provided*, *further*, that all representations, warranties, covenants and indemnities shall be made by the Selling Member and each Tag-along Member severally and not jointly and any indemnification obligation shall be pro rata based on the consideration received by the Selling Member and each Tag-along Member, in each case in an amount not to exceed the aggregate proceeds received by the Selling Member and each such Tag-along Member in connection with the Tag-along Sale.

(iii) Each holder of then currently exercisable Unit Equivalents with respect to a class or series of Units proposed to be Transferred in a Tag-along Sale shall be given an opportunity to convert such Unit Equivalents into the applicable class or series of Units prior to the consummation of the Tag-along Sale and participate in such sale as holders of such class or series of Units.

(h) **Cooperation.** Each Tag-along Member shall take all actions as may be reasonably necessary to consummate the Tag-along Sale, including, without limitation, entering into agreements and delivering certificates and instruments, in each case, consistent with the agreements being entered into and the certificates being delivered by the Selling Member, but subject to **Section 10.05(g)(ii)**.

(i) **Expenses.** The fees and expenses of the Selling Member incurred in connection with a Tag-along Sale and for the benefit of all Tag-along Members (it being understood that costs incurred by or on behalf of a Selling Member for its sole benefit will not be considered to be for the benefit of all Tag-along Members), to the extent not paid or reimbursed by the Company or the Proposed Transferee, shall be shared by the Selling Member and all the participating Tag-along Members on a pro rata basis, based on the consideration received by each such Member; *provided*, that no Tag-along Member shall be obligated to make any out-of-pocket expenditure prior to the consummation of the Tag-along Sale.

(j) **Consummation of Sale.** The Selling Member shall have sixty days following the expiration of the Tag-along Period in which to consummate the Tag-along Sale, on terms not more favorable to the Selling Member than those set forth in the Tag-along Notice (which such 60-day period may be extended for a reasonable time to the extent reasonably necessary to obtain required approvals or consents from any Governmental Authority). If at the end of such period the Selling Member has not completed the Tag-along Sale, the Selling Member may not then effect a Transfer that is subject to this **Section 10.05** without again fully complying with the provisions of this **Section 10.05**.

(k) **Transfers in Violation of the Tag-along Right.** If the Selling Member sells or otherwise Transfers to the Proposed Transferee any of its Units in breach of this **Section 10.05**, then each Tag-along Member shall have the right to sell to the Selling Member, and the Selling Member undertakes to purchase from each Tag-along Member, the number of Units of each applicable class or series that such Tag-along Member would have had the right to sell to the Proposed Transferee pursuant to this **Section 10.05**, for a per Unit amount and form of consideration and upon the terms and conditions on which the Proposed Transferee bought such Units from the Selling Member, but without indemnity being granted by any Tag-along Member to the Selling Member; *provided*, that nothing contained in this **Section 10.05(k)** shall preclude any Member from seeking alternative remedies against such Selling Member as a result of its breach of this **Section 10.05**. The Selling Member shall also reimburse each Tag-along Member for any and all reasonable and documented out-of-pocket fees and expenses, including

reasonable legal fees and expenses, incurred pursuant to the exercise or the attempted exercise of the Tag-along Member's rights under this **Section 10.05(k)**.

ARTICLE XI
CONFIDENTIALITY; INFORMATION

Section 11.01 Confidentiality.

(a) Each Member acknowledges that during the term of this Agreement, it may have access to and become acquainted with trade secrets, proprietary information and confidential information belonging to the Company, the Company Subsidiaries and their Affiliates that are not generally known to the public, including, but not limited to, information concerning business plans, financial statements and other information provided pursuant to this Agreement, operating practices and methods, expansion plans, strategic plans, marketing plans, contracts, customer lists or other business documents which the Company treats as confidential, in any format whatsoever (including oral, written, electronic or any other form or medium) (collectively, "**Confidential Information**"). In addition, each Member acknowledges that: (i) the Company has invested, and continues to invest, substantial time, expense and specialized knowledge in developing its Confidential Information; (ii) the Confidential Information provides the Company with a competitive advantage over others in the marketplace; and (iii) the Company would be irreparably harmed if the Confidential Information were disclosed to competitors or made available to the public. Without limiting the applicability of any other agreement to which any Member is subject, no Member shall, directly or indirectly, disclose or use (other than solely for the purposes of such Member monitoring and analyzing his investment in the Company or performing his duties as a Director, Officer, employee, consultant or other Management Member of the Company) at any time, including, without limitation, use for personal, commercial or proprietary advantage or profit, either during his association or employment with the Company or thereafter, any Confidential Information of which such Member is or becomes aware. Each Member in possession of Confidential Information shall take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss and theft.

(b) Nothing contained in **Section 11.01(a)** shall prevent any Member from disclosing Confidential Information: (i) upon the order of any court or administrative agency; (ii) upon the request or demand of any regulatory agency or authority having jurisdiction over such Member; (iii) to the extent compelled by legal process or required or requested pursuant to subpoena, interrogatories or other discovery requests; (iv) to the extent necessary in connection with the exercise of any remedy hereunder; (v) to such Member's Representatives who, in the reasonable judgment of such Member, need to know such Confidential Information and agree to be bound by the provisions of this **Section 11.01** as if a Member; (vi) to any potential Permitted Transferee in connection with a proposed Transfer of Units from such Member or (vii) in connection with a proposed sale to any Third Party Purchaser in accordance with the provisions of **Section 10.03**, **Section 10.04** and **Section 10.05**, as long as such Transferee agrees to be bound by the provisions of this **Section 11.01** as if a Member and enters into a confidentiality agreement in form and substance reasonably acceptable to the Company and such Confidential Information may be made available to such potential Permitted Transferee via a restricted website; *provided*, that in the case of clause (i), (ii) or (iii), such Member shall provide the Company

with prompt written notice of any such requirement so long as it is not legally prohibited from doing so, so that the Company may seek a protective order or other appropriate remedy and/or waive compliance with this Agreement. If, in the absence of a protective order or other remedy or the receipt of a waiver from the Company, such Member is nonetheless required to disclose any of the Confidential Information, such Member may, without liability hereunder, disclose only that portion of the Confidential Information which such Member is required to disclose, *provided*, that such Member will reasonably cooperate with the Company, at the Company's sole expense, in obtaining an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information.

(c) The restrictions of **Section 11.01(a)** shall not apply to Confidential Information that: (i) is or becomes generally available to the public other than as a result of a disclosure by a Member in violation of this Agreement; (ii) is or becomes available to a Member or any of its Representatives on a non-confidential basis prior to its disclosure to the receiving Member and any of its Representatives in compliance with this Agreement; (iii) is or has been independently developed or conceived by such Member without use of, reliance on or reference to the Confidential Information; or (iv) becomes available to the receiving Member or any of its Representatives on a non-confidential basis from a source other than the Company, any other Member or any of their respective Representatives; *provided*, that such source is not known by the recipient of the Confidential Information to be bound by a confidentiality agreement or other duty with the disclosing Member or any of its Representatives.

(d) Notwithstanding anything in this **Section 11.01** to the contrary, in no event shall any Member disclose any Confidential Information to any Company Competitor.

Section 11.02 Financial Statements.

(a) The Company shall furnish to each Member that is a Qualified Recipient the following reports:

(i) **Annual Financial Statements.** As soon as available, and in any event within ninety days after the end of each Fiscal Year, audited consolidated balance sheets of the Company and Company Subsidiaries as at the end of each such Fiscal Year and audited consolidated statements of income, cash flows and Members' equity for such Fiscal Year, in each case setting forth in comparative form the figures for the previous Fiscal Year, accompanied by the certification of independent certified public accountants of recognized national standing selected by the Board, certifying to the effect that, except as set forth therein, such financial statements have been prepared in accordance with GAAP, applied on a basis consistent with prior years, and fairly present in all material respects the financial condition of the Company and Company Subsidiaries as of the dates thereof and the results of their operations and changes in their cash flows and Members' equity for the periods covered thereby;

(ii) **Quarterly Financial Statements.** As soon as available, and in any event within forty-five (45) days after the end of each quarterly accounting period in each Fiscal Year (other than the last fiscal quarter of the Fiscal Year), unaudited consolidated balance sheets of the Company and Company Subsidiaries as at the end of each such fiscal quarter and for the current Fiscal Year to date and unaudited consolidated statements of income, cash flows and Members' equity for such fiscal

quarter and for the current Fiscal Year to date, in each case setting forth in comparative form the figures for the corresponding periods of the previous fiscal quarter, all in reasonable detail and all prepared in accordance with GAAP, consistently applied (subject to normal year-end audit adjustments and the absence of notes thereto), and certified by the principal financial or accounting officer of the Company;

(iii) **Annual Budget.** As soon as available, and in any event no later than ninety days prior to the end of each Fiscal Year, a copy of a comprehensive consolidated budget, for the Company and Company Subsidiaries for the upcoming Fiscal Year, including capital and operating expense budgets, cash flow projections, covenant compliance calculations of all outstanding and projected indebtedness, and profit and loss projections, all itemized in reasonable detail; and

(iv) **Consolidated Capitalization Table**. (i) Upon request and (ii) no later than ten Business Days following the completion of any offering or sale of New Securities, a copy of the Members Schedule and consolidated capitalization table of the Company and the Company Subsidiaries.

(b) **Management Calls**. The Company shall cause the Officers of the Company to host quarterly management calls for the Qualified Recipients.

(c) **Election to Receive Information**. At any time, a Qualified Recipients may elect not to receive, or participate in, the distribution of any information that the Qualified Recipients otherwise has a right to receive pursuant to this **Section 11.02**; *provided* that the election not to receive any specified information will not be a waiver of such Qualified Recipient's right to receive any other information required or permitted to be distributed to the Members.

Section 11.03 Inspection Rights. Each Member that is a Qualified Recipient and its authorized Representatives will be allowed access at all reasonable times to examine the books (including minutes of the Board or equivalent governing body and records of member actions) and records of, and will have access to the Officers of, each of the Company and the Company Subsidiaries. Such access will be provided upon reasonable notice and at reasonable times and subject to such requirements as may be imposed by the Company to minimize interference with the ordinary course conduct of the Business.

ARTICLE XII
DISSOLUTION AND LIQUIDATION

Section 12.01 Events of Dissolution. The Company shall be dissolved and is affairs wound up only upon the occurrence of any of the following events:

(a) The determination of the Board to dissolve the Company, and, after the recommendation of the Board to so dissolve, the election to dissolve the Company made by holders of a majority of the voting power of the Units;

(b) The sale, exchange, involuntary conversion, or other disposition or Transfer of all or substantially all the assets of the Company; or

(c) The entry of a decree of judicial dissolution under § 18-802 of the Act.

Section 12.02 Effectiveness of Dissolution. Dissolution of the Company shall be effective on the day on which the event described in **Section 12.01** occurs, but the Company shall not terminate until the winding-up of the Company has been completed, the assets of the Company have been distributed as provided in **Section 12.03** and the Certificate of Formation shall have been cancelled as provided in **Section 12.04**.

Section 12.03 Liquidation. If the Company is dissolved pursuant to **Section 12.01**, the Company shall be liquidated and its business and affairs wound up in accordance with the Act and the following provisions:

(a) **Liquidator.** The Board, or, if the Board is unable to do so, a Person selected by the holders of a majority of the voting power of the Units, shall act as liquidator to wind up the Company (the "**Liquidator**"). The Liquidator shall have full power and authority to sell, assign, and encumber any or all of the Company's assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner.

(b) **Accounting.** As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.

(c) **Distribution of Proceeds.** The Liquidator shall liquidate the assets of the Company and Distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:

(i) *First*, to the payment of all of the Company's debts and liabilities to its creditors (including Members, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);

(ii) *Second*, to the establishment of and additions to reserves that are determined by the Board in its sole discretion to be reasonably necessary for any contingent unforeseen liabilities or obligations of the Company; and

(iii) *Third*, to the Members in the same manner as Distributions are made under **Section 7.02**.

(d) **Discretion of Liquidator.** Notwithstanding the provisions of **Section 12.03(c)** that require the liquidation of the assets of the Company, but subject to the order of priorities set forth in **Section 12.03(c)**, if upon dissolution of the Company the Liquidator determines that an immediate sale of part or all of the Company's assets would be impractical or could cause undue loss to the Members, the Liquidator may defer the liquidation of any assets except those necessary to satisfy Company liabilities and reserves, and may, in its absolute discretion, Distribute to the Members, in lieu of cash, as tenants in common and in accordance with the provisions of **Section 12.03(c)**, undivided interests in such Company assets as the Liquidator deems not suitable for liquidation. Any such Distribution in kind will be subject to such conditions relating to the disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operating of such

properties at such time. For purposes of any such Distribution, any property to be Distributed will be valued at its Fair Market Value.

Section 12.04 Cancellation of Certificate. Upon completion of the Distribution of the assets of the Company as provided in **Section 12.03(c)** hereof, the Company shall be terminated and the Liquidator shall cause the cancellation of the Certificate of Formation in the State of Delaware and of all qualifications and registrations of the Company as a foreign limited liability company in jurisdictions other than the State of Delaware and shall take such other actions as may be necessary to terminate the Company.

Section 12.05 Survival of Rights, Duties and Obligations. Dissolution, liquidation, winding up or termination of the Company for any reason shall not release any party from any Loss which at the time of such dissolution, liquidation, winding up or termination already had accrued to any other party or which thereafter may accrue in respect of any act or omission prior to such dissolution, liquidation, winding up or termination. For the avoidance of doubt, none of the foregoing shall replace, diminish or otherwise adversely affect any Member's right to indemnification pursuant to **Section 13.02**.

Section 12.06 Recourse for Claims. Each Member shall look solely to the assets of the Company for all Distributions with respect to the Company and shall have no recourse therefor (upon dissolution or otherwise) against the Board, the Liquidator or any other Member.

ARTICLE XIII
EXCULPATION AND INDEMNIFICATION

Section 13.01 Duties; Exculpation of Covered Persons.

(a) **Duties of Members**. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by Section 18-1101(c) of the Act, none of the Members, or any of their respective Affiliates, in each case, in their capacity as such, shall owe any duties at law or in equity (including fiduciary duties) to the Company, any Member, or any other Person; *provided*, *however*, that the limitations set forth in this Section 13.01 shall not eliminate the implied contractual covenant of good faith and fair dealing, nor shall they limit or eliminate any duties expressly set forth in this Agreement. Subject to the confidentiality obligations set forth in Article XI, without limiting the generality of the foregoing, a Member and its Affiliates may engage in and/or possess an interest in other business ventures of any nature or description, independently or with others, and neither the Company nor its Members will have any right by virtue of this Agreement in or to any independent venture of any of the Members or any income or profits derived therefrom.

(b) **Duties of Directors and Officers**. Each of the Directors shall have the same fiduciary duties to the Company and the Members, applied *mutatis mutandis*, as would be owed by a member of the board of directors of a Delaware corporation under Applicable Law in respect of such corporation and the shareholders therein, and each of the Officers of the Company shall have the same fiduciary

duties to the Company and the Members, applied *mutatis mutandis*, as would be owed by an officer of a Delaware corporation under Applicable Law in respect of such corporation and the shareholders therein.

(c) **Exculpation of Directors**. To the fullest extent permitted by the Act, no Director shall have any liability to the Company or to any Member or any other Person, relating to or arising out of the business or affairs of, or activities undertaken or acts or omissions in connection with, the Company or any Company Subsidiary, or otherwise relating to or arising out of the Company, its assets, liabilities or properties or this Agreement, including any liabilities arising out of any breach of duties, *provided, however*, that the foregoing shall not eliminate liability for any (i) breach of the Director's duty of loyalty to the Company or any of its Members; (ii) for acts or omissions not in good faith or which involve fraud, gross negligence, willful misconduct, intentional misconduct or a knowing violation of Applicable Law; (iii) for any transaction from which the Director derived an improper personal benefit; or (iv) to the extent such exemption from liability or limitation thereof would not be permitted under the Delaware General Corporation Law had the Company been a Delaware corporation; *provided, further*, that the limitations set forth in this **Section 13.01(c)** shall not limit the liability of any Director who is also a director, officer or employee of the Company or any Company Subsidiary arising out of a breach of any employment or similar agreement or any duty or obligation in such capacity arising under this Agreement or Applicable Law (unless it is determined that such Director believed in good faith that such Director's conduct did not violate this Agreement).

(d) **Good Faith Reliance.** A Covered Person (defined below) shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets and liabilities of the Company or any facts pertinent to the existence and amount of assets from which Distributions might properly be paid) of the following Persons or groups: (i) another Director; (ii) one or more Officers or employees of the Company; (iii) any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company; or (iv) any other Person selected in good faith by or on behalf of the Company, in each case as to matters that such relying Person reasonably believes to be within such other Person's professional or expert competence. The preceding sentence shall in no way limit any Person's right to rely on information to the extent provided in § 18-406 of the Act. As used in this Agreement, "**Covered Person**" means any Member, Affiliate of a Member, Director, Officer, director or manager of a Company Subsidiary, any officer of the Company or any Company Subsidiary, tax matters partner of the any Company Subsidiary and any Person who is or was serving at the request of the Company as a manager, director, trustee, or partner of another limited liability company, corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, including, without limitation, service with respect to an employee benefit plan.

Section 13.02 Indemnification.

(a) **Indemnification.** The Company shall and hereby does indemnify, hold harmless and release each Covered Person from and against all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions, whether judicial, administrative, investigative or otherwise, of whatever nature, known or unknown, liquidated or unliquidated ("**Claims**"), that may accrue to or be

incurred by any Covered Person, or in which any Covered Person may become involved, as a party or otherwise, or with which any Covered Person may be threatened, relating to or arising out the business and affairs of, or activities undertaken or omissions in connection with, the Company or any Company Subsidiary, or otherwise relating to or arising out of the Company, its assets, liabilities or properties or this Agreement, including amounts paid in satisfaction of judgments, in compromise or as fines or penalties, and counsel fees and other expenses incurred in connection with the preparation for or defense or disposition of any investigation, action, suit, arbitration or other proceeding (a "**Proceeding**"), whether civil or criminal (all of such Claims and amounts covered by this **Section 13.02** are referred to collectively as "**Damages**"); *provided* that such Covered Person shall not be indemnified and held harmless if there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter for which the Covered Person is seeking indemnification pursuant to this **Section 13.02**, the Covered Person breached the express terms of this Agreement, or engaged in any bad faith violation of the implied contractual covenant of good faith and fair dealing.

(b) **Advancement of Expenses.** Expenses (including legal fees) incurred by any Covered Person in defending any Claim or Proceeding shall be advanced by the Company from time to time prior to the final disposition of such Claim or Proceeding promptly following written request therefor. Advancement shall be subject to an obligation by a Covered Person to execute and deliver to the Company a written undertaking to repay such amount to the extent that it shall ultimately be determined by a final and non-appealable judgment entered by a court of competent jurisdiction that the Covered Person is not entitled to be indemnified as authorized in this **Section 13.02**.

(c) **No Direct Member Indemnity**. Members shall not be required directly to indemnify any Covered Person. Notwithstanding anything contained herein to the contrary, any indemnity by the Company relating to the matters covered in this **Section 13.02** shall be provided out of and to the extent of Company assets only, and no Member (unless such Member otherwise agrees in writing) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity by the Company.

(d) **Third Party Beneficiary**. The Company and each Member agree that each Covered Person is an express third party beneficiary of the provisions of this **Section 13.02**, entitled to enforce the terms thereof against the Company.

(e) **Entitlement to Indemnity.** The indemnification provided by this **Section 13.02** shall not be deemed exclusive of any other rights to indemnification to which those seeking indemnification may be entitled under any agreement or otherwise. The provisions of this **Section 13.02** shall continue to afford protection to each Covered Person regardless of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under this **Section 13.02** and shall inure to the benefit of the executors, administrators, legatees and distributees of such Covered Person.

(f) **Insurance.** The Company shall purchase, at its expense, insurance to cover Claims and Damages covered by the foregoing indemnification provisions and to otherwise cover Claims and Damages for any breach or alleged breach by any Covered Person of such Covered Person's duties in such amount and with such deductibles as are usual and customary for companies similarly situated to

the Company; *provided*, that the failure to obtain such insurance shall not affect the right to indemnification of any Covered Person under the indemnification provisions contained herein, including the right to be reimbursed or advanced expenses or otherwise indemnified for Claims hereunder. If any Covered Person recovers any amounts in respect of any Claims or Damages from any insurance coverage, then such Covered Person shall, to the extent that such recovery is duplicative, reimburse the Company for any amounts previously paid to such Covered Person by the Company in respect of such Claims.

(g) **Savings Clause.** If this **Section 13.02** or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Covered Person pursuant to this **Section 13.02** to the fullest extent permitted by any applicable portion of this **Section 13.02** that shall not have been invalidated and to the fullest extent permitted by Applicable Law.

(h) **Amendment.** The provisions of this **Section 13.02** shall be a contract between the Company, on the one hand, and each Covered Person who served in such capacity at any time while this **Section 13.02** is in effect, on the other hand, pursuant to which the Company and each such Covered Person intend to be legally bound. No amendment, modification or repeal of this **Section 13.02** that adversely affects the rights of a Covered Person to indemnification for Claims incurred or relating to a state of facts existing prior to such amendment, modification or repeal shall apply in such a way as to eliminate or reduce such Covered Person's entitlement to indemnification for such Claims without the Covered Person's prior written consent.

Section 13.03 Survival. The provisions of this **Article XIII** shall survive the dissolution, liquidation, winding up and termination of the Company.

ARTICLE XIV
MISCELLANEOUS

Section 14.01 Expenses. Except as otherwise expressly provided in this Agreement, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with the preparation and execution of this Agreement, or any amendment or waiver hereof, and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 14.02 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Member agree, at the request of the Company or any other Member, to execute and deliver such additional documents, instruments, conveyances and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section 14.03 Notices. All notices, requests, consents, claims, demands, waivers and other communications required by, permitted under, or otherwise relating to, this Agreement shall be in

writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this **Section 14.03**):

If to the Company:
547 New Park Avenue
West Hartford, CT 06110
Facsimile: [_____]
E-mail: jcoghlin@colt.com
Attention: John Coghlin, General Counsel

with a copy to:
O'Melveny & Myers LLP
7 Times Square
New York, NY 10036
Facsimile: (212) 326-2061
E-mail: jrapisardi@omm.com; and
pfriedman@omm.com
Attention: John J. Rapisardi; and
Peter Friedman

If to a Member, to such Member's mailing address as set forth on the Members Schedule or as shown on the records of the Transfer Agent or as otherwise shown on the records of the Company.

Section 14.04 Headings. The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision of this Agreement.

Section 14.05 Severability. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under Applicable Law in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties to this Agreement shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 14.06 Entire Agreement.

(a) This Agreement, together with the Certificate of Formation, the Incentive Plan, each Award Agreement, the Offering Documents, and all related Exhibits and Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter, including the Initial Colt Holding LLC Agreement and the First Amended Colt Holding LLC Agreement.

(b) In the event of an inconsistency or conflict between the provisions of this Agreement and any provision of the Incentive Plan or an applicable Award Agreement with respect to the subject matter of the Incentive Plan or Award Agreement, the Board shall resolve such conflict in its sole discretion.

Section 14.07 Successors and Assigns. Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section 14.08 No Third-party Beneficiaries. Except as provided in **Article XIII**, which shall be for the benefit of and enforceable by Covered Persons as described therein, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors and assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 14.09 Amendment. Except as otherwise expressly provided in this Agreement, no provision of this Agreement may be amended or modified except by an instrument in writing executed by the Company and Members holding two-thirds of the voting power of the Units. Any such written amendment or modification will be binding upon the Company and each Member; *provided*, that an amendment or modification modifying the rights or obligations of any Member in a manner that is disproportionate and adverse to (a) such Member relative to the rights of other Members in respect of Units of the same class or series or (b) a class or series of Units relative to the rights of another class or series of Units, shall in each case be effective only with that Member's consent or the consent of the Members holding a majority of the Units in that class or series, as applicable. Notwithstanding the foregoing, amendments to (i) the Members Schedule following any new issuance, redemption, repurchase or Transfer of Units in accordance with this Agreement and (ii) the Board Schedule following any change in the membership of the Board in accordance with this Agreement may be made by the Board, or, with respect to the Member Schedule, by the Transfer Agent at the direction of the Board, without the consent of or execution by the Members.

Section 14.10 Waiver. No waiver by any party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy,

power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. For the avoidance of doubt, nothing contained in this **Section 14.10** shall diminish any of the explicit and implicit waivers described in this Agreement, including in **Section 4.07(e)**, **Section 8.05(c)**, **Section 9.01(c)**, **Section 10.03(d)(iv)**, **Error! Reference source not found.**, **Section 10.05(f)** and **Section 14.13** hereof.

Section 14.11 Governing Law. All issues and questions concerning the application, construction, validity, interpretation and enforcement of this Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware.

Section 14.12 Submission to Jurisdiction. The Company and each Member agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby, whether in contract, tort or otherwise, shall be brought in the United States District Court for the District of Delaware or in the Court of Chancery of the State of Delaware (or, if such court lacks subject matter jurisdiction, in the Superior Court of the State of Delaware located in New Castle County), so long as one of such courts shall have subject-matter jurisdiction over such suit, action or proceeding, and that any case of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Delaware. The Company and each Member irrevocably consent to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient form. Service of process, summons, notice or other document by registered mail to the address set forth in **Section 14.03** shall be effective service of process for any suit, action or other proceeding brought in any such court.

Section 14.13 Waiver of Jury Trial. The Company and each Member acknowledge and agree that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 14.14 Equitable Remedies. Each party to this Agreement acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a

temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

Section 14.15 Attorneys' Fees. In the event that any party to this Agreement institutes any legal suit, action or proceeding, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement, the prevailing party in the suit, action or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs.

Section 14.16 Remedies Cumulative. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

Section 14.17 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. Each party shall become bound by this Agreement immediately upon affixing its signature hereto or, in the case of a Person acquiring a Unit, upon accepting the certificate evidencing such Unit (if any), or upon the Transfer Agent making an entry in the Member Schedule evidencing such Unit in the case of the issuance of uncertificated Units.

Section 14.18 Initial Public Offering; Registration Rights.

(a) **Initial Public Offering.** If at any time the Board desires to cause (i) a Transfer of all or a substantial portion of (x) the assets of the Company or (y) the Units to a newly organized corporation or other business entity (an "**IPO Entity**"), (ii) a merger or consolidation of the Company into or with a IPO Entity as provided under § 18-209 of the Act or otherwise, or (iii) another restructuring of all or substantially all the assets or Units of the Company into an IPO Entity, including by way of the conversion of the Company into a Delaware corporation as provided under § 18-216 of the Act (any such corporation also herein referred to as an "IPO Entity"), in any such case in anticipation of or otherwise in connection with an Initial Public Offering of securities of an IPO Entity or its Affiliate (an "**Initial Public Offering**"), each Member shall take such steps to effect such Transfer, merger, consolidation, conversion or other restructuring as may be reasonably requested by the Board, including, without limitation, executing and delivering all agreements, instruments and documents as may be reasonably required and Transferring or tendering such Member's Units to an IPO Entity in exchange or consideration for shares of capital stock or other equity interests of the IPO Entity, determined in accordance with the valuation procedures set forth in **Section 14.18(b)**.

(b) **Fair Market Value.** In connection with a transaction described in **Section 14.18(a)**, the Board shall, in good faith but subject to the following sentence, determine the Fair Market Value of the assets and/or Units Transferred to, merged with or converted into shares of the IPO Entity, the aggregate

Fair Market Value of the IPO Entity and the number of shares of capital stock or other equity interests to be issued to each Member in exchange or consideration therefor. In determining Fair Market Value, (i) the offering price of the Initial Public Offering shall be used by the Board to determine the Fair Market Value of the capital stock or other equity interests of the IPO Entity and (ii) the Distributions that the Members would have received with respect to their Units, including Incentive Units, if the Company were dissolved, its affairs wound up and Distributions made to the Members in accordance with **Section 12.03(c)** shall determine the Fair Market Value of the Units. In addition, any Units (including Incentive Units) to be converted into or redeemed or exchanged for shares of the IPO Entity shall receive shares with substantially equivalent economic, governance, priority and other rights and privileges as in effect immediately prior to such transaction (disregarding the tax treatment of such transaction).

(c) **Appointment of Proxy.** Each Member hereby makes, constitutes and appoints the Company, with full power of substitution and resubstitution, its true and lawful attorney, for it and in its name, place and stead and for its use and benefit, to act as its proxy in respect of any vote or approval of Members required to give effect to this **Section 14.18**, including any vote or approval required under § 18-209 or § 18-216 of the Act. The proxy granted pursuant to this **Section 14.18(c)** is a special proxy coupled with an interest and is irrevocable.

(d) **Lock-up Agreement.** Each Member hereby agrees that in connection with an Initial Public Offering, and upon the request of the managing underwriter in such offering, such Member shall not, without the prior written consent of such managing underwriter, during the period commencing on the effective date of such registration and ending on the date specified by such managing underwriter (such period not to exceed 180 days in the case of an Initial Public Offering or 90 days in the case of any registration other than an Initial Public Offering), (i) offer, pledge, sell, contract to sell, grant any option or contract to purchase, purchase any option or contract to sell, hedge the beneficial ownership of or otherwise dispose of, directly or indirectly, any Units or Unit Equivalents (including any equity securities of the IPO Entity) held immediately before the effectiveness of the registration statement for such offering (whether such Units or Unit Equivalents or any such securities are then owned by the Member or are thereafter acquired), or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Units or Unit Equivalents (including equity securities of the IPO Entity) or such other securities, in cash or otherwise. The foregoing provisions of this **Section 14.18(d)** shall not apply to sales of securities to be included in such Initial Public Offering or other offering if otherwise permitted. Each Member agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the managing underwriter which are consistent with the foregoing or which are necessary to give further effect thereto.

(e) **Termination of Certain Rights**. The rights and protections contained in **Section 9.01** (Pre-emptive Right), **Section 10.03** (Right of First Refusal), **Section 10.04** (Drag-along Rights) and **Section 10.05** (Tag-along Rights) shall no longer by available upon the occurrence of an Initial Public Offering.

(f) **Registration Rights**. Rights and obligations of the Company and the Members with respect to registration of Units shall be as set forth in a registration agreement in substantially the form as Exhibit B to be entered into by and among the Company and the applicable Members.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above.

COLT HOLDING COMPANY LLC

By:_____
Name:
Title:

EXHIBIT A

FORM OF JOINDER AGREEMENT

This Joinder Agreement (this "**Joinder Agreement**"), dated as of [_____], is being delivered to Colt Holding Company LLC, a Delaware limited liability company (the "**Company**"), pursuant to Section 4.01(b) of that certain Second Amended and Restated Limited Liability Company Agreement of the Company (as may be amended, modified, supplemented or restated from time to time "**LLC Agreement**"), dated [•] by and among the Company, the Initial Members and each other Person who following the date of the LLC Agreement has become a Member of the Company. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the LLC Agreement.

The undersigned agrees, acknowledges and understands, and the Company confirms, that upon the execution and delivery of this Joinder Agreement by the undersigned and the Company:

1. Pursuant to and in accordance with Section 4.01(b) of the LLC Agreement, the undersigned is hereby joined as party to the LLC Agreement.

2. From the date hereof, the undersigned shall be treated as a Member under the LLC Agreement and as a holder of Class [•] Units under the LLC Agreement.

3. From the date hereof, the undersigned shall be bound by all of the duties, burdens, covenants, liabilities, understandings, representations, warranties and obligations, and shall enjoy all the rights and benefits, of a Member under the LLC Agreement.

4. This Joinder Agreement is a material part of the LLC Agreement, and is subject to all terms and conditions of the LLC Agreement, including (but not limited to) Section 14.11 (Governing Law).

[*SIGNATURE PAGE FOLLOWS*]

IN WITNESS WHEREOF, this Joinder Agreement has been executed as of the date first set forth above.

[***JOINING PARTY***]

By: _____
Name:
Title:

Notice address and facsimile:
[•]

ACCEPTED, APPROVED AND CONFIRMED
AS OF THE ____ DAY OF _____:

COLT HOLDING COMPANY LLC

By: _____
Name:
Title:

EXHIBIT B

REGISTRATION RIGHTS

SEE ATTACHED.

EXHIBIT C

NEW MANAGEMENT INCENTIVE PLAN

[TO COME.]

SCHEDULE A

[MEMBERS SCHEDULE][5]

Member Name and Address	Class A Units	Class B Units	Incentive Units
Total:			

[5] NTD: Confirm if Member Schedule to be attached to Agreement or held separately by Transfer Agent.

SCHEDULE B

BOARD SCHEDULE

Director Name and Address	
Dennis Veilleux	CEO Director
	Fidelity/Newport Director
	Fidelity/Newport Director
	Independent Director
	Independent Director
	Sciens Director
	Sciens Director

SCHEDULE C

COMPANY COMPETITORS

[COMPANY AND MEMBERS TO PROVIDE.]

EXHIBIT I

INTERCREDITOR AGREEMENT

dated as of December [___], 2015

among

Cantor Fitzgerald Securities, as Senior Agent
and

Wilmington Savings Fund Society, FSB,
as Term Agent

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This INTERCREDITOR AGREEMENT is dated as of December [___], 2015, and is by and among Cantor Fitzgerald Securities, in its capacity as Senior Agent, together with its successors and assigns in such capacity, and Wilmington Savings Fund Society, FSB, in its capacity as Term Agent, together with its successors and assigns in such capacity.

RECITALS:

WHEREAS, Colt Defense LLC ("Colt US") and Colt Canada Corporation ("Colt Canada", and together with Colt US and any other borrower party thereto from time to time, each individually, a "Senior Borrower" and, collectively, "Senior Borrowers"), Colt Holding Company LLC ("Parent"), Colt Security LLC ("Colt Security"), Colt Finance Corp. ("Colt Finance"), New Colt Holding Corp. ("New Colt"), Colt's Manufacturing Company LLC ("Colt's Manufacturing"), Colt Defense Technical Services LLC ("CDTS"), CDH II Holdco Inc. ("CDH"), Colt's Manufacturing IP Holding Company LLC ("US IP Holdco"), Colt Canada IP Holding Company ("Canada IP Holdco", and together with the US IP Holdco, the "IP Holdcos"), Colt International Coöperatief U.A. ("Colt Netherlands" and, together with Parent, Colt Security, Colt Finance, New Colt, Colt's Manufacturing, CDTS, CDH, US IP Holdco, Canada IP Holdco and any other guarantor party thereto from time to time, each individually a "Senior Guarantor" and, collectively, "Senior Guarantors"), the lenders party thereto from time to time (collectively, the "Senior Lenders"), and Cantor Fitzgerald Securities, as agent for the Senior Lenders (in such capacity and together with its successors and assigns in such capacity, the "Senior Agent" as further defined below), have entered into that certain Senior Secured Credit Agreement, dated as of December [___], 2015 (as amended, restated, supplemented, extended, renewed, refinanced, replaced or otherwise modified and in effect from time to time, except to the extent prohibited by Section 2.4(c), including any Permitted Refinancing thereof, the "Senior Credit Agreement"), providing for a credit facility pursuant to which the Senior Lenders have agreed to make a loan (as defined in the Senior Credit Agreement) to Senior Borrowers. The obligation of Senior Borrowers to repay such loans and other financial accommodations under the Senior Credit Agreement is guaranteed by the Senior Guarantors**.**

WHEREAS, Colt US and Colt Canada (together with any other borrower party thereto from time to time, each individually, a "Term Borrower" and, collectively, "Term Borrowers"), Parent, Colt Security, Colt Finance, New Colt, Colt's Manufacturing, CDTS, CDH, US IP Holdco, Canada IP Holdco and Colt Netherlands (together with any other guarantor party thereto from time to time, each individually a "Term Guarantor" and, collectively, "Term Guarantors") entered into that certain Senior Secured Term Loan Agreement, dated as of December [_____], 2015 (as amended, restated, supplemented, extended, renewed, refinanced, replacement or otherwise modified and in effect from time to time except to the extent prohibited by Section 2.4(c), including any Permitted Refinancing thereof, the "Term Credit Agreement", and, together with the Senior Credit Agreement, the "Credit Agreements"), with the lenders party thereto from time to time (collectively, the "Term Lenders", and, together with the Senior Lenders and the Agents (as defined below), collectively, the "Credit Parties"), and Wilmington Savings Fund Society, FSB, as agent for the Term Lenders (in such capacity and together with its successors and assigns in such capacity, the "Term Agent" as further defined below, and together with the Senior Agent, the "Agents"), pursuant to which the Term Lenders have agreed to make term loans (as defined in the Term Credit Agreement) to Term Borrowers. The obligation of Term Borrowers to repay such term loans under the Term Credit Agreement is guaranteed by the Term Guarantors;

WHEREAS, the Senior Obligations under or in connection with the Senior Credit Agreement and any other Senior Documents (including any Permitted Refinancing thereof) are secured with a First Priority Lien on the Senior Priority Collateral and a Second Priority Lien on the Term Priority Collateral; and

WHEREAS, the Term Obligations under or in connection with the Term Credit Agreement and any other Term Documents (including any Permitted Refinancing thereof) are secured with a First Priority Lien on the Term Priority Collateral and a Second Priority Lien on the Senior Priority Collateral.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions.

1.1 UCC and PPSA Definitions. The following terms which are defined in the Uniform Commercial Code are used herein as so defined: Accounts, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Electronic Chattel Paper, Equipment, Financial Assets, Fixtures, Goods, General Intangibles, Instruments, Inventory, Investment Property, Letter-of-Credit Rights, Money, Payment Intangibles, Promissory Notes, Proceeds, Records, Securities, Securities Accounts, Security Entitlements, Supporting Obligations, and Tangible Chattel Paper. Any terms that are defined in the PPSA and pertaining to Collateral consisting of assets of any Grantor organized under the laws of Canada or any province or territory thereof (excluding any tangible assets of any Grantor organized under the laws of Canada or any province or territory thereof, which are located in the United States of America in which case such terms shall be construed and defined as set forth in the UCC) shall be construed and defined as set forth in the PPSA unless otherwise defined herein.

1.2 Other Defined Terms. The following terms when used in this Agreement, including its preamble and recitals, shall have the following meanings:

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling (including all directors and officers of such Person), controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power (a) to vote ten percent (10%) or more of the securities having ordinary voting power for the election of directors (or equivalent governing body) of any Person or (b) to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; provided, that, neither any Agent nor any Credit Party (nor any Affiliate thereof) shall be considered an Affiliate of any Grantor or any Subsidiary thereof.

"Agents" shall have the meaning set forth in the recitals hereto.

"Agreed DIP Terms" shall have the meaning set forth in Section 2.5(b)(i).

"Agreement" shall mean this Intercreditor Agreement as the same may be amended, modified, restated and/or supplemented from time to time in accordance with its terms.

"Bankruptcy Code" shall mean Title 11 of the United States Code, as now and hereafter in effect, or any successor statute.

"Bankruptcy Law" shall mean the Bankruptcy Code and any similar federal or state or non-U.S. law or statute for the supervision, administration or relief of debtors, including bankruptcy or insolvency laws.

"Borrowers" shall mean, in the case of the Senior Documents and Senior Obligations, the Senior Borrowers, and in the case of the Term Documents and Term Obligations, the Term Borrowers; it being

understood that such definitions are for convenience only and it is intended that at all times the Persons that are Senior Borrowers are identical to the Persons that are Term Borrowers.

"Business Day" shall mean any day except Saturday, Sunday and any day which shall be in New York City a legal holiday or a day on which banking institutions are authorized or required by law or other government action to close.

"Capital Lease" shall mean a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Capitalized Lease Obligation" shall mean, with respect to any Person, that portion of any obligation of such Person as lessee under a lease which at the time would be required to be capitalized on the balance sheet of such lessee in accordance with GAAP.

"Cash Equivalents" shall mean "Cash Equivalents," as that term is defined in the Senior Credit Agreement (as in effect on the date hereof or any substantially similar term having the same effect in any Permitted Refinancing).

"Cash Proceeds" shall mean all Proceeds of any Collateral received by any Grantor or Secured Party consisting of cash and checks.

"Collateral" shall mean all property (whether real, personal, movable or immovable and whether now owned or hereafter acquired) with respect to which any security interests have been granted (or purported to be granted) by any Grantor pursuant to any Senior Security Document or Term Security Document.

"Contingent Obligation" shall mean, as to any Person, any obligation of such Person as a result of such Person being a general partner of any other Person, unless the underlying obligation is expressly made non-recourse as to such general partner, and any obligation of such Person guaranteeing or intended to guarantee any Indebtedness, leases, dividends or other obligations ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such 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 holder of such primary obligation against loss in respect thereof; provided, that, the term "Contingent Obligation" shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the lesser of (x) the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith and (y) the stated amount of such Contingent Obligation.

"Credit Agreements" shall have the meaning set forth in the recitals hereto.

"Credit Party" shall have the meaning set forth in the recitals hereto.

"Defaulting Senior Secured Party" shall have the meaning set forth in Section 3.4(a).

"Defaulting Term Secured Party" shall have the meaning set forth in Section 3.4(b).

"DIP Financing" shall mean providing any Grantor financing under Section 364 of the Bankruptcy Code or any similar Bankruptcy Law.

"Discharge of Senior Obligations" shall mean, except to the extent otherwise provided in Section 2.4(f), the occurrence of all of the following:

(a) termination or expiration of all commitments to extend credit that would constitute Senior Priority Obligations;

(b) payment in full in cash of the principal of and interest and premium (if any) on all Senior Priority Obligations; and

(c) payment in full in cash of all other Senior Priority Obligations that are outstanding and unpaid at the time the termination, expiration and discharge set forth in clauses (a) and (b) above have occurred (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other contingent liabilities in respect of which no claim or demand for payment has been made at such time).

"Discharge of First Priority Obligations" shall mean, (a) with respect to the Term Obligations secured by Term Priority Collateral, the Discharge of Term Obligations, and (b) with respect to the Senior Obligations secured by Senior Priority Collateral, the Discharge of Senior Obligations.

"Discharge of Term Obligations" shall mean, except to the extent otherwise provided in Section 2.4(f), the occurrence of all of the following:

(a) termination or expiration of all commitments to extend credit that would constitute Term Priority Obligations;

(b) payment in full in cash of the principal of and interest and premium (if any) on all Term Priority Obligations; and

(c) payment in full in cash of all other Term Priority Obligations that are outstanding and unpaid at the time the termination, expiration and discharge set forth in clauses (a) and (b) above have occurred (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other contingent liabilities in respect of which no claim or demand for payment has been made at such time).

"Disposition" shall mean any sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Eligible Senior Purchaser" shall have the meaning set forth in Section 3.1(b).

"Eligible Term Purchaser" shall have the meaning set forth in Section 3.1(a).

"Enforcement Expenses" shall mean all costs, expenses or fees (including fees incurred by any Agent or any attorneys or other agents or consultants retained by such Agent) that any Agent or any other Secured Party may suffer or incur after the occurrence of an Event of Default on account or in connection

with (a) the repossession, storage, repair, appraisal, insuring, completion of the manufacture of, preparing for sale, advertising for sale, selling, collecting or otherwise preserving or realizing upon any Collateral, (b) the settlement or satisfaction of any prior Lien or other encumbrance upon any Collateral, (c) the exercise of rights under Section 4, including, without limitation, any amounts payable pursuant to Sections 4.5, 4.6 and 4.7, (d) the enforcement of any of the Senior Documents or the Term Documents, as the case may be, or the collection of any of the Senior Obligations or the Term Obligations, as the case may be or (e) any Insolvency or Liquidation Proceeding.

"Event of Default" shall mean a Senior Default or a Term Default, as applicable.

"Excess Senior Debt" shall mean the sum of (a) the portion of the Outstanding Senior Principal Obligations that is in excess of the Maximum Senior Principal Obligations, and (b) interest and fees in respect of the Outstanding Senior Principal Obligations in excess of the Maximum Senior Principal Obligations.

"Excess Term Debt" shall mean the sum of (a) the portion of the Outstanding Term Principal Obligations that is in excess of the Maximum Term Principal Obligations, and (b) interest and fees in respect of the Outstanding Term Principal Obligations in excess of the Maximum Term Principal Obligations.

"First Priority" shall mean, (a) with respect to any Lien purported to be created on any Senior Priority Collateral to secure the Senior Priority Obligations pursuant to any Senior Security Document, that such Lien is prior in right to the Lien of Term Agent and to any other Lien thereon, other than any Senior Permitted Liens (excluding Senior Permitted Liens as described in clause (u) of the definition of Permitted Liens set forth in the Senior Credit Agreement) applicable to such Senior Priority Collateral which as a matter of law have priority over the respective Liens on such Senior Priority Collateral created pursuant to the relevant Senior Security Document and (b) with respect to any Lien purported to be created on any Term Priority Collateral to secure the Term Priority Obligations pursuant to any Term Security Document, that such Lien is prior in right to the Lien of Senior Agent and any other Lien thereon, other than any Term Permitted Liens (excluding Term Permitted Liens as described in clause (u) of the definition of "Permitted Liens" set forth in the Term Credit Agreement) applicable to such Term Priority Collateral which as a matter of law have priority over the respective Liens on such Term Priority Collateral created pursuant to the relevant Term Security Document.

"First Priority Agent" shall mean, with respect to the Senior Priority Collateral, Senior Agent, and with respect to the Term Priority Collateral, Term Agent.

"First Priority Cash Collateral" shall have the meaning set forth in Section 2.5(a).

"First Priority Collateral" shall mean, with respect to the Senior Priority Obligations, all Senior Priority Collateral, and with respect to the Term Priority Obligations, all Term Priority Collateral.

"First Priority Credit Agreement" shall mean, with respect to the Senior Priority Collateral, the Senior Credit Agreement, and with respect to the Term Priority Collateral, the Term Credit Agreement, in each case as modified subject to Section 2.4(f).

"First Priority Default" shall mean, with respect to the Senior Priority Collateral, a Senior Default, and with respect to the Term Priority Collateral, a Term Default.

"First Priority DIP Financing" shall have the meaning set forth in Section 2.5(a).

"First Priority Documents" shall mean, with respect to the Senior Priority Collateral, the Senior Documents, and with respect to the Term Priority Collateral, the Term Documents.

"First Priority Lenders" shall mean, with respect to the Senior Priority Collateral, the Senior Lenders, and with respect to the Term Priority Collateral, the Term Lenders.

"First Priority Obligations" shall mean, with respect to the Senior Priority Collateral, the Senior Priority Obligations, and with respect to the Term Priority Collateral, the Term Priority Obligations.

"First Priority Secured Parties" shall mean, with respect to the Senior Priority Collateral, the Senior Secured Parties, and with respect to the Term Priority Collateral, the Term Secured Parties, in each case, subject to the reciprocal rights set forth in Section 6.20.

"First Priority Security Documents" shall mean, with respect to the Senior Priority Collateral, the Senior Security Documents, and with respect to the Term Priority Collateral, the Term Security Documents.

"GAAP" shall mean generally accepted accounting principles and practices set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the United States of America accounting profession).

"Grantors" shall mean the Borrowers and Guarantors and each of their respective Subsidiaries that have executed and delivered, or may from time to time hereafter execute and deliver, a Senior Security Document or a Term Security Document.

"Guarantors" shall mean, in the case of the Senior Documents and the Senior Obligations, the Senior Guarantors, and, in the case of the Term Documents and the Term Obligations, the Term Guarantors; it being understood that such definitions are for convenience only and it is intended that at all times the Persons that are Senior Guarantors are identical to the Persons that are Term Guarantors.

"Indebtedness" shall mean, as to any Person means (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, bankers acceptances, or other financial products, (c) all Capitalized Lease Obligations of such Person, (d) all Contingent Obligations of such Person, (e) all obligations or liabilities of others secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed, (f) all obligations of such Person to pay the deferred purchase price of assets (other than trade payables incurred in the ordinary course of business and repayable in accordance with customary trade practices), (g) all obligations of such Person owing under hedge agreements (which amount shall be calculated based on the amount that would be payable by such Person if the hedge agreement were terminated on the date of determination), (h) any Disqualified Equity Interests (as defined in the Term Credit Agreement and Senior Credit Agreement) of such Person, and (i) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (h) above.

"Indemnity Amount" shall mean on any date, the amount required to be paid by any Grantors to any Agent or any other Secured Party on such date pursuant to any indemnity provision contained in the Senior Documents or the Term Documents, as the case may be.

"Insolvency or Liquidation Proceeding" shall mean any of the following: (a) the filing by any Grantor of a voluntary petition in bankruptcy under any provision of any bankruptcy law (including the Bankruptcy Code) or a petition to take advantage of any receivership or insolvency laws, including any petition seeking the dissolution, winding up, total or partial liquidation, reorganization, composition, arrangement, adjustment or readjustment or other relief of such Grantor, such Grantor's debts or such Grantor's assets or the appointment of a trustee, receiver, liquidator, custodian or similar official for such Grantor or a material part of such Grantor's property; (b) the admission in writing by such Grantor of its inability to pay its debts generally as they become due; (c) the appointment of a receiver, liquidator, trustee, custodian or other similar official for such Grantor or all or a material part of such Grantor's assets; (d) the filing of any petition against such Grantor under any bankruptcy law (including the Bankruptcy Code) or other receivership or insolvency law, including any petition seeking the dissolution, winding up, total or partial liquidation, reorganization, composition, arrangement, adjustment or readjustment or other relief of such Grantor, such Grantor's debts or such Grantor's assets or the appointment of a trustee, receiver, liquidator, custodian or similar official for such Grantor or a material part of such Grantor's property; (e) the general assignment by such Grantor for the benefit of creditors or any other marshaling of the assets and liabilities of such Grantor; or (f) a corporate (or similar) action taken by such Grantor to authorize any of the foregoing.

"Intellectual Property" shall mean all domestic and foreign rights, title and interest in the following: (i) inventions, discoveries and ideas, whether patentable or not, and all patents, registrations and applications therefor, including without limitation divisions, continuations, continuations-in-part, reexaminations, reissues and renewal applications; (ii) published and unpublished works of authorship, whether copyrightable or not, copyrights therein and thereto and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (iii) trademarks, service marks, trade names, trade dress, brand names, Internet domain names, logos, symbols, and other indicia of origin, all applications and registrations for all of the foregoing, and all goodwill associated therewith and symbolized thereby, including without limitation all extensions, modifications and renewal of the same; (iv), trade secrets and know-how, including, without limitation, TDPs, formulae, processes, compounds, drawings, designs, industrial designs, blueprints, surveys, reports, manuals, operating standards and customer lists; (v) software and contract rights relating to computer software programs, in whatever form created or maintained; and (vi) all other intellectual property rights and claims or causes of action arising out of or related to any infringement, misappropriation or other violation of any of the foregoing throughout the world, including, without limitation, rights to recover for past, present and future violations thereof and any and all products and proceeds of the foregoing.

"Intercreditor Agreement Consent" shall mean an agreement substantially in the form of Exhibit B.

"Intercreditor Agreement Joinder" shall mean an agreement substantially in the form of Exhibit A.

"Junior Intercreditor Agreement" shall mean that certain Junior Intercreditor Agreement dated as of the date hereof, among the Senior Agent, Term Agent, and the Junior Priority Agents.

"Junior Priority Agents" shall have the meaning set forth in the Junior Intercreditor Agreement.

"Junior Priority Obligations" shall have the meaning set forth in the Junior Intercreditor Agreement.

"License Period" shall have the meaning set forth in Section 4.2(b).

"Lien" shall mean any mortgage, deed of trust, pledge, hypothecation, assignment, hypothec, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement and any other preference, priority, or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"Maximum Senior Principal Obligations" shall mean, as of any date of determination, the amount that is the result of:(a) $[40],000,000 plus [3]% paid in kind as a closing fee; minus (b) the aggregate amount of all payments of Outstanding Senior Principal Obligations (other than payments and prepayments in connection with a Permitted Refinancing thereof with an equal amount of Senior Priority Obligations under a new facility or facilities); plus (c) an amount not exceeding $4,000,000 to the extent such amount is provided pursuant to a DIP Financing contemplated by and subject to the terms of Section 2.5(a). Any and all fees payable in connection with an amendment or waiver or refinancing, to the extent reasonable and not greater than the fees paid to the Term Lenders at such time, and any and all interest and/or other amounts payable-in-kind, shall not be taken into account when determining the Maximum Senior Principal Obligations.

"Maximum First Priority Obligations" shall mean, with respect to the Senior Priority Collateral, the Maximum Senior Principal Obligations, and with respect to the Term Priority Collateral, the Maximum Term Principal Obligations.

"Maximum Term Principal Obligations" shall mean, on any date of determination, the amount that is the result of: (a) $[87,600,000] minus (b) the aggregate amount of all payments of Outstanding Term Principal Obligations (other than payments and prepayments in connection with a Permitted Refinancing thereof with an equal amount of Terms Priority Obligations under a new facility or facilities); plus (c) an amount not exceeding $8,700,000 to the extent such amount is provided pursuant to a DIP Financing contemplated by and subject to the terms of Section 2.5(a). Any and all fees payable in connection with an amendment or waiver or refinancing, and any and all interest and/or other amounts payable-in-kind, shall not be taken into account when determining the Maximum Term Principal Obligations.

"New First Priority Agent" shall have the meaning set forth in Section 2.4(f).

"Outstanding Senior Principal Obligations" shall mean the aggregate outstanding principal amount of all loans and advances made, issued or incurred under the Senior Documents.

"Outstanding Term Principal Obligations" shall mean the aggregate outstanding principal amount of all loans and advances made, issued or incurred under the Term Documents.

"Permitted Refinancing" shall mean, as to any Indebtedness, the Refinancing of such Indebtedness ("Refinancing Indebtedness") to refinance such existing Indebtedness; provided, that, the terms applicable to such Refinancing Indebtedness and, if applicable, the related guarantees of such Refinancing Indebtedness, shall not violate the terms set forth in Section 2.4.

"Person" shall mean any individual, partnership, joint venture, firm, corporation limited liability company, association, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof, whether existing as of the date hereof or subsequently created or coming to exist.

"Pledged First Priority Collateral" shall have the meaning set forth in Section 2.4(e)(i).

"PPSA" shall mean the Personal Property Security Act (Ontario), the Civil Code of Québec or any other applicable Canadian Federal or Provincial statute pertaining to the granting, perfecting, priority or ranking of security interests, liens, hypothecs on personal property, and any successor statutes, together with any regulations thereunder, in each case as in effect from time to time.

"Purchase Premium" shall mean, a premium equal to the applicable "Purchase Premium" set forth in the table below multiplied by the amount of the Senior Obligations or the Term Obligations, as applicable:

Date of Purchase	**Purchase Premium**
From the date hereof to the one year anniversary of the date hereof	2.00%
From the day after the first anniversary of the date hereof to the second year anniversary of the date hereof	1.00%
From the day after the second anniversary of the date hereof and at all times thereafter	0%

"Real Property" shall mean any estates or interests in real property now owned or hereafter acquired by any Grantor and the improvements thereto.

"Recovery" shall have the meaning set forth in Section 6.17.

"Refinance" shall mean, in respect of any Indebtedness, to refinance, extend, renew, retire, defease, amend, modify, supplement, restructure, replace, refund, restate or repay, or to issue other Indebtedness, in exchange or replacement for, such Indebtedness in whole or in part, including with new or different lenders or whether adding new or additional Credit Parties. "Refinanced" and "Refinancing" shall have correlative meanings.

"Second Priority" shall mean, (a) with respect to any Lien purported to be created on any Term Priority Collateral to secure the Senior Obligations pursuant to the Senior Security Documents, that such Lien is prior in right to any other Lien thereon, other than (i) any First Priority Liens created on such Term Priority Collateral to secure the Term Priority Obligations pursuant to the Term Security Documents and (ii) Term Permitted Liens permitted to be prior to the First Priority Liens described in the foregoing clause (a)(i), in accordance with clause (b) of the definition "First Priority" contained herein; provided, that, in no event shall any such Term Permitted Lien be permitted (on a consensual basis) to be junior and subordinate to any First Priority Liens as described in clause (a)(i) above and senior in priority to the relevant Liens created pursuant to the Senior Security Documents (other than in connection with a DIP Financing permitted pursuant to Section 2.5) and (b) with respect to any Lien purported to be created on any Senior Priority Collateral to secure the Term Obligations pursuant to the Term Security Documents, that such Lien is prior in right to any other Lien thereon, other than (i) any First Priority Liens created on such Senior Priority Collateral to secure the Senior Priority Obligations pursuant to the Senior Security documents, and (ii) Senior Permitted Liens permitted to be prior to the First Priority Liens

described in the foregoing clause (b)(i), in accordance with clause (a) of the definition "First Priority" contained herein; provided, that, in no event shall any such Senior Permitted Lien be permitted (on a consensual basis) to be junior and subordinate to any First Priority Liens as described in clause (b)(i) above and senior in priority to the relevant Liens created pursuant to the Term Security Documents (other than in connection with a DIP Financing permitted pursuant to Section 2.5).

"Second Priority Agent" shall mean, with respect to the Senior Priority Collateral, Term Agent, and with respect to the Term Loan Priority Collateral, Senior Agent.

"Second Priority Collateral" shall mean, with respect to the Senior Priority Obligations, all Collateral other than Senior Priority Collateral, and with respect to the Term Priority Obligations, all Collateral other than Term Priority Collateral.

"Second Priority Credit Agreement" shall mean, with respect to the Senior Priority Collateral, the Term Credit Agreement, and with respect to the Term Priority Collateral, the Senior Credit Agreement.

"Second Priority Default" shall mean, with respect to the Senior Priority Collateral, a Term Default, and with respect to the Term Priority Collateral, a Senior Default.

"Second Priority Documents" shall mean, with respect to the Senior Priority Collateral, the Term Documents, and with respect to the Term Priority Collateral, the Senior Documents.

"Second Priority Lenders" shall mean, with respect to the Senior Priority Collateral, the Term Lenders, and with respect to the Term Priority Collateral, the Senior Lenders.

"Second Priority Permitted Liens" shall mean, with respect to the Senior Priority Collateral, the Term Permitted Liens, and with respect to the Term Priority Collateral, the Senior Permitted Liens.

"Second Priority Obligations" shall mean, with respect to the Senior Priority Collateral, the Term Obligations, and with respect to the Term Priority Collateral, the Senior Obligations.

"Second Priority Secured Parties" shall mean, with respect to the Senior Priority Collateral, the Term Secured Parties, and with respect to the Term Priority Collateral, the Senior Secured Parties, in each case, subject to the reciprocal rights set forth in Section 6.20.

"Second Priority Security Documents" shall mean, with respect to the Senior Priority Collateral, the Term Security Documents, and with respect to the Term Priority Collateral, the Senior Security Documents.

"Second Priority Standstill Period" shall have the meaning set forth in Section 2.2(a)(i).

"Secured Parties" shall mean the Senior Secured Parties and the Term Secured Parties.

"Senior Agent" shall have the meaning assigned to that term in the introduction to this Agreement and shall include any successor thereto as well as any Person designated as the "Agent", "Administrative Agent" or "Collateral Agent" under the Senior Credit Agreement and includes any New First Priority Agent that becomes (the/a) new Senior Agent to the extent set forth in Section 2.4(f).

"Senior Borrowers" shall have the meaning set forth in the recitals hereto.

"Senior Credit Agreement" shall have the meaning set forth in the recitals hereto.

"Senior Default" shall mean any "Event of Default", as such term is defined in any Senior Document.

"Senior DIP Financing" shall mean any First Priority DIP Financing provided by the Senior Agent or any other Senior Lender.

"Senior Documents" shall mean (a) the Senior Credit Agreement and the other Loan Documents (as defined in the Senior Credit Agreement), including the Senior Security Documents and (b) each of the other agreements, documents and instruments providing for or evidencing any Senior Obligations (including any Permitted Refinancing of any Senior Obligations), and any other document or instrument executed or delivered at any time in connection with any Senior Obligations (including any Permitted Refinancing of any Senior Obligations), together with any amendments, replacements, refinancings, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, including each of the documents executed in connection with any Senior DIP Financing provided by Senior Agent and any Senior Lenders unless such documents expressly provide at the time executed that they shall not constitute Senior Documents for purposes of this Agreement and that the debt thereunder shall not constitute Senior Obligations for purposes of this Agreement.

"Senior Guarantors" shall have the meaning set forth in the recitals hereto.

"Senior Lenders" shall have the meaning set forth in the recitals hereto.

"Senior Obligations" shall mean all Obligations (as defined in the Senior Credit Agreement), and all other amounts owing, due, or secured under the terms of the Senior Credit Agreement or any other Senior Document, whether now existing or arising hereafter, including all principal, premium, interest, fees, attorneys' fees, costs, charges, expenses, reimbursement obligations, obligations with respect to loans or indemnities in respect thereof, any other indemnities or guarantees, and all other amounts payable under or secured by any Senior Document (including, in each case, all amounts accruing on or after the commencement of any Insolvency Proceeding relating to any Grantor, or that would have accrued or become due under the terms of the Senior Documents but for the effect of the Insolvency or Liquidation Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency or Liquidation Proceeding), in each case whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, including all Enforcement Expenses and Indemnity Amounts.

"Senior Permitted Liens" shall mean the "Permitted Liens" under, and as defined in, the Senior Credit Agreement.

"Senior Priority Collateral" shall mean all Collateral, other than the Term Priority Collateral. For purposes of clarification, and notwithstanding anything to the contrary set forth in this Agreement, (i) except as expressly set forth above, Intellectual Property shall not constitute Senior Priority Collateral, but instead shall constitute Term Priority Collateral and (ii) Inventory that is or becomes branded with, or produced, marketed or disposed of, through the use or other application of, any Intellectual Property whether pursuant to the exercise of rights pursuant to Section 4.2 or otherwise, shall constitute Senior Priority Collateral, and no Proceeds arising from any Disposition of any such Inventory shall be, or be deemed to be, attributable to Term Priority Collateral.

"Senior Priority Obligations" shall mean all Senior Obligations other than Excess Senior Debt.

"Senior Secured Parties" shall mean the Senior Lenders and the Senior Agent and shall include all former Senior Lenders and administrative agents under the Senior Credit Agreement to the extent that

any Senior Obligations owing to such Persons were incurred while such Persons were Senior Lenders or the administrative agent under the Senior Credit Agreement and such Senior Obligations have not been paid or satisfied in full and all new Senior Secured Parties to the extent set forth in Section 2.4(f).

"Senior Secured Party" shall mean any one of the Senior Secured Parties.

"Senior Security Agreement" shall mean the Security Agreement (as defined in the Senior Credit Agreement).

"Senior Security Documents" shall mean (a) the Senior Security Agreement and (b) any other agreement, document or instrument pursuant to which a Lien is granted by one or more of the Senior Borrowers or any other Grantor securing any Senior Obligations (including any Permitted Refinancing of any Senior Obligations) or under which rights or remedies with respect to such Liens are governed, together with any amendments, replacements, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, to the extent not prohibited by this Agreement, including Section 2.4(c).

"Subsidiary" shall mean, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than fifty percent (50%) of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; provided, that, in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a "qualifying share" of the former Person shall be deemed to be outstanding.

"Technical Data Package" or "TDP" means data that is used in the production of firearms or accessories for firearms, including, but not limited to, engineering drawings, three dimensional CAD models, associated lists, material specifications, product specifications, including associated drawings and models, assembly instructions, including associated drawings, engineering change information, previous revision information, process specifications and standards, as may be revised from time to time.

"Term Agent" shall have the meaning assigned to that term in the introduction to this Agreement and shall include any successor thereto as well as any Person designated as the "Agent", "Administrative Agent" or "Collateral Agent" under any Term Credit Agreement and includes any New First Priority Agent that becomes the new Term Agent to the extent set forth in Section 2.4(f).

"Term Borrowers" shall have the meaning set forth in the recitals hereto.

"Term Credit Agreement" shall have the meaning set forth in the recitals hereto.

"Term Default" shall mean any "Event of Default", as such term is defined in any Term Document.

"Term DIP Financing" shall mean any First Priority DIP Financing provided by Term Agent or any other Term Lender.

"Term Documents" shall mean (a) the Term Credit Agreement, and the other Loan Documents (as defined in the Term Credit Agreement), including the Term Security Documents, and (b) each of the

other agreements, documents and instruments providing for or evidencing any Term Obligation (including any Permitted Refinancing of any Term Obligations), and any other document or instrument executed or delivered at any time in connection with any Term Obligation (including any Permitted Refinancing of any Term Obligation), together with any amendments, replacements, refinancings, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, including each of the documents executed in connection with any Term DIP Financing provided by Term Agent and/or any Term Lenders unless such documents expressly provide at the time executed that they shall not constitute Term Documents for purposes of this Agreement and that the debt thereunder shall not constitute Term Obligations for purposes of this Agreement.

"Term Guarantors" shall have the meaning set forth in the recitals hereto.

"Term Lenders" shall have the meaning set forth in the recitals hereto.

"Term Obligations" shall mean all Obligations (as defined in the Term Credit Agreement), and all other amounts owing, due, or secured under the terms of the Term Credit Agreement or any other Term Document, whether now existing or arising hereafter, including all principal, premium, interest, fees, attorneys' fees, costs, charges, expenses, reimbursement obligations, obligations with respect to loans, indemnities or guarantees, and all other amounts payable under or secured by any Term Document (including, in each case, all amounts accruing on or after the commencement of any Insolvency or Liquidation Proceeding relating to any Grantor, or that would have accrued or become due under the terms of the Term Documents but for the effect of the Insolvency or Liquidation Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency or Liquidation Proceeding), in each case whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, including all Enforcement Expenses and Indemnity Amounts.

"Term Permitted Liens" shall mean the "Permitted Liens" under, and as defined in, the Term Credit Agreement.

"Term Priority Collateral" shall mean (a) all Collateral consisting of Intellectual Property and related proprietary rights, (b) all collateral security and guarantees with respect thereto, (c) 50.0% of all claims under policies of business interruption insurance and 50.0% of all Proceeds of business interruption insurance, (d) all ownership interests in any IP Holdco, (e) all rights in and all rights in respect of, any IP Licenses (as defined in the Term Credit Agreement on the date hereof), (f) all Designated Accounts (as defined in the Term Credit Agreement on the date hereof) and all amounts on deposit therein, and (g) all Proceeds with respect to the foregoing.

"Term Priority Obligations" shall mean all Term Obligations other than Excess Term Debt.

"Term Secured Parties" shall mean the Term Lenders and the Term Agent and shall include all former Term Lenders and agents under the Term Credit Agreement to the extent that any Term Obligations owing to such Persons were incurred while such Persons were Term Lenders or the agent under the Term Credit Agreement and such Term Obligations have not been paid or satisfied in full and all new Term Secured Parties to the extent set forth in Section 2.4(f).

"Term Security Agreement" shall mean the Security Agreement (as defined in the Term Credit Agreement).

"Term Security Documents" shall mean (a) the Term Security Agreement and (b) any other agreement, document or instrument pursuant to which a Lien is granted by one or more of the Term

Borrowers or any other Grantor securing any Term Obligations (including any Permitted Refinancing of any Term Obligations) or under which rights or remedies with respect to such Liens are governed, together with any amendments, replacements, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, to the extent not prohibited by this Agreement, including Section 2.4(c).

"UCC" shall mean the Uniform Commercial Code as in effect from time to time in the relevant jurisdiction.

"United States" shall mean the United States of America.

"West Hartford Lease" shall mean the lease agreement dated [_____] with respect to 545 or 547 New Park Avenue, West Hartford, Connecticut 06110 , being the Parent's primary location in West Hartford, Connecticut, among [____] and [____].

1.3 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified, (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision of this Agreement, (d) all references herein to Exhibits or Sections shall be construed to refer to Exhibits or Sections of this Agreement, (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (f) any terms defined in the UCC or the PPSA but not otherwise defined herein shall have the same meanings herein as are assigned thereto in the UCC or the PPSA, as applicable, (g) reference to any law shall mean such law as amended, modified, codified, replaced or re-enacted, in whole or in part, and in effect on the date hereof, including rules, regulations, enforcement procedures and any interpretations promulgated thereunder, (h) references to Sections or clauses shall refer to those portions of this Agreement, and any references to a clause shall, unless otherwise identified, refer to the appropriate clause within the same Section in which such reference occurs, (i) any definition of, or reference to, Senior Priority Collateral or Term Priority Collateral herein shall not be construed as referring to any amounts recovered by a Grantor, as a debtor in possession, or a trustee for the estate of a Grantor, under Section 506(c) of the Bankruptcy Code (or by comparable Persons under any other Bankruptcy Law) and (j) in this Agreement, the terms "UCC" and "PPSA" shall also refer to analogous personal property security legislation in foreign jurisdictions other than Canada, mutatis mutandis, and, where the context so requires, any term defined herein by reference to the UCC or the PPSA, as applicable, shall also have any extended, alternative or analogous meaning given to such term in such foreign personal property security legislation, in all cases for the extension, preservation or betterment of the security and rights of the Senior Agent, the other Senior Secured Parties, the Term Agent and the other Term Secured Parties.

Section 2. Collateral; Priorities.

2.1 Lien Priorities.

(a) Relative Priorities. Notwithstanding (i) the time, manner, order or method of grant, creation, attachment, validity, enforceability or perfection of any Liens in the Collateral securing the Senior Obligations or of any Liens securing the Term Obligations, (ii) the date on which any Senior Obligations or Term Obligations are extended, (iii) any provision of the UCC, PPSA or any other applicable law, including any rule for determining priority thereunder or under any other law or rule governing the relative priorities of secured creditors, including with respect to real property or fixtures, (iv) any provision set forth in any Senior Document or any Term Document (other than this Agreement), or (v) the possession or control by any Agent or any Secured Party or any bailee of all or any part of any Collateral as of the date hereof or otherwise, each Agent, on behalf of itself and its respective other Secured Parties, hereby agrees that:

(i) any Lien on the Senior Priority Collateral securing any Senior Priority Obligations now or hereafter held by or on behalf of the Senior Agent or any other Senior Secured Parties or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation, or otherwise, shall be senior in all respects and prior to any Lien on the Senior Priority Collateral securing (A) any Term Obligations and (B) any Excess Senior Debt;

(ii) any Lien on Senior Priority Collateral securing any Term Obligations now or hereafter held by or on behalf of Term Agent or any other Term Secured Parties or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be (A) junior and subordinate in all respects to all Liens on the Senior Priority Collateral securing any Senior Priority Obligations, (B) excluding the extent to which such Lien secures Excess Term Debt, senior in all respects and prior to any Lien on the Senior Priority Collateral securing any Excess Senior Debt and (C) to the extent such Lien secures Excess Term Debt, junior and subordinate to all Liens on the Senior Priority Collateral securing Excess Senior Debt;

(iii) any Lien on the Term Priority Collateral securing any Term Priority Obligations now or hereafter held by or on behalf of the Term Agent or any other Term Secured Parties or any agent or trustee therefor, regardless of how acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be senior in all respects and prior to any Lien on the Term Priority Collateral securing (A) any Senior Obligations and (B) any Excess Term Debt; and

(iv) any Lien on the Term Priority Collateral securing any Senior Obligations now or hereafter held by or on behalf of the Senior Agent or any other Senior Secured Parties or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be (A) junior and subordinate in all respects to all Liens on the Term Priority Collateral securing any Term Priority Obligations, (B) excluding the extent to which such Lien secures Excess Senior Debt, senior in all respects and prior to any Lien with respect to the Term Priority Collateral securing any Excess Term Debt and (C) to the extent such Lien secures Excess Senior Debt, junior and subordinate to all Liens with respect to the Term Priority Collateral securing Excess Term Debt.

(b) Prohibition on Contesting Liens. Each of Term Agent and Senior Agent agrees that it will not (and hereby waives any right to), directly or indirectly, contest, or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the extent, validity, attachment, perfection, priority, or enforceability of a Lien held by or on behalf of any of the Senior Secured Parties in the Collateral (or the extent, validity, allowability, or enforceability of any

Senior Obligations secured thereby or purported to be secured thereby) or by or on behalf of any of the Term Secured Parties in the Collateral (or the extent, validity, allowability, or enforceability of any Term Obligations secured thereby or purported to be secured thereby), as the case may be, or the provisions of this Agreement; provided, that nothing in this Agreement shall be construed to prevent or impair the rights of Senior Agent or Term Agent to enforce the terms of this Agreement, including the provisions of this Agreement relating to the priority of the Liens securing the Senior Obligations and the Term Obligations as provided in Sections 2.1(a) and 2.2.

(c) No New Liens. So long as the Discharge of First Priority Obligations has not occurred, the parties hereto agree that any Grantor shall not grant or permit any Liens in favor of the Second Priority Agent or any Second Priority Lender on any asset or property of any Grantor to secure any Second Priority Obligation unless it has granted or substantially contemporaneously grants a Lien therein in favor of the First Priority Agent, and once granted, such Lien shall have the priority as set forth in Section 2.1(a). To the extent that the provisions of the immediately preceding sentence are not complied with for any reason, without limiting any other rights and remedies available to the First Priority Agent and/or the other First Priority Secured Parties, the Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, agrees that any amounts received by or distributed to any of them pursuant to or as a result of Liens on the First Priority Collateral granted in contravention of Sections 2.1(a) through (c) shall be subject to Section 2.3.

(d) Effectiveness of Lien Priorities. The priorities of the Liens provided in Section 2.1(a) shall not be altered or otherwise affected by any amendment, modification, supplement, extension, renewal, restatement, replacement or refinancing of the Senior Obligations or Term Obligations, as applicable, nor by any action or inaction which the First Priority Agent or the First Priority Lenders may take or fail to take in respect of the First Priority Collateral[, so long as the Liens of the First Priority Agent and the First Priority Lenders in the First Priority Collateral are valid, perfected and enforceable][1].

2.2 Exercise of Remedies.

(a) So long as the Discharge of First Priority Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against one or more Grantors:

(i) neither the Second Priority Agent nor any of the other Second Priority Secured Parties (x) will exercise or seek to exercise any rights or remedies (including set-off) with respect to any First Priority Collateral (including the exercise of any right under any lockbox agreement or account control agreement (but excluding any such lockbox or deposit account that does not receive Proceeds of First Priority Collateral), landlord waiver or bailee's letter or similar agreement or arrangement in respect of First Priority Collateral to which the Second Priority Agent or any other Second Priority Secured Party is a party) or institute or commence or join with any Person (other than the First Priority Agent and the other First Priority Secured Parties) in commencing any action or proceeding with respect to such rights or remedies (including any action of foreclosure, enforcement, collection or execution); provided, however, that, the Second Priority Agent may exercise any or all such rights after the passage of a period of one hundred twenty (120) days after the date of receipt by the First Priority Agent of a notice in writing from the Second Priority Agent of the existence of a Second Priority Default and the Second Priority Agent's intention to exercise its right to take such actions during the existence of a Second Priority Default, but only if a Second Priority Default is continuing at all times from and after the commencement of such period (the "Second Priority Standstill Period"); provided, further,

[1] NTD: Under review.

however, notwithstanding anything herein to the contrary, neither the Second Priority Agent nor any other Second Priority Secured Party will exercise any rights or remedies with respect to any First Priority Collateral if, notwithstanding the expiration of the Second Priority Standstill Period, the First Priority Agent or the other First Priority Secured Parties shall have commenced the exercise of any of their rights or remedies with respect to all or any material portion of the First Priority Collateral (prompt notice of such exercise to be given to the Second Priority Agent) and are pursuing in good faith the exercise thereof, (y) will contest, protest or object to any foreclosure proceeding or action brought by the First Priority Agent or any other First Priority Secured Party with respect to, or any other exercise by the First Priority Agent or any other First Priority Secured Party of any rights and remedies relating to, the First Priority Collateral under the First Priority Documents or otherwise, and (z) subject to its rights under clause (i)(x) above, will object to the forbearance by the First Priority Agent or the other First Priority Secured Parties from bringing or pursuing any foreclosure proceeding or action or any other exercise of any rights or remedies relating to the First Priority Collateral, in each case of clauses (x), (y) and (z) above, so long as the respective interests of the Second Priority Secured Parties attach to the Proceeds thereof subject to the relative priorities described in Section 2.1; provided, however, that nothing in this Section 2.2(a) shall be construed to authorize the Second Priority Agent or any other Second Priority Secured Party to sell any First Priority Collateral free of the Lien of the First Priority Agent or any other First Priority Secured Party; and

(ii) the First Priority Agent and the other First Priority Secured Parties shall have the exclusive right to enforce rights, exercise remedies (including set-off and the right to credit bid their debt) and make determinations regarding the Disposition of, or restrictions with respect to, the First Priority Collateral without any consultation with or the consent of the Second Priority Agent or any other Second Priority Secured Party; provided, that:

(A) the Second Priority Agent may take any action (not adverse to the prior Liens on the First Priority Collateral securing the First Priority Obligations, or the rights of the First Priority Agent or any other First Priority Secured Parties to exercise remedies in respect thereof) in order to preserve or protect its Lien (but not exercise its remedies) on the First Priority Collateral in accordance with applicable law and in a manner not in contravention of the terms of this Agreement (including, but not limited to, any of the provisions of Section 2.5);

(B) the Second Priority Secured Parties shall be entitled to file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of the Second Priority Secured Parties, including any claims secured by the First Priority Collateral, if any, in each case in accordance with applicable law and in a manner not in contravention of the terms of this Agreement (including, but not limited to, any of the provisions of Section 2.5);

(C) the Second Priority Secured Parties shall be entitled to file any pleadings, objections, motions or agreements which assert rights or interests available to unsecured creditors of the Grantors arising under either the Bankruptcy Law or applicable non-bankruptcy law, in each case in accordance with applicable law and not in contravention of the terms of this Agreement (including, but not limited to, any of the provisions of Section 2.5);

(D) the Second Priority Secured Parties shall be entitled to vote on any plan of reorganization and file any proof of claim in an Insolvency or Liquidation Proceeding or otherwise and other filings and make any arguments and motions that are, in each case, in a manner not in contravention of the terms of this Agreement; and

(E) the Second Priority Agent or any other Second Priority Secured Party may exercise any of its rights or remedies with respect to the First Priority Collateral after the termination of the Second Priority Standstill Period to the extent permitted by clause (i)(x) above;

(iii) the Senior Agent and the other Senior Secured Parties shall be required to commence the exercise of remedies under the applicable collateral assignments of lease rights or access agreements in respect of the West Hartford Lease within 21 days from the date of notice delivered by the Term Agent or the Term Secured Parties of the existence of a Term Default, failing which, the Term Agent and the other Term Secured Parties shall have the exclusive right to exercise remedies under the applicable collateral assignment of lease rights or access agreements in respect of the West Hartford Lease;

In exercising rights and remedies with respect to the First Priority Collateral, the First Priority Agent and the other First Priority Secured Parties may enforce the provisions of the First Priority Documents and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to sell or otherwise dispose of First Priority Collateral upon foreclosure, to incur expenses in connection with such sale or Disposition, and to exercise all the rights and remedies of a secured creditor under the UCC of any applicable jurisdiction, and Bankruptcy Laws of any applicable jurisdiction.

(b) The Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, agrees that it will not take or receive any First Priority Collateral or any Proceeds of First Priority Collateral in connection with the exercise of any right or remedy (including set-off) with respect to any First Priority Collateral unless and until the Discharge of First Priority Obligations has occurred, except as expressly provided in Section 2.2(a)(i), Section 2.2(a)(ii) or Section 4. Without limiting the generality of the foregoing, unless and until the Discharge of First Priority Obligations has occurred, except as expressly provided in Section 2.2(a)(i), Section 2.2(a)(ii) or Section 4, the sole right of the Second Priority Agent and the other Second Priority Secured Parties with respect to the First Priority Collateral is to hold a Lien on the First Priority Collateral pursuant to the Second Priority Documents for the period and to the extent granted therein and to receive a share of the Proceeds thereof, if any, after the Discharge of the First Priority Obligations has occurred in accordance with the terms hereof, the First Priority Documents and applicable law.

(c) Subject to Section 2.2(a)(i), Section 2.2(a)(ii), Section 2.4(a) and Section 4:

(i) the Second Priority Agent, for itself and on behalf of the other Second Priority Secured Parties, agrees that the Second Priority Agent and the other Second Priority Secured Parties will not take any action that would hinder any exercise of remedies under the First Priority Documents with respect to the First Priority Collateral or is otherwise prohibited hereunder, including any sale, lease, exchange, transfer or other Disposition of the First Priority Collateral, whether by foreclosure or otherwise, and

(ii) the Second Priority Agent, for itself and on behalf of the other Second Priority Secured Parties, hereby waives any and all rights it or the other Second Priority Secured

Parties may have as a junior lien creditor with respect to the First Priority Collateral or otherwise to object to the manner in which the First Priority Agent or the other First Priority Secured Parties seek to enforce or collect the First Priority Obligations or the Liens granted in any of the First Priority Collateral, regardless of whether any action or failure to act by or on behalf of the First Priority Agent or the other First Priority Secured Parties is adverse to the interest of the Second Priority Secured Parties in the First Priority Collateral.

(d) The Second Priority Agent hereby acknowledges and agrees that no covenant, agreement or restriction contained in any Second Priority Document (other than this Agreement) shall be deemed to restrict in any way the rights and remedies of the First Priority Agent or the other First Priority Secured Parties with respect to the First Priority Collateral as set forth in this Agreement and the First Priority Documents.

(e) Notwithstanding article 3:246 paragraph 3 of the Dutch Civil Code, the Term Agent hereby authorizes the Senior Agent to enforce its rights of pledge under (1) the Dutch law deed of pledge of membership interests between the Parent and CDTS as pledgors, the Senior Agent as pledgee and Colt Netherlands as cooperative and (2) the Dutch law deed of pledge of accounts between Colt Netherlands as pledgor and the Senior Agent as pledgee, upon the occurrence of an Enforcement Event as defined therein.[2]

2.3 Payments Over. So long as the Discharge of First Priority Obligations has not occurred, any First Priority Collateral, Cash Proceeds thereof or non-Cash Proceeds not constituting Second Priority Collateral received by the Second Priority Agent or any other Second Priority Secured Parties in connection with the exercise of any right or remedy (including set-off) relating to the First Priority Collateral in contravention of this Agreement shall be segregated and held in trust and forthwith paid over to the First Priority Agent for the benefit of the First Priority Secured Parties in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct, to the extent that the Liens of the First Priority Agent in such First Priority Collateral are valid, enforceable and perfected. The First Priority Agent is hereby authorized to make any such endorsements as agent for the Second Priority Agent or any such other Second Priority Secured Parties. This authorization is coupled with an interest and is irrevocable until such time as this Agreement is terminated in accordance with its terms.

2.4 Other Agreements.

(a) Releases.

(i) If, in connection with:

(A) the exercise by the First Priority Agent of any secured creditor enforcement rights or remedies in respect of any First Priority Collateral, including one or more sales, leases, exchanges, transfers or other Dispositions of any First Priority Collateral by a Grantor with the consent of any First Priority Agent during the existence of a First Priority Default, in each case, at such time as the Proceeds of such sales, leases, exchanges, transfers or other Dispositions are applied (1) if First Priority Agent is Term Agent, as a concurrent permanent reduction of the Term Obligations and (2) if First Priority Agent is the Senior Agent, as a concurrent permanent reduction of the Senior Obligations;

[2] NTD: Under review by Dutch counsel.

(B) any sale, lease, exchange, transfer or other Disposition of any First Priority Collateral permitted under the terms of both the First Priority Documents and the Second Priority Documents; or

(C) Dispositions of First Priority Collateral pursuant to Section 2.5(k) hereof,

the First Priority Agent, for itself or on behalf of any of the other First Priority Secured Parties, releases any of its Liens on any part of the First Priority Collateral, then the Liens, if any, of the Second Priority Agent, for itself or for the benefit of the other Second Priority Secured Parties, on such First Priority Collateral (but not the Proceeds thereof, which shall be subject to the priorities set forth in Sections 2.1(a) and the applications of Proceeds set forth in Sections 5.1 and 5.2) shall be automatically, unconditionally and simultaneously released and the Second Priority Agent, for itself or on behalf of any such other Second Priority Secured Parties, promptly shall execute and deliver to the First Priority Agent such termination statements, releases and other documents as the First Priority Agent may request to effectively confirm such release (which request shall specify the proposed terms of the sale and the type and amount of consideration to be received in connection therewith); provided, that, (1) no such release documents shall be required to be delivered (x) to any Grantor or (y) more than three (3) Business Day prior to the date of the closing of the sale or other Disposition of such First Priority Collateral, (2) if the closing of the sale or other Disposition of such First Priority Collateral is not consummated within three (3) Business Days of the anticipated closing date, the First Priority Agent shall promptly return all release documents to the Second Priority Agent, and (3) the effectiveness of any such release by the Second Priority Agent shall be subject to the sale or other Disposition of such First Priority Collateral described in such request or such other terms to the extent such sale or other Disposition would otherwise comply with Section 2.4(a)(i)(A), (a)(i)(B) or (a)(i)(C) above.

(ii) Until the Discharge of First Priority Obligations occurs, to the extent that the First Priority Secured Parties (A) have released any Lien on First Priority Collateral and any such Lien is later reinstated or (B) obtain any new First Priority Liens on assets constituting First Priority Collateral from Grantors, then the Second Priority Secured Parties shall be granted a Second Priority Lien on all such First Priority Collateral.

(b) Insurance. Unless and until the Discharge of First Priority Obligations has occurred, the First Priority Agent and the other First Priority Secured Parties shall have the sole and exclusive right, subject to the rights of the Grantors under the First Priority Documents, to adjust settlement for any insurance policy covering the First Priority Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding (or any deed in lieu of condemnation) in respect of the First Priority Collateral.

(c) Amendments to Documents.

(i) Amendments to Term Documents.

(A) Without the prior written consent of the Senior Agent, no Term Document may be otherwise amended, supplemented or modified or entered into to the extent such amendment, supplement or modification, would (1) contravene the provisions of this Agreement; (2) change (to earlier dates) any dates upon which payments of principal or interest are due thereon; (3) increase the interest rate by more than 400 basis points (excluding increases resulting from the accrual of interest at the default rate); provided that no more than 200 basis points of such increase may be cash interest (with the remainder permitted to be paid-in-kind); (4) change the redemption, prepayment or

defeasance provisions thereof or change the subordination provisions thereof (or of any guarantee thereof) in a manner adverse to the Senior Secured Parties; (5) change or add any covenant or Term Default which restricts one or more Grantors from making payments under the Senior Documents or that prohibits the granting of Liens to the Senior Secured Parties; or (6) eliminate, reduce or waive any prepayment obligation under the Term Credit Agreement (it being understood that a Term Lender's exercise of its right to waiver certain prepayments in accordance with Section 2.2(e) of the Term Credit Agreement (or any similar provision of any other Term Document) is not prohibited by this clause (A)).

(B) The Term Agent shall endeavor to give prompt notice of any amendment, waiver or consent of a Term Document to the Senior Agent after the effective date of such amendment, waiver or consent; provided, that the failure of the Term Agent to give any such notice shall not affect the priority of the Term Agent's Liens as provided herein or the validity or effectiveness of any such notice as against the Grantors or any of their Subsidiaries.

(C) In the event that the Senior Obligations are refinanced at any time, and such refinanced facility (a) has yield or (b) reporting or information that are more favorable (as determined by the Term Lenders) to the Senior Lenders as compared to the terms, provisions or economics under the Term Credit Agreement or any other Term Document, then any such more favorable provisions shall automatically be incorporated into the Term Credit Agreement or such other Term Document.

(ii) Amendments to Senior Documents.

(A) Without the prior written consent of the Term Agent, no Senior Document may be otherwise amended, supplemented or modified or entered into to the extent such amendment, supplement or modification, would: (1) contravene the provisions of this Agreement; (2) change (to earlier dates) any dates upon which payments of principal or interest are due thereon; (3) increase the interest rate by more than 400 basis points (excluding increases resulting from the accrual of interest at the default rate); provided that no more than 200 basis points of such increase may be cash interest (with the remainder permitted to be paid-in-kind); (4) change the redemption, prepayment or defeasance provisions thereof or change the subordination provisions thereof (or of any guarantee thereof) in a manner adverse to the Term Secured Parties; (5) change or add any covenant or Senior Default which restricts one or more Grantors from making payments under the Term Documents or that prohibits the granting of Liens to the Term Secured Parties or (6) eliminate, reduce or waive any prepayment obligation under the Senior Credit Agreement (it being understood that a Senior Lender's exercise of its right to waive certain prepayments in accordance with Section 2.2(e)(vii) (Waivable Mandatory Prepayments) of the Senior Credit Agreement (or any similar provision of any other Senior Document) is not prohibited by this clause (A), and that solely a Senior Lender's right to waive prepayments under Section 2.2(e)(v) (Excess Cash Flow) of the Senior Credit Agreement is covered hereby).

(B) The Senior Agent shall endeavor to give prompt notice of any amendment, waiver or consent of a Senior Document to the Term Agent after the effective date of such amendment, waiver or consent; provided, that the failure of the Senior Agent to give any such notice shall not affect the priority of the Senior Agent'

Liens as provided herein or the validity or effectiveness of any such notice as against the Grantors or any of their Subsidiaries.

(C) In the event that the Term Obligations are refinanced at any time, and such refinanced facility (a) has yield or (b) reporting or information that are more favorable (as determined by the Senior Agent) to the Term Lenders as compared to the terms, provisions or economics under the Senior Credit Agreement or any other Senior Document, then any such more favorable provisions shall automatically be incorporated into the Senior Credit Agreement or such other Senior Document.

(d) Rights As Unsecured Creditors. Except as otherwise set forth in Section 2.1, the Second Priority Agent and the other Second Priority Secured Parties may exercise rights and remedies as unsecured creditors against any Grantor that has guaranteed the Second Priority Obligations in accordance with the terms of the Second Priority Documents and applicable law to the extent such exercise of rights and remedies is not in contravention of the terms of this Agreement (including, but not limited to, any of the provisions of Section 2 hereof). Except as otherwise set forth in Section 2.1, nothing in this Agreement shall prohibit the receipt by the Second Priority Agent or any other Second Priority Secured Parties of the required payments of interest, principal and other amounts in respect of the Second Priority Obligations so long as such receipt is not the direct or indirect result of the exercise by the Second Priority Agent or any other Second Priority Secured Parties of rights or remedies as a secured creditor (including set-off) in respect of the First Priority Collateral or enforcement in contravention of this Agreement of any Lien held by any of them. Notwithstanding the foregoing, absent exigent circumstances, the Second Priority Secured Parties shall give the First Priority Agent not less than five (5) Business Days written notice prior to the filing of an involuntary bankruptcy petition against any Grantor. In the event that any Second Priority Secured Party becomes an attachment (or similar pre-judgment) Lien creditor or judgment Lien creditor in respect of Collateral as a result of its enforcement of its rights as an unsecured creditor with respect to the Second Priority Obligations, such attachment (or similar pre-judgment) Lien or judgment Lien, as applicable, shall be subject to the terms of this Agreement for all purposes (including in relation to the First Priority Obligations) as the other Liens securing the Second Priority Obligations are subject to this Agreement.

(e) Bailee for Perfection.

(i) The First Priority Agent agrees to hold that part of the First Priority Collateral that is in its possession or control (or in the possession or control of its agents or bailees) to the extent that possession or control thereof is taken to perfect a Lien thereon under the UCC, the PPSA or any other applicable law (such First Priority Collateral being the "Pledged First Priority Collateral") as collateral agent for the First Priority Secured Parties and as bailee for and, with respect to any collateral that cannot be perfected in such manner, as agent for, the Second Priority Agent (on behalf of the Second Priority Secured Parties) and any assignee thereof solely for the purpose of perfecting the security interest granted under the First Priority Documents and the Second Priority Documents, respectively, subject to the terms and conditions of this Section 2.4(e).

(ii) Subject to the terms of this Agreement, until the Discharge of First Priority Obligations has occurred, the First Priority Agent shall be entitled to deal with the Pledged First Priority Collateral in accordance with the terms of the First Priority Documents as if the Liens of the Second Priority Agent under the Second Priority Security Documents did not exist. The rights of the Second Priority Agent shall at all times be subject to the terms of this Agreement and to the First Priority Agent's rights under the First Priority Documents.

(iii) The First Priority Agent shall have no obligation whatsoever to the Second Priority Agent or any other Second Priority Secured Party to ensure that the Pledged First Priority Collateral is genuine or owned by any of the Grantors or to preserve rights or benefits of any Person except as expressly set forth in this Section 2.4(e). The duties or responsibilities of the First Priority Agent under this Section 2.4(e) shall be limited solely to holding the Pledged First Priority Collateral as bailee or agent in accordance with this Section 2.4(e).

(iv) The First Priority Agent acting pursuant to this Section 2.4(e) shall not have by reason of the First Priority Security Documents, the Second Priority Security Documents, this Agreement or any other document a fiduciary relationship in respect of the Second Priority Agent or any other Second Priority Secured Party.

(v) Upon the Discharge of the First Priority Obligations and the payment in full in cash of the Excess Senior Debt or the Excess Term Debt, as applicable, under the First Priority Documents, the First Priority Agent shall deliver or cause to be delivered the remaining Pledged First Priority Collateral (if any) in its possession or in the possession of its agents or bailees, together with any necessary endorsements, first, to the Second Priority Agent to the extent Second Priority Obligations remain outstanding, second, to the Junior Priority Agents to the extent Junior Priority Obligations remain outstanding, and third, to the applicable Grantor (in each case, so as to allow such Person to obtain control of such Pledged First Priority Collateral) and will cooperate with the Second Priority Agent in assigning (without recourse to or warranty by the First Priority Agent or any other First Priority Secured Party or agent or bailee thereof) control over any other Pledged First Priority Collateral under its control. The First Priority Agent further agrees to take all other action reasonably requested by such Person (at the sole cost and expense of Grantors or such Person) in connection with such Person obtaining a first priority interest in the Pledged First Priority Collateral or as a court of competent jurisdiction may otherwise direct.

(vi) Notwithstanding anything to the contrary herein, if, for any reason, any Second Priority Obligations remain outstanding upon the Discharge of the First Priority Obligations, all rights of the First Priority Agent hereunder and under the First Priority Security Documents or the Second Priority Security Documents (A) with respect to the delivery and control of any part of the First Priority Collateral, and (B) to direct, instruct, vote upon or otherwise influence the maintenance or Disposition of such First Priority Collateral, shall immediately, and (to the extent permitted by law) without further action on the part of either of the Second Priority Agent or the First Priority Agent, pass to the Second Priority Agent, who shall thereafter hold such rights for the benefit of the Second Priority Secured Parties. Each of the First Priority Agent and the Grantors agrees that it will, if any Second Priority Obligations remain outstanding upon the Discharge of the First Priority Obligations, take any other action required by any law or reasonably requested by the Second Priority Agent in connection with the Second Priority Agent's establishment and perfection of a First Priority security interest in the First Priority Collateral, at the expense of the Grantors or if not paid by the Grantors, the Second Priority Agent, and subject in all cases to any Second Priority Permitted Liens and to Section 2.4(f).

(vii) Notwithstanding anything to the contrary contained herein, if for any reason, prior to the Discharge of the Second Priority Obligations, the First Priority Agent acquires possession of any Pledged Collateral constituting Second Priority Collateral, the First Priority Agent shall hold the same as bailee and/or agent to the same extent as is provided in the preceding clause (i) with respect to Pledged First Priority Collateral, provided that as soon as is

practicable the First Priority Agent shall deliver or cause to be delivered such Pledged Collateral to the Second Priority Agent in a manner otherwise consistent with the requirements of preceding clause (v).

(f) When Discharge of First Priority Obligations Deemed to Not Have Occurred. Notwithstanding anything to the contrary herein, if concurrently with the Discharge of First Priority Obligations, any Grantor enters into any Permitted Refinancing of any First Priority Obligations, then such Discharge of First Priority Obligations shall automatically be deemed not to have occurred for all purposes of this Agreement, and the obligations under the Permitted Refinancing shall automatically be treated as First Priority Obligations for all purposes of this Agreement, including for purposes of the Lien priorities and rights in respect of Collateral set forth herein, the term "First Priority Credit Agreement" shall be deemed appropriately modified to refer to such Permitted Refinancing and the First Priority Agent under such First Priority Documents shall be a First Priority Agent for all purposes hereof and the new secured parties under such First Priority Documents shall automatically be treated as First Priority Secured Parties for all purposes of this Agreement. Upon receipt of a notice stating that any Grantor is entering into a new First Priority Document in respect of a Permitted Refinancing of First Priority Obligations (which notice shall include the identity of the new collateral agent, such agent, the "New First Priority Agent"), and delivery by the New First Priority Agent of an Intercreditor Agreement Joinder, the Second Priority Agent shall promptly enter into such documents and agreements (including amendments or supplements to this Agreement) as any Grantor or such New First Priority Agent shall reasonably request in order to provide to the New First Priority Agent the rights contemplated hereby, in each case consistent in all respects with the terms of this Agreement. The New First Priority Agent shall agree to be bound by the terms of this Agreement. If the new First Priority Obligations under the new First Priority Documents are secured by assets of the Grantors of the type constituting First Priority Collateral that do not also secure the Second Priority Obligations, then the Second Priority Obligations shall be secured at such time by a Second Priority Lien on such assets to the same extent provided in the Second Priority Security Documents with respect to the other First Priority Collateral. If the new First Priority Obligations under the new First Priority Documents are secured by assets of the Grantors of the type constituting Second Priority Collateral that do not also secure the Second Priority Obligations, then the Second Priority Obligations shall be secured at such time by a First Priority Lien on such assets to the same extent provided in the Second Priority Security Documents with respect to the other Second Priority Collateral.

2.5 Insolvency or Liquidation Proceedings.

(a) Finance Issues. Until the Discharge of First Priority Obligations has occurred, if any Grantor shall be subject to any Insolvency or Liquidation Proceeding and the First Priority Agent shall desire (in its sole and absolute discretion and without any commitment to do so) to (i) permit or otherwise consent to the use of cash collateral constituting First Priority Collateral on which the First Priority Agent or any other creditor has a Lien under Section 363 of the Bankruptcy Code or any similar Bankruptcy Law (the "First Priority Cash Collateral") or (ii) provide or consent to any First Priority Lender providing DIP Financing secured by a Lien on First Priority Collateral (such financing under this clause (ii) "First Priority DIP Financing"), then the Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, agrees that it will raise no objection to such use of First Priority Cash Collateral or to the fact that such First Priority DIP Financing may be granted Liens on the First Priority Collateral and will not request adequate protection or any other relief with respect to the First Priority Collateral (except as expressly agreed by the First Priority Agent or to the extent permitted by Section 2.5(d)) and, to the extent the Liens on the First Priority Collateral securing the First Priority Obligations are subordinated or *pari passu* with the Liens on the First Priority Collateral securing such First Priority Cash Collateral or First Priority DIP Financing, the Second Priority Agent will subordinate its Liens in the First Priority Collateral to the Liens securing such First Priority DIP Financing (and all

obligations relating thereto), in each case, so long as (A) the interest rate, fees, advance rates, lending sublimits and limits and other terms are (taken as a whole) commercially reasonable under the circumstances, (B) the Second Priority Agent retains a Lien on the Collateral (including Proceeds thereof arising after the commencement of such Insolvency or Liquidation Proceeding) with the same priority as existed prior to the commencement of such Insolvency or Liquidation Proceeding, subordinated to the Liens securing First Priority Cash Collateral or such First Priority DIP Financing, (C) the Second Priority Agent receives a replacement Lien on post-petition assets to the same extent granted to the First Priority Secured Parties providing the First Priority DIP Financing, which Lien will be subordinated to the Liens securing the First Priority Obligations and such First Priority DIP Financing (and all obligations relating thereto) on the same basis as the other Liens on First Priority Collateral securing the Second Priority Obligations are so subordinated to the First Priority Obligations under this Agreement, (D) (x) the aggregate principal amount of loans and, if the First Priority Agent is the Senior Agent, the other Outstanding Senior Principal Obligations constituting Senior Priority Obligations outstanding under such First Priority DIP Financing does not exceed the Maximum Senior Principal Obligations, and (y) the aggregate principal amount of loans and, if the First Priority Agent is the Term Agent, the other Outstanding Term Principal Obligations constituting Term Priority Obligations outstanding under such First Priority DIP Financing does not exceed the Maximum Term Principal Obligations, and (E) such First Priority DIP Financing is subject to the terms of this Intercreditor Agreement. If the First Priority Agent or any one or more of the First Priority Lenders offer (in their sole and absolute discretion and without any commitment to do so) to provide, and are prepared to provide, DIP Financing that meets the requirements set forth in clauses (A) through (E) above, Second Priority Secured Parties shall not provide or offer to provide any DIP Financing secured by a Lien on the First Priority Collateral senior or *pari passu* with the Liens on the First Priority Collateral securing the First Priority Obligations, without the prior written consent of First Priority Agent.

(b) Right of First Offer of DIP Financing. Subject to the terms and conditions contained in this Section 2.5(b), the Grantors, the Senior Agent (on behalf of itself and the Senior Lenders) and the Term Agent (on behalf of itself and the Term Lenders) hereby agree as follows.

(i) During the period commencing on December [__], 2015 (the "ROFO Start Date") through and including [_____], 201[__] (together with any extensions provided in Section 2.5(b)(v) below, the "ROFO Period"), the Senior Lenders constituting the Required Lenders under and as defined in the Senior Documents (the "Senior Required Lenders") and the Term Lenders constituting the Required Lenders under and as defined in the Term Documents (the "Term Required Lenders") shall have a right of first offer in respect of, and the right to submit to the Grantors, one or more proposals regarding provision of DIP Financing to the Grantors (a "DIP Proposal") irrespective of whether any DIP Financing is then needed or desired by the Grantors; provided, however, that neither the Senior Required Lenders nor the Term Required Lenders shall in any way be obligated to make any proposal regarding the provision of DIP Financing if they choose not to do so. Any such DIP Proposal may be an Independent DIP Proposal (as defined in clause (ii) of this Section 2.5(b)), or a joint proposal between the Senior Lenders and Term Lenders. Each such DIP Proposal (including an Independent DIP Proposal) shall include material terms with respect to the DIP Financing proposed therein (the "DIP Facility"); provided, however, that the terms of any DIP Proposal shall (x) require the lenders proposing such DIP Facility to make fifty percent (50%) of the "new money" loans thereunder available to the lenders not proposing such DIP Facility (on identical terms and with identical economics) and (y) provide that, to the extent any Senior Obligations and Term Obligations may be "rolled-up" into, and/or refinanced by, the DIP Facility (such roll-up and/or refinancing, the "DIP Roll-Up"), such DIP Roll-Up shall be consummated at a Roll-Up Ratio (as defined below) of 2.0 to 1.0 (the foregoing requirements, the "Agreed DIP Terms"). As used herein, "Roll-Up

Ratio" means the ratio of Senior Obligations to constitute part of the DIP Roll-Up to Term Obligations to constitute part of the DIP Roll-Up.

(ii) During the period commencing on the ROFO Start Date through and including the date that is ten (10) days after the end of the ROFO Period (the "Joint DIP Proposal Structuring Period"), in the event that either the Senior Required Lenders or the Term Required Lenders choose to make a DIP Proposal, the Senior Required Lenders and the Term Required Lenders shall negotiate in good faith a joint DIP Proposal. In the event that the joint DIP Proposal is not submitted during the Joint DIP Proposal Structuring Period, then each of the Senior Required Lenders and the Term Required Lenders shall, for the remainder of the ROFO Period, have the right to independently submit to the Grantors a proposal regarding provision of DIP Financing to the Grantors (each such proposal, an "Independent DIP Proposal"); provided, however, each such Independent DIP Proposal shall be subject in any and all respects to the provisions of this Section 2.5 (including, without limitation, Section 2.5(a)). Notwithstanding anything contained herein to the contrary, no Independent DIP Proposal shall be submitted by either the Senior Required Lenders or the Term Required Lenders during the Joint DIP Proposal Structuring Period.

(iii) During the ROFO Period, the Grantors hereby agree that, subject to the fiduciary duties of the Grantors, including any fiduciary duties as debtors in possession or under other applicable law, in the event that a DIP Proposal is made, they shall not solicit, accept an offer or enter into any commitment with respect to any DIP Financing, other than one or more DIP Proposals (including an Independent DIP Proposal) (a "Third-Party DIP Proposal").

(iv) In the event that either (a) the Grantors accept the joint DIP Proposal or (b) the Grantors accept one of the Independent DIP Proposals, then, in either case, the Grantors and the Senior Required Lenders or the Term Required Lenders or both, as the case may be, shall, in the event a DIP Financing is necessary or desirable, in good faith take all steps as may be reasonably necessary to consummate the transaction contemplated in such joint DIP Proposal or Independent DIP Proposal, as applicable, including, without limitation, the execution and delivery of all definitive legal documentation necessary to consummate such transaction in form and substance reasonably acceptable to the parties thereto.

(v) After expiration of the ROFO Period, the Grantors may solicit offers, accept an offer or enter into any commitment with respect to any Third Party DIP Proposal; provided; however, that, in the event that a DIP Proposal is timely made, prior to entering into any commitment with respect to a Third Party DIP Proposal, (x) the Grantors shall provide in writing the material terms and conditions of such Third Party DIP Proposal to the Senior Required Lenders and Term Required Lenders and (y) each of the Senior Required Lenders and Term Required Lenders shall, for three (3) Business Days after receipt of such material terms and conditions, have the right to agree to commit to provide the DIP Financing set forth in such Third Party DIP Proposal (jointly or individually, if either party chooses not to exercise such right) on the same material terms and conditions, but subject to the Agreed DIP Terms.

(c) Relief from the Automatic Stay. Until the Discharge of First Priority Obligations has occurred, the Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, agrees that (i) none of them shall seek relief from the automatic stay or any other stay in any Insolvency or Liquidation Proceeding in respect of the First Priority Collateral, (A) without the prior written consent of the First Priority Agent or (B) unless and to the extent the First Priority Agent has obtained relief from such stay in respect of the First Priority Collateral and (ii) none of them shall oppose any relief from the

automatic stay or other stay in any Insolvency or Liquidation Proceeding sought by First Priority Agent in respect of the First Priority Collateral.

(d) Adequate Protection. The Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, agrees that none of them shall contest (or support any other Person contesting) (i) any request by the First Priority Agent or the other First Priority Secured Parties for adequate protection with respect to any First Priority Collateral or (ii) any objection by the First Priority Agent or the other First Priority Secured Parties to any motion, relief, action or proceeding based on the First Priority Agent or the other First Priority Secured Parties claiming a lack of adequate protection with respect to the First Priority Collateral. Notwithstanding the foregoing provisions in this Section 2.5(d), in any Insolvency or Liquidation Proceeding, (A) if the First Priority Secured Parties (or any subset thereof) are granted adequate protection in the form of a Lien on additional collateral in connection with any DIP Financing, then the Second Priority Agent, on behalf of itself or any of the other Second Priority Secured Parties, may seek or request adequate protection in the form of a Lien on such additional or replacement collateral and (1) to the extent any Lien so granted to the Second Priority Secured Parties (or any subset thereof) in accordance with this clause (A) is on First Priority Collateral, such Lien will be subordinated to the Liens securing the First Priority Obligations and such DIP Financing (and all obligations relating thereto) on the same basis as the other Liens on First Priority Collateral securing the Second Priority Obligations are so subordinated to the First Priority Obligations under this Agreement, and (2) to the extent any Lien so granted to the First Priority Secured Parties (or any subset thereof) in accordance with this clause (A) is on Second Priority Collateral, such Lien will be subordinated to the Liens securing the Second Priority Obligations on the same basis as the other Liens on Second Priority Collateral securing the First Priority Obligations are so subordinated to the Second Priority Obligations under this Agreement; and (B) in the event the Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, seeks or requests adequate protection in respect of First Priority Collateral securing Second Priority Obligations and such adequate protection is granted in the form of additional or replacement collateral, then the Second Priority Agent, on behalf of itself or any of the other Second Priority Secured Parties, agrees that the First Priority Agent shall also be granted a senior Lien on such additional or replacement collateral as security for the First Priority Obligations and for any such DIP Financing provided by the First Priority Secured Parties and that any Lien on such additional collateral securing the Second Priority Obligations shall be subordinated to the Liens on such collateral securing the First Priority Obligations and any such DIP Financing provided by the First Priority Secured Parties (and all obligations relating thereto) and to any other Liens granted to the First Priority Secured Parties as adequate protection on the same basis as the other Liens on First Priority Collateral securing the Second Priority Obligations are so subordinated to the First Priority Obligations under this Agreement. Second Priority Agent (a) may seek, without objection from First Priority Secured Parties, adequate protection with respect to the Second Priority Secured Parties' rights in the First Priority Collateral in the form of periodic cash payments in an amount not exceeding interest at the non-default contract rate, together with payment of reasonable out-of-pocket expenses, and (b) except as otherwise expressly provided herein, without the consent of First Priority Agent, shall not seek any other adequate protection with respect to their rights in the First Priority Collateral.

(e) No Waiver. (i) Subject to the proviso in clause (ii) of Section 2.2(a), nothing contained herein shall prohibit or in any way limit the First Priority Agent or any other First Priority Secured Party from objecting in any Insolvency or Liquidation Proceeding or otherwise to any action taken by the Second Priority Agent or any of the other Second Priority Secured Parties in respect of the First Priority Collateral, including the seeking by the Second Priority Agent or any other Second Priority Secured Parties of adequate protection in respect thereof or the asserting by the Second Priority Agent or any other Second Priority Secured Parties of any of its rights and remedies under the Second Priority Documents or otherwise in respect thereof; and (ii) except as otherwise expressly provided in this

Agreement, nothing contained herein shall prohibit or in any way limit First Priority Agent or any First Priority Secured Party from objecting in any Insolvency or Liquidation Proceeding involving a Grantor to any action taken by Second Priority Agent or any Second Priority Secured Party.

(f) Post-Petition Interest. Neither the Second Priority Agent nor any other Second Priority Secured Party shall oppose or seek to challenge any claim by the First Priority Agent or any other First Priority Secured Party for allowance in any Insolvency or Liquidation Proceeding of First Priority Obligations consisting of post-petition interest, premiums, fees or expenses.

(g) Waiver. Second Priority Agent, for itself and on behalf of Second Priority Secured Parties, agrees that it shall consent to, and shall not object to, oppose, support any objection, or take any other action to impede, the right of any First Priority Secured Party or First Priority Agent to make an election under Section 1111(b)(2) of the Bankruptcy Code (or similar Bankruptcy Law). The Second Priority Agent, for itself and on behalf of the other Second Priority Secured Parties, waives any claim it may hereafter have against any First Priority Secured Party arising out of the election of any First Priority Secured Party of the application of Section 1111(b)(2) of the Bankruptcy Code (or similar Bankruptcy Law).

(h) Reserved.

(i) Plan of Reorganization. If, in any Insolvency or Liquidation Proceeding involving a Grantor, debt obligations of the reorganized debtor secured by Liens upon any property of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of First Priority Obligations and on account of Second Priority Obligations, then, to the extent the debt obligations distributed on account of the First Priority Obligations and on account of the Second Priority Obligations are secured by Liens upon the same property, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations.

(j) Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency or Liquidation Proceeding and all converted or succeeding cases in respect thereof. The relative rights of Secured Parties in or to any distributions from or in respect of any Collateral or Proceeds of Collateral, shall continue after the commencement of any Insolvency or Liquidation Proceeding. Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code (or similar Bankruptcy Law).

(k) Asset Dispositions. Until the Discharge of First Priority Obligations has occurred, Second Priority Agent, for itself and on behalf of the other Second Priority Secured Parties, agrees that, in the event of any Insolvency or Liquidation Proceeding, the Second Priority Secured Parties will not object or oppose (or support any Person in objecting or opposing) a motion to any Disposition of any First Priority Collateral free and clear of the Liens of Second Priority Agent and the other Second Priority Secured Parties or other similar claims under Sections 363, 365 or 1129 of the Bankruptcy Code, or any comparable provision of any Bankruptcy Law (and including any motion for bid procedures or other procedures related to the Disposition that is the subject of such motion), and shall be deemed to have consented to any such Disposition of any First Priority Collateral under Section 363(f) of the Bankruptcy Code, or any comparable provision of any Bankruptcy Law that has been consented to by the First Priority Agent; provided, that, the Proceeds of such Disposition of any Collateral to be applied to the Second Priority Obligations or the First Priority Obligations are applied in accordance with Section 5.1 or 5.2, as applicable.

2.6 Reliance; Waivers; Etc.

(a) Reliance. Other than any reliance on the terms of this Agreement, the Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, acknowledges that it and such other Second Priority Secured Parties have, independently and without reliance on the First Priority Agent or any other First Priority Secured Parties, and based on documents and information deemed by them appropriate, made their own credit analysis and decision to enter into such Second Priority Documents and be bound by the terms of this Agreement and they will continue to make their own credit decisions in taking or not taking any action under the Second Priority Credit Agreement or this Agreement.

(b) No Warranties or Liability. The Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, acknowledges and agrees that the First Priority Agent and the other First Priority Secured Parties have made no express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectibility or enforceability of any of the First Priority Documents, the ownership of any Collateral or the perfection or priority of any Liens thereon. The First Priority Secured Parties will be entitled to manage and supervise their respective loans and extensions of credit under their respective First Priority Documents in accordance with law and as they may otherwise, in their sole discretion, deem appropriate. The First Priority Agent and the other First Priority Secured Parties shall have no duty to the Second Priority Agent or any of the other Second Priority Secured Parties to act or refrain from acting in a manner which allows, or results in, the occurrence or continuance of an event of default or default under any agreements with any Grantor (including the First Priority Documents and the Second Priority Documents), regardless of any knowledge thereof which they may have or be charged with.

(c) No Waiver of Lien Priorities.

(i) No right of the First Priority Agent, the other First Priority Secured Parties, or any of them to enforce any provision of this Agreement or any First Priority Document shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Grantor or by any act or failure to act by the First Priority Agent or any other First Priority Secured Party, or by any noncompliance by any Person with the terms, provisions and covenants of this Agreement, any of the First Priority Documents or any of the Second Priority Documents, regardless of any knowledge thereof which the First Priority Agent or the other First Priority Secured Parties, or any of them, may have or be otherwise charged with.

(ii) Without in any way limiting the generality of the foregoing paragraph (but subject to the rights of any Grantors under the First Priority Documents and subject to the other provisions of this Agreement), the First Priority Agent, the other First Priority Secured Parties, and any of them, may, at any time and from time to time in accordance with the First Priority Documents and/or applicable law, without the consent of, or notice to, the Second Priority Agent or any other Second Priority Secured Party, without incurring any liabilities to the Second Priority Agent or any other Second Priority Secured Party and without impairing or releasing the Lien priorities and other benefits provided in this Agreement (even if any right of subrogation or other right or remedy of the Second Priority Agent or any other Second Priority Secured Party is affected, impaired or extinguished thereby) do any one or more of the following:

(A) sell, exchange, realize upon, enforce or otherwise deal with in any manner (subject to the terms hereof and applicable law) and in any order any part of the First Priority Collateral or any liability of any Grantor to the First Priority Agent or

the other First Priority Secured Parties, or any liability incurred directly or indirectly in respect thereof;

(B) settle or compromise any First Priority Obligation or any other liability of any Grantor or any security therefor or any liability incurred directly or indirectly in respect thereof; and

(C) exercise or delay in or refrain from exercising any right or remedy against any Grantor or any security or any Grantor or any other Person, elect any remedy and otherwise deal freely with any Guarantor or any First Priority Collateral and any security and any guarantor or any liability of any Grantor to the First Priority Secured Parties or any liability incurred directly or indirectly in respect thereof.

(iii) The Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, also agrees that the First Priority Agent and the other First Priority Secured Parties shall have no liability to the Second Priority Agent or any other Second Priority Secured Party, and the Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, hereby waives any claim against the First Priority Agent and any other First Priority Secured Party, arising out of any and all actions which the First Priority Agent or the other First Priority Secured Parties may take or permit or omit to take with respect to:

(A) the First Priority Documents (other than this Agreement);

(B) the collection of the First Priority Obligations and the Excess Senior Debt or Excess Term Debt, as applicable; or

(C) the foreclosure upon, or sale, liquidation or other Disposition of, any First Priority Collateral in accordance with this Agreement and applicable law;

provided, that such action or inaction is not in direct contravention of the express terms of this Agreement. The Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, agrees that the First Priority Agent and the other First Priority Secured Parties have no duty to the Second Priority Agent or the other Second Priority Secured Parties in respect of the maintenance or preservation of the First Priority Collateral, the First Priority Obligations or otherwise, except as otherwise provided in this Agreement.

(iv) The Second Priority Agent, on behalf of itself and the other Second Priority Secured Parties, agrees not to assert and hereby waives, to the fullest extent permitted by law, any right to demand, request, plead or otherwise assert or otherwise claim the benefit of, any marshaling, appraisal, valuation or other similar right that may otherwise be available under applicable law with respect to the First Priority Collateral or any other similar rights a junior secured creditor may have under applicable law.

(d) Obligations Unconditional. All rights, interests, agreements and obligations of the First Priority Agent and the other First Priority Secured Parties and the Second Priority Agent and the other Second Priority Secured Parties, respectively, under this Agreement shall remain in full force and effect irrespective of:

(i) except as otherwise provided in this Agreement, any lack of validity or enforceability of any First Priority Document or any Second Priority Document;

(ii) except as otherwise provided in this Agreement, any change in the time, manner or place of payment of, or in any other terms of, all or any of the First Priority Obligations or Second Priority Obligations, or any amendment or waiver or other modification, whether by course of conduct or otherwise, of the terms of any First Priority Document or any Second Priority Document;

(iii) any exchange of any security interest in any First Priority Collateral or any amendment, waiver or other modification permitted hereunder, whether in writing or by course of conduct or otherwise, of all or any of the First Priority Obligations or Second Priority Obligations; or

(iv) the commencement of any Insolvency or Liquidation Proceeding in respect of one or more of any Grantor.

Section 3. Option to Purchase Obligations.

3.1 Purchase Option.

(a) At any time during the exercise period described in Section 3.3, any Person or Persons at any time or from time to time designated by the Term Agent or that are the holders of more than twenty percent (20%) in aggregate outstanding principal amount of the Term Priority Obligations under the Term Credit Agreement (an "Eligible Term Purchaser") shall have the right to purchase by way of assignment (and shall thereby also assume all commitments and duties of the Senior Secured Parties), all, but not less than all, of the Senior Priority Obligations (other than the Senior Priority Obligations of a Defaulting Senior Secured Party (as defined in Section 3.4(a), below)). Any purchase pursuant to this Section 3.1(a) shall be made as follows:

(b)

(i) The purchase price, in respect of a purchase of the Senior Priority Obligations, shall be equal to the sum of (1)(I) 100% of the principal amount of all loans, advances or other similar extensions of credit that constitute Senior Priority Obligations, including all amounts owing to the Senior Secured Parties as a result of the termination (or early termination) thereof (in each case, to the extent of their respective interests therein as Senior Secured Parties, but excluding any prepayment premium or similar fees) and all accrued and unpaid interest thereon through the date of purchase, plus (II) all accrued and unpaid fees (other than prepayment premiums or similar fees), expenses (including Enforcement Expenses), Indemnity Amounts and other amounts through the date of purchase, plus (2) the applicable Purchase Premium.

(ii) The purchase price described in preceding clause (b)(i) shall be payable in cash on the date of purchase against transfer to the respective Eligible Term Purchaser or Eligible Term Purchasers (which purchase shall be allocated on a pro rata basis based on the principal amount of the Term Obligations held by such Eligible Term Purchasers) (without recourse and without any representation or warranty whatsoever, whether as to the enforceability of any Senior Obligation or the validity, enforceability, or sufficiency of any Lien securing, or guarantee or other supporting obligation for, any Senior Obligation or as to any other matter whatsoever, except the representations and warranties by each Senior Lender that (1) the debt being transferred by such Senior Lender is free and clear of all Liens and encumbrances, (2) as to the amount of its portion of the Senior Obligations being acquired, and (3) that such Senior

Lender has the right to assign its right, title and interest in and to the Senior Obligations and the commitments of such Senior Lender under the Senior Documents.

(iii) The purchase price described in the preceding clause (b)(i) shall be accompanied by a waiver by the Term Agent (on behalf of itself and the other Term Secured Parties) of all claims arising out of this Agreement and the transactions contemplated hereby as a result of exercising the purchase option contemplated by this Section 3;

(iv) All amounts payable to the various Senior Secured Parties in respect of the assignments described above shall be distributed to them by the Senior Agent in accordance with their respective ratable shares of the various Senior Obligations.

(v) Such purchase shall be made pursuant to assignment documentation in form and substance reasonably satisfactory to the Senior Agent and the Eligible Term Purchasers; it being understood and agreed that the Senior Agent and each other Senior Secured Party shall retain all rights to indemnification as provided in the relevant Senior Documents for all periods prior to any assignment by them pursuant to the provisions of this Section 3. The relevant assignment documentation shall also provide that, if the Term Agent receives amounts sufficient to pay any prepayment premium or similar fee payable pursuant to the Senior Documents, after the payment in full in cash to the Term Agent of the Term Priority Obligations and the Senior Priority Obligations purchased by the Eligible Term Purchasers pursuant to this Section 3, then the Eligible Term Purchasers shall pay such prepayment premium or similar fee to the Senior Agent within three (3) Business Days after such receipt, provided that the prepayment giving rise to such premium or fee occurs within ninety (90) days after the effective date of the purchase of the Senior Priority Obligations by the Eligible Term Purchasers.

(vi) Contemporaneously with the consummation of such purchase, the Senior Agent shall resign as the "Administrative Agents" under the Senior Documents and the Term Agent, or such other Person as the Eligible Term Purchasers shall designate, shall be designated as the successor "Administrative Agent(s)" under the Senior Documents.

(vii) All Senior Obligations in excess of the Maximum Senior Principal Obligations, including, without limitation, the Excess Senior Debt and any prepayment premium or other similar fee that may become due and payable under the Senior Documents, shall continue to be secured by the Collateral in accordance with the terms of the Senior Documents, and the Senior Agent and the Senior Lenders shall retain all rights to receive payments in respect thereof.

(viii) In the event that any one or more of the Eligible Term Purchasers exercises and consummates the purchase option set forth in this Section 3.1, the Senior Secured Parties shall retain their indemnification rights under the Senior Credit Agreement for actions or other matters arising on or prior to the date of such purchase.

(c) At any time during the exercise period described in Section 3.3, any Person or Persons at any time or from time to time designated by the Senior Agent or that are the holders of more than twenty percent (20%) in aggregate outstanding principal amount of the Senior Priority Obligations under the Senior Credit Agreement (an "Eligible Senior Purchaser") shall have the right to purchase by way of assignment (and shall thereby also assume all commitments and duties of the Term Secured Parties), all, but not less than all, of the Term Priority Obligations (other than the Term Priority Obligations of a Defaulting Term Secured Party (as defined in Section 3.4(b), below)). Any purchase pursuant to this Section 3.1(b) shall be made as follows:

(i) The purchase price, in respect of a purchase of the Term Priority Obligations, shall be equal to the sum of (1)(I) 100% of the principal amount of all loans, advances or other similar extensions of credit that constitute Term Priority Obligations, including all amounts owing to the Term Secured Parties as a result of the termination (or early termination) thereof (in each case, to the extent of their respective interests therein as Term Secured Parties, but excluding any prepayment premium or similar fees) and all accrued and unpaid interest thereon through the date of purchase, plus (II) all accrued and unpaid fees (other than prepayment premiums or similar fees), expenses (including Enforcement Expenses), Indemnity Amounts and other amounts through the date of purchase, plus (2) the applicable Purchase Premium.

(ii) The purchase price described in preceding clause (c)(i) shall be payable in cash on the date of purchase against transfer to the respective Eligible Senior Purchaser or Eligible Senior Purchasers (without recourse and without any representation or warranty whatsoever, whether as to the enforceability of any Term Obligation or the validity, enforceability, or sufficiency of any Lien securing, or guarantee or other supporting obligation for, any Term Obligation or as to any other matter whatsoever, except the representations and warranties by each Term Lender that (1) the debt being transferred by such Term Lender is free and clear of all Liens and encumbrances, (2) as to the amount of its portion of the Term Obligations being acquired, and (3) that such Term Lender has the right to assign its right, title and interest in and to the Term Obligations and the commitments of such Term Lender under the Term Documents.

(iii) The purchase price described in the preceding clause (c)(i) shall be accompanied by a waiver by the Senior Agent (on behalf of itself and other Senior Secured Parties) of all claims arising out of this Agreement and the transactions contemplated hereby as a result of exercising the purchase option contemplated by this Section 3.

(iv) All amounts payable to the various Term Secured Parties in respect of the assignments described above shall be distributed to them by the Term Agent in accordance with their respective ratable shares of the various Term Obligations.

(v) Such purchase shall be made pursuant to assignment documentation in form and substance reasonably satisfactory to the Term Agent and the Eligible Senior Purchasers; it being understood and agreed that the Term Agent and each other Term Secured Party shall retain all rights to indemnification as provided in the relevant Term Documents for all periods prior to any assignment by them pursuant to the provisions of this Section 3. The relevant assignment documentation shall also provide that, if the Senior Agent receives amounts sufficient to pay any prepayment premium or similar fee payable pursuant to the Term Documents, after the payment in full in cash to the Senior Agent of the Senior Priority Obligations and the Term Priority Obligations purchased by the Eligible Senior Purchasers pursuant to this Section 3, then the Eligible Senior Purchasers shall pay such prepayment premium or similar fee to the Term Agent within three (3) Business Days after such receipt, provided that the prepayment giving rise to such premium or fee occurs within ninety (90) days after the effective date of the purchase of the Term Priority Obligations by the Eligible Senior Purchasers.

(vi) Contemporaneously with the consummation of such purchase, the Term Agent shall resign as the "Administrative Agents" under the Term Documents and the Senior Agent, or such other Person as the Eligible Senior Purchasers shall designate, shall be designated as the successor "Administrative Agent(s)" under the Term Documents.

(vii) All Term Obligations in excess of the Maximum Term Principal Obligations, including, without limitation, the Excess Term Debt and any prepayment premium or other similar fee that may become due and payable under the Term Documents, shall continue to be secured by the Collateral in accordance with the terms of the Term Documents, and the Term Agent and the Term Lenders shall retain all rights to receive payments in respect thereof.

(viii) In the event that any one or more of the Eligible Senior Purchasers exercises and consummates the purchase option set forth in this Section 3.1, the Term Secured Parties shall retain their indemnification rights under the Term Credit Agreement for actions or other matters arising on or prior to the date of such purchase.

3.2 Purchase Option Timing.

(a) The Eligible Term Purchasers shall exercise the purchase option described in Section 3.1(a) by providing the Senior Agent on behalf of the Senior Lenders not less than five (5) Business Days' prior written notice of their exercise thereof, which notice, (A) once given, shall be irrevocable and fully binding on the respective Eligible Term Purchaser or Eligible Term Purchasers, and (B) shall specify a date of purchase not less than five (5) Business Days, nor more than ten (10) Business Days, after the date of the receipt by the Senior Agent of such notice. Neither the Senior Agent nor any Senior Secured Party shall have any disclosure obligation to any Eligible Term Purchaser, the Term Agent or any other Term Secured Party in connection with any exercise of such purchase option. Failure by the Eligible Term Purchasers to close within such ten (10) business day period shall result in a forfeiture of the purchase right described in Section 3.1(a).

(b) The Eligible Senior Purchasers shall exercise the purchase option described in Section 3.1(b) by providing the Term Agent on behalf of the Term Lenders not less than five (5) Business Days' prior written notice of their exercise thereof, which notice, (A) once given, shall be irrevocable and fully binding on the respective Eligible Senior Purchaser or Eligible Senior Purchasers, and (B) shall specify a date of purchase not less than five (5) Business Days, nor more than ten (10) Business Days, after the date of the receipt by the Term Agent of such notice. Neither the Term Agent nor any Term Secured Party shall have any disclosure obligation to any Eligible Senior Purchaser, the Senior Agent or any other Senior Secured Party in connection with any exercise of such purchase option. Failure by the Eligible Term Purchasers to close within such ten (10) business day period shall result in a forfeiture of the purchase right described in Section 3.1(c).

3.3 Purchase Option Triggering Events.

(a) Senior Purchase Option. The right to purchase the Senior Obligations as described in this Section 3 may be exercised by giving the irrevocable written notice described in preceding Section 3.2(a) at any time during the period that (A) begins on the date of the occurrence of any of the following: (1) the maturity of the Senior Obligations has been accelerated pursuant to a written notice delivered by the Senior Agent to any Grantor based on an Event of Default under the Senior Documents, (2) the commencement of an Insolvency or Liquidation Proceeding, (3) the Senior Agent or Senior Lenders shall have commenced, or shall have notified the Term Agent that they intend to commence, the exercise of any of their rights and remedies with respect to any Collateral, or shall have commenced, or shall have notified the Term Agent that they intend to commence, the exercise of any of their rights and remedies with respect to any Grantor to collect the Senior Obligations, all in accordance with the Senior Documents, or (4) a payment Event of Default has occurred and is continuing under the Term Documents and has not been waived in accordance with the terms of the Term Documents and, other than with respect to payments of principal (which shall have no grace period), has continued for a

period of three (3) Business Days and (B) ends on the thirtieth (30th) day after the start of the applicable period described in clause (A) above.

(b) Term Purchase Option. The right to purchase the Term Obligations as described in this Section 3 may be exercised by giving the irrevocable written notice described in preceding Section 3.2(b) at any time during the period that (A) begins on the date of the occurrence of any of the following: (1) the maturity of the Term Obligations has been accelerated pursuant to a written notice delivered by the Term Agent to any Grantor based on an Event of Default under the Term Documents, (2) the commencement of an Insolvency or Liquidation Proceeding, (3) the Term Agent or Term Lenders shall have commenced, or shall have notified the Senior Agent that they intend to commence, the exercise of any of their rights and remedies with respect to any Collateral, or shall have commenced, or shall have notified the Senior Agent that they intend to commence, the exercise of any of their rights and remedies with respect to any Grantor to collect the Term Obligations, all in accordance with the Term Documents, or (4) a payment Event of Default has occurred and is continuing under the Senior Documents and has not been waived in accordance with the terms of the Senior Documents and, other than with respect to payments of principal (which shall have no grace period), has continued for a period of three (3) Business Days and (B) ends on the thirtieth day after the start of the applicable period described in clause (A) above.

3.4 Joint and Several Purchase Obligations.

(a) The obligations of the Senior Secured Parties to sell their respective Senior Priority Obligations under this Section 3 are several and not joint and several. To the extent any Senior Secured Party breaches its obligation to sell its Senior Priority Obligations under this Section 3 (a "Defaulting Senior Secured Party"), nothing in this Section 3 shall be deemed to require the Senior Agent or any other Senior Secured Party to purchase such Defaulting Senior Secured Party's Senior Priority Obligations for resale to the holders of Term Obligations and in all cases, the Senior Agent and each other Senior Secured Party complying with the terms of this Section 3 shall not be deemed to be in default of this Agreement or otherwise be deemed liable for any action or inaction of any Defaulting Senior Secured Party; provided that nothing in this Section 3.4 shall require any Eligible Term Purchaser to purchase less than all of the Senior Priority Obligations.

(b) The obligations of the Term Secured Parties to sell their respective Term Priority Obligations under this Section 3 are several and not joint and several. To the extent any Term Secured Party breaches its obligation to sell its Term Priority Obligations under this Section 3 (a "Defaulting Term Secured Party"), nothing in this Section 3 shall be deemed to require the Term Agent or any other Term Secured Party to purchase such Defaulting Term Secured Party's Term Priority Obligations for resale to the holders of Senior Obligations and in all cases, the Term Agent and each other Term Secured Party complying with the terms of this Section 3 shall not be deemed to be in default of this Agreement or otherwise be deemed liable for any action or inaction of any Defaulting Term Secured Party; provided that nothing in this Section 3.4 shall require any Eligible Senior Purchaser to purchase less than all of the Term Priority Obligations.

3.5 Grantor Consent.

(a) Each Grantor irrevocably consents to any assignment effected to one or more Eligible Term Purchasers pursuant to this Section 3 (so long as they meet all eligibility standards contained in all relevant Term Documents, other than obtaining the consent of any Grantor to an assignment to the extent required by such Senior Documents and such assignment does not violate any applicable federal or state securities laws) for purposes of all Term Documents and hereby agrees that no further consent from such Grantor shall be required.

(b) Each Grantor irrevocably consents to any assignment effected to one or more Eligible Senior Purchasers pursuant to this Section 3 (so long as they meet all eligibility standards contained in all relevant Senior Documents, other than obtaining the consent of any Grantor to an assignment to the extent required by such Term Documents and such assignment does not violate any applicable federal or state securities laws) for purposes of all Senior Documents and hereby agrees that no further consent from such Grantor shall be required.

3.6 Notice of Exercise of Remedies.

(a) In the absence of exigent circumstances, the Senior Agent agrees that it will use commercially reasonable efforts to give the Term Agent five (5) Business Days' prior written notice of its intention to commence the exercise of any of its rights or remedies with respect to the Senior Priority Collateral; provided, that in the event exigent circumstances then exist, Senior Agent agrees that it will use commercially reasonable efforts to give Term Agent concurrent written notice of the exercise of any of its rights or remedies with respect to the Senior Priority Collateral, but Senior Agent shall have no liability for any failure to provide such notice. In the event that during such five (5) Business Day period, any Eligible Term Purchaser shall send to the Senior Agent the irrevocable written notice described in Section 3.2(a), the Senior Agent shall not, absent exigent circumstances, continue or commence any foreclosure or other action to sell or otherwise realize upon the Senior Priority Collateral; provided, that the Senior Agent's forbearance shall terminate if the purchase and sale with respect to the Senior Priority Obligations provided for herein shall not have closed, and the Senior Agent shall not have received the purchase price described in the preceding Section 3.1(a), within ten (10) Business Days after the date of the receipt by the Senior Agent of such irrevocable written notice.

(b) In the absence of exigent circumstances, the Term Agent agrees that it will use commercially reasonable efforts to give the Senior Agent five (5) Business Days' prior written notice of its intention to commence the exercise of any of its rights or remedies with respect to the Term Priority Collateral; provided, that in the event exigent circumstances then exist, Term Agent agrees that it will use commercially reasonable efforts to give Senior Agent concurrent written notice of the exercise of any of its rights or remedies with respect to the Term Priority Collateral, but Term Agent shall have no liability for any failure to provide such notice. In the event that during such five (5) Business Day period, any Eligible Senior Purchaser shall send to the Term Agent the irrevocable written notice described in Section 3.2(b), the Term Agent shall not, absent exigent circumstances, continue or commence any foreclosure or other action to sell or otherwise realize upon the Term Priority Collateral; provided, that the Term Agent's forbearance shall terminate if the purchase and sale with respect to the Term Priority Obligations provided for herein shall not have closed, and the Term Agent shall not have received the purchase price described in the preceding Section 3.1(b), within ten (10) Business Days after the date of the receipt by the Term Agent of such irrevocable written notice.

Section 4. Cooperation with respect to Senior Priority Collateral and Term Priority Collateral.

4.1 Access to Information. If any Agent takes actual possession of any documentation or data of a Grantor (whether such documentation or data is in the form of a writing or is stored in any data equipment or data record in the physical possession of such Agent), then upon request of the other Agent and reasonable advance notice, such Agent will permit the other Agent or its representative to inspect and copy such documentation.

4.2 Non-Exclusive License to Use Intellectual Property. In addition to and not in limitation of the provisions of this Section 4 for the purpose of enabling the Senior Agent and the Senior Secured Parties to exercise rights and remedies at such time as the Senior Agent shall be lawfully entitled to exercise such rights and remedies:

(a) subject to the terms and conditions of this Section 4, the Term Agent and each Term Lender hereby gives its written consent (given without any representation, warranty or obligation whatsoever) to any grant by Grantors to the Senior Agent and the Senior Secured Parties of a non-exclusive royalty-free license to use any Intellectual Property that is deemed necessary or desirable by the Senior Agent and the Senior Secured Parties to sell, lease or otherwise dispose of or realize upon any Senior Priority Collateral (including the packaging, processing, assembly, building, manufacturing or marketing any of the Senior Priority Collateral);

(b) to the extent that the Term Agent or any Term Lender has become the owner of any Intellectual Property of any Grantor or shall, through the exercise of remedies under the Term Loan Documents or through the Term Agent's or a Term Lender's exercise of its right to credit bid for such Term Priority Collateral in any Insolvency or Liquidation Proceeding involving any Grantor, sell any Term Priority Collateral consisting of Intellectual Property to any third party (a "Third Party IP Purchaser"), such Term Agent or Term Lender hereby grants (and shall, as a condition to such sale to a Third Party IP Purchaser require such Third Party IP Purchaser to agree to grant) to the Senior Agent, for itself and the benefit of the Senior Secured Parties, an irrevocable, non-exclusive royalty-free license (given without any representation, warranty or obligation whatsoever) to use any such Intellectual Property that is deemed necessary or desirable by the Senior Agent to sell, lease or otherwise dispose of or realize upon any Senior Priority Collateral (including the packaging, processing, assembly, building, manufacturing or marketing of any Senior Priority Collateral); provided, that, such license is granted on an "as is" basis, without any representation or warranty. The license granted under this Section 4.2(b) shall continue for the period of one hundred twenty (120) days from the date the Senior Agent has received written notice from the Term Agent or any Term Lender that Term Agent or such Term Lender has become the owner of the Intellectual Property and such license shall continue if any Intellectual Property is sold to a Third Party IP Purchaser (the "License Period"). The License Period shall be tolled during the pendency of any Insolvency or Liquidation Proceeding of one or more Grantors pursuant to which the Senior Agent is effectively stayed from enforcing its rights against the Senior Priority Collateral; and

(c) to the extent the Senior Agent is selling, leasing, or otherwise disposing of or realizing upon any Senior Priority Collateral that is subject to an Intellectual Property licensing agreement with a licensor that is not a Term Secured Party or an Affiliate thereof, the Senior Agent shall not sell, lease or otherwise dispose of or realize upon any such Senior Priority Collateral in contravention of the terms and provisions of such licensing agreement.

4.3 Rights of Access and Use. In the event that the Senior Agent or any Senior Lender shall acquire control or possession of any Senior Priority Collateral consisting of real property, equipment, machinery, fixtures or other data processing equipment or shall, through the exercise of remedies under the Senior Documents or through Senior Agent's or a Senior Lender's exercise of its rights to credit bid for such Senior Collateral in any Insolvency or Liquidation Proceeding involving any Grantor, sell any of the Senior Priority Collateral consisting of real property, equipment, machinery, fixtures, computers or other data processing equipment to any third party (a "Third Party Senior Purchaser"), the Senior Agent and the Senior Lenders shall permit the Term Agent (or require as a condition of such sale to the Third Party Senior Purchaser that the Third Party Senior Purchaser agree to permit the Term Agent), at its option and in accordance with applicable law: (a) to enter any or all of the Senior Priority Collateral under such control or possession (or sold to a Third Party Senior Purchaser) consisting of real property during normal business hours (i) to inspect, remove or take any action with respect to the Term Priority Collateral or to enforce the Term Agent's rights with respect thereto, including, but not limited to, the examination and removal of the Term Priority Collateral (subject to the rights granted to the Senior Secured Parties in Section 4.2) and the examination and duplication of the

books and records of any Grantor related to the Term Priority Collateral and use of systems and other computer processing equipment in connection therewith, (ii) for the purpose of processing, shipping, storing, completing, selling or otherwise handling, dealing with, assembling or disposing of, in any lawful manner, the Term Priority Collateral, and/or (iii) to take commercially reasonable actions to protect, secure, and otherwise enforce the rights or remedies of the Term Agent and/or the other Term Secured Parties in and to the Term Priority Collateral; and (b) use any of the Senior Priority Collateral under such control or possession (or sold to a Third Party Senior Purchaser) (consisting of real property, equipment, machinery, fixtures, computers or other data processing equipment) to handle, deal with or dispose of any Term Priority Collateral pursuant to the rights of the Term Agent and the Term Secured Parties as set forth in the Term Documents, the UCC of any applicable jurisdiction, the PPSA and other applicable law including, without limitation, those actions listed in Section 4.3(a) above. The Senior Agent and the Senior Lenders shall not have any responsibility or liability for the acts or omissions of the Term Agent or any Term Secured Party, and the Term Agent and the Term Secured Parties shall not have any responsibility or liability for the acts or omissions of the Senior Agent or any Senior Lender, in each case arising in connection with such other Secured Party's use and/or occupancy of any of the Senior Priority Collateral. The rights of the Term Agent set forth in Sections 4.3(a) and 4.3(b) above as to the Senior Priority Collateral shall be irrevocable and shall continue at the Term Agent's option for a period of ninety (90) days from the date that the Term Agent receives written notice from Senior Agent that Senior Agent has acquired possession or control of any of the Senior Priority Collateral (except, that such ninety (90) day period shall be reduced by the number of days, if any, that the Term Agent has entered or used the Senior Priority Collateral as described in Section 4.3(a) or 4.3(b) above, to the extent prior to the date that the Senior Agent or the Senior Lenders have control or possession of such Senior Priority Collateral, or have sold such Senior Priority Collateral to a Third Party Senior Purchaser). The time periods set forth in Section 4.3 above shall be tolled during the pendency of any Insolvency or Liquidation Proceeding of one or more Grantors pursuant to which both the Term Agent and Senior Agent are effectively stayed from enforcing their rights against the Term Priority Collateral, as applicable. In no event shall the Senior Agent or any of the Senior Lenders take any action to interfere, limit or restrict the rights of the Term Agent or any Term Lender or the exercise of such rights by the Term Agent or any Term Lender to have access to or to use any of such Senior Priority Collateral under such possession or control pursuant to this Section 4.3 prior to the expiration of such period.

4.4 Grantor Consent.

(a) Each of the Grantors consent to the performance by the Term Agent of the obligations set forth in Sections 4.1, 4.2 and 4.3 between the Term Agent and the Senior Agent, and acknowledge and agree that they shall look to the Senior Agent (and not to the Term Agent or any Term Lender) for any accountability or liability in respect of any action taken or omitted by the Senior Agent or any other Senior Secured Party or its or any of their officers, employees, agents, successors or assigns in connection with or incidental to or in consequence of the aforesaid obligations under Sections 4.1, 4.2 and 4.3, including any improper use or disclosure of any Intellectual Property by the Senior Agent or any other Senior Secured Party or its or any of their officers, employees, agents, successors or assigns or any other damage to or misuse or loss of any property of the Grantors as a result of any action taken or omitted by the Senior Agent or any other Senior Secured Party or any of their officers, employees, agents, successors or assigns, provided that nothing in this Section 4.4(a) shall so limit any Grantors if the Term Agent and/or any Term Lender participated in any such actions, omission, improper uses or disclosures or in causing any such damages, misuse or losses. Performance by the Term Agent and/or any Term Lender of the undertakings in Sections 4.1, 4.2 and 4.3 will not be deemed to be participation in any such actions, omissions, improper uses or disclosures or in causing any such damages, misuse or losses referenced in the prior sentence.

(b) Each of the Grantors consent to the performance by the Senior Agent of the obligations set forth in Sections 4.1, 4.2 and 4.3 between the Term Agent and the Senior Agent, and acknowledge and agree that they shall look to the Term Agents (and not to the Senior Agent or any Senior Lender) for any accountability or liability in respect of any action taken or omitted by the Term Agent or any other Term Secured Party or its or any of their officers, employees, agents, successors or assigns in connection with or incidental to or in consequence of the aforesaid obligations under Sections 4.1, 4.2 and 4.3, including any improper use or disclosure of any Intellectual Property by the Term Agents or any other Term Secured Party or its or any of their officers, employees, agents, successors or assigns or any other damage to or misuse or loss of any property of the Grantors as a result of any action taken or omitted by the Term Agents or any other Term Secured Party or any of their officers, employees, agents, successors or assigns, provided that nothing in this Section 4.4(b) shall so limit any Grantors if the Senior Agent and/or any Senior Lender participated in any such actions, omission, improper uses or disclosures or in causing any such damages, misuse or losses. Performance by the Senior Agent and/or any Senior Lender of the undertakings in Sections 4.1, 4.2 and 4.3 will not be deemed to be participation in any such actions, omissions, improper uses or disclosures or in causing any such damages, misuse or losses referenced in the prior sentence.

4.5 Indemnification by Senior Agent and Senior Lenders. The Senior Agent and the Senior Lenders shall indemnify and hold harmless the Term Agent, the Term Lenders and any Third Party IP Purchaser (but, in the case of any Third Party IP Purchaser, only to the extent the Senior Agent and Senior Lenders access and use of the Term Priority Collateral continues after the sale of such Term Priority Collateral to such Third Party IP Purchaser) from and against (a) any loss, liability, claim, damage or expense (including reasonable fees and expenses of legal counsel) arising out of any claim asserted by any third party to the extent resulting from any acts or omissions by the Senior Agent, or any of its agents or representatives, in connection with the exercise by the Senior Agent of its license rights set forth in Section 4.2. above; except that, the Senior Agent and the Senior Lenders shall not have any obligation under this Section 4.5 to indemnify the Term Agent, any Term Lenders or any Third Party IP Purchaser harmless with respect to a matter covered hereby to the extent resulting from the gross negligence or willful misconduct of the Term Agent, any Term Secured Parties or any Third Party IP Purchaser as determined pursuant to a final, non-appealable order of a court of competent jurisdiction, and (b) any damage to any Term Priority Collateral to the extent caused by any act of the Senior Agent or their agents or representatives. In no event shall the Senior Agent or any Senior Lender have any liability to the Term Agent, the Term Lenders or any Third Party IP Purchaser pursuant to this Section 4.5 or otherwise as a result of any condition on or with respect to the Term Priority Collateral existing prior to the date of the exercise by the Senior Agent of its rights under this Section 4 and the Senior Agent or any Senior Lender shall have no duty or liability to maintain the Term Priority Collateral in a condition or manner better than that in which it was maintained prior to the access and/or use thereof by the Senior Agent or any Senior Lender.

4.6 Indemnification by Term Lenders. The Term Lenders shall indemnify and hold harmless the Senior Agent, the Senior Lenders and any Third Party Senior Purchaser (but, in the case of any Third Party Senior Purchaser, only to the extent the Term Agent and Term Lenders access and use of the Senior Priority Collateral continues after the sale of such Senior Priority Collateral to such Third Party Senior Purchaser) from and against (a) any loss, liability, claim, damage or expense (including reasonable fees and expenses of legal counsel) arising out of any claim asserted by any third party to the extent resulting from any acts or omissions by the Term Agent, or any of its agents or representatives, in connection with the exercise by the Term Agent of the rights of access set forth in Section 4.3 above; except that, the Term Lenders shall not have any obligation under this Section 4.6 to indemnify the Senior Agent, any Senior Lenders or any Third Party Senior Purchaser harmless with respect to a matter covered hereby to the extent resulting from the gross negligence or willful misconduct of the Senior Agent, any

Senior Secured Parties or any Third Party Senior Purchaser as determined pursuant to a final, non-appealable order of a court of competent jurisdiction, (b) any damage to any Senior Priority Collateral (including, without limitation, any damage to real property constituting Senior Priority Collateral) to the extent caused by any act of the Term Agent or its agents or representatives, and (c) any injury resulting from any release of hazardous materials on such real property or arising in connection with the investigation, removal, clean-up and/or remediation of any hazardous material at such real property to the extent caused by the access, occupancy, use or control of such real property by the Term Agent, or any of its agents or representatives. In no event shall any Term Lender have any liability to the Senior Agent, the Senior Lenders or any Third Party Senior Purchaser pursuant to this Section 4.6 or otherwise as a result of any condition on or with respect to the Senior Priority Collateral existing prior to the date of the exercise by the Term Agent of its rights under this Section 4 (except to the extent of any injury to any person on the real property constituting Senior Priority Collateral or damage to any Senior Priority Collateral as a result of such condition that would not have occurred but for the exercise by the Term Agent of its rights of access set forth in Section 4.3 above) and the Term Agent or any Term Lender shall have no duty or liability to maintain the Senior Priority Collateral in a condition or manner better than that in which it was maintained prior to the access and/or use thereof by the Term Agent or any Term Lender.

4.7 Payments by the Senior Agent. During the actual occupation and control by the Term Agent, its agents or representatives, of any real property constituting Senior Priority Collateral during the access and use period permitted by this Section 4, the Term Lenders shall be (a) obligated to pay to the Senior Agent all utilities, taxes and all other maintenance and operating costs of such real property during any such period of actual occupation and control by the Term Agent, but only to the extent a Grantor is not otherwise paying any such amounts, (b) obligated to maintain insurance for such real property, substantially similar to the insurance maintained by any Grantor on such real property, naming the Senior Agent, for the benefit of the Senior Lenders, as mortgagee, loss payee and additional insured, if such insurance is not otherwise in effect and (c) obligated to repair at its expense any physical damage (ordinary wear and tear excepted) to such real property resulting from any act or omission of the Term Agent or their agents or representatives pursuant to such access, occupancy, use or control of such equipment or real property, and to leave the premises in a condition substantially similar to the condition of such premises prior to the date of the commencement of the use thereof by the Term Agent.

Section 5. Application of Proceeds.

5.1 Application of Proceeds in Distributions by the Term Agent.

(a) Term Priority Collateral. Upon the exercise of remedies in respect of any Term Priority Collateral or a Disposition of any Term Priority Collateral in any Insolvency or Liquidation Proceeding, the Term Agent will apply the Proceeds received by Term Agent or any Term Secured Party therefrom, and, after the Discharge of Senior Obligations, the Proceeds of any collection, sale, foreclosure or other realization of any Senior Priority Collateral by the Term Agent as expressly permitted hereunder, in the following order of application:

First, to the payment of all costs and expenses incurred by the Term Agent or any co-trustee or agent of the Term Agent in connection with any such collection, sale, foreclosure or other realization upon the Collateral in accordance with the terms of this Agreement;

Second, to the Term Agent for application to the payment of all outstanding Term Priority Obligations in such order as may be provided in the Term Documents in an amount sufficient to pay in full in cash all outstanding Term Priority Obligations;

Third, to the Senior Agent for application to the payment of all outstanding Senior Priority Obligations in such order as may be provided in the Senior Documents in an amount sufficient to pay in full in cash all outstanding Senior Priority Obligations;

Fourth, to the Term Agent for application to the payment of all Excess Term Debt, in such order as may be provided in the Term Documents in an amount sufficient to pay in full in cash all such obligations;

Fifth, to the Senior Agent for application to the payment of all Excess Senior Debt, in such order as may be provided in the Senior Documents in an amount sufficient to pay in full in cash all such obligations;

Sixth, to the Junior Priority Agents (as defined in the Junior Intercreditor Agreement) for application to the payment of all outstanding Junior Priority Obligations (as defined in the Junior Intercreditor Agreement), in such order as may be provided in the Junior Priority Documents (as defined in the Junior Intercreditor Agreement) in an amount sufficient to pay in full in cash all such obligations; and

Seventh, any surplus remaining after the payment in full in cash of the amounts described in the preceding clauses will be paid to any Borrower, or the applicable Grantor, as the case may be, its successors or assigns, or as a court of competent jurisdiction may direct.

(b) Sale of Non-Cash Proceeds. In connection with the application of Proceeds pursuant to Section 5.1(a), except as otherwise directed by the Required Lenders under (and as defined in) the Term Documents, the Term Agent may sell any non-Cash Proceeds for cash prior to the application of the Proceeds thereof.

(c) Collections Applicable to Senior Priority Collateral. If the Term Agent or any other Term Secured Party collects or receives any Proceeds of such foreclosure, collection or other enforcement that, if received by Senior Agent or any Senior Secured Party, should have been applied to the payment of the Senior Obligations in accordance with Section 5.2(a), whether after the commencement of an Insolvency or Liquidation Proceeding or otherwise, such Term Secured Party will forthwith deliver the same to the Senior Agent, for the account of the holders of the Senior Obligations, to be applied in accordance with Section 5.2(a). Until so delivered, such Proceeds will be held by that Term Secured Party for the benefit of the holders of the Senior Obligations.

5.2 Application of Proceeds in Distributions by the Senior Agent.

(a) Senior Priority Collateral. Upon the exercise of remedies in respect of any Senior Collateral or a Disposition of any Senior Priority Collateral in any Insolvency or Liquidation Proceeding, the Senior Agent will apply the Proceeds received by Senior Agent or any Senior Secured Party therefrom, and, after the Discharge of Term Obligations, the Proceeds of any collection, sale, foreclosure or other realization of any Term Priority Collateral by the Senior Agent as expressly permitted hereunder, in the following order of application:

First, to the payment of all costs and expenses incurred by the Senior Agent or any co-trustee or agent of the Senior Agent in connection with any such collection, sale, foreclosure or other realization upon the Collateral in accordance with the terms of this Agreement;

Second, to the Senior Agent for application to the payment of all outstanding Senior Priority Obligations in such order as may be provided in the Senior Documents in an amount sufficient to pay in full in cash all outstanding Senior Priority Obligations;

Third, to the Term Agent for application to the payment of all outstanding Term Obligations in such order as may be provided in the Term Documents in an amount sufficient to pay in full in cash all outstanding Term Priority Obligations;

Fourth, to the Senior Agent for application to the payment of all Excess Senior Debt, in such order as may be provided in the Senior Documents in an amount sufficient to pay in full in cash all such obligations;

Fifth, to the Term Agent for application to the payment of all Excess Term Debt, in such order as may be provided in the Term Documents in an amount sufficient to pay in full in cash all such obligations; and

Sixth, any surplus remaining after the payment in full in cash of the amounts described in the preceding clauses will be paid to any Borrower or the applicable Grantor, as the case may be, its successors or assigns, or as a court of competent jurisdiction may direct.

(b) Sale of Non-Cash Proceeds. In connection with the application of Proceeds pursuant to Section 5.2(a), except as otherwise directed by the Required Lenders under (and as defined in) the Senior Documents, the Senior Agent may sell any non-Cash Proceeds for cash prior to the application of the Proceeds thereof.

(c) Collections Applicable to Term Priority Collateral. If the Senior Agent or any other Senior Secured Party collects or receives any Proceeds of such foreclosure, collection or other enforcement that, if received by Term Agent or any Term Secured Party, should have been applied to the payment of the Term Obligations in accordance with Section 5.1(a), whether after the commencement of an Insolvency or Liquidation Proceeding or otherwise, such Senior Secured Party will forthwith deliver the same to the Term Agent, for the account of the holders of the Term Obligations, to be applied in accordance with Section 5.1(a). Until so delivered, such Proceeds will be held by such Senior Secured Party for the benefit of the holders of the Term Obligations.

Section 6. Miscellaneous.

6.1 Conflicts. In the event of any conflict between the provisions of this Agreement and the provisions of the Term Documents or the Senior Documents, the provisions of this Agreement shall govern and control. Each Secured Party acknowledges and agrees that the terms and provisions of this Agreement do not violate any term or provision of its respective Term Document or Senior Document.

6.2 Effectiveness; Continuing Nature of this Agreement; Severability.

(a) This Agreement shall become effective when executed and delivered by the parties hereto. The terms of this Agreement shall survive, and shall continue in full force and effect, in any Insolvency or Liquidation Proceeding but, as to any Grantor and the rights of the Secured Parties with respect thereto, shall not survive the effectiveness of any plan of reorganization adopted in connection therewith. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. All

references to any Grantor shall include any Grantor as debtor and debtor in possession and any receiver or trustee for any Grantor (as the case may be) in any Insolvency or Liquidation Proceeding.

(b) This Agreement shall terminate and be of no further force and effect:

(i) with respect to the Senior Agent, the other Senior Secured Parties and the Senior Priority Obligations, upon the Discharge of Senior Obligations, subject to the rights of the Senior Secured Parties under Section 6.17; and

(ii) with respect to the Term Agent, the other Term Secured Parties and the Term Priority Obligations, upon the Discharge of Term Obligations, subject to the rights of the Term Secured Parties under Section 6.17.

6.3 Amendments; Waivers. Subject to the immediately succeeding sentence, no amendment, modification or waiver of any of the provisions of this Agreement by the Term Agent or the Senior Agent shall be deemed to be made unless the same shall be in writing signed on behalf of each party hereto or its authorized agent and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the parties making such waiver or the obligations of the other parties to such party in any other respect or at any other time. No Grantor shall have any right to consent to or approve any amendment, modification or waiver of any provision of this Agreement except to the extent its rights or obligations are directly affected (which includes any amendment to the Grantors' ability to cause additional obligations to constitute Term Obligations or Senior Obligations as any Grantor may designate).

6.4 Information Concerning Financial Condition of any Grantor and its Subsidiaries. The Term Agent and the other Term Secured Parties, on the one hand, and the Senior Agent and the other Senior Secured Parties, on the other hand, shall each be responsible for keeping themselves informed of (a) the financial condition of any Grantor and its Subsidiaries and all endorsers and/or guarantors of the Term Obligations or the Senior Obligations and (b) all other circumstances bearing upon the risk of nonpayment of the Senior Obligations or the Term Obligations. The Term Agent and other Term Secured Parties shall have no duty to advise the Senior Agent or any other Senior Secured Parties of information known to it or them regarding such condition or any such circumstances or otherwise. The Senior Agent and other Senior Secured Parties shall have no duty to advise the Term Agent or any other Term Secured Parties of information known to them or them regarding such condition or any such circumstances or otherwise. In the event that either the Term Agent or any of the other Term Secured Parties, on the one hand or the Senior Agent or any of the other Senior Secured Parties, on the other hand, in its or their sole discretion, undertakes at any time or from time to time to provide any such information to any other party hereto, it or they shall be under no obligation (w) to make, and such informing party shall not make, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness or validity of any such information so provided, (x) to provide any additional information or to provide any such information on any subsequent occasion, (y) to undertake any investigation or (z) to disclose any information which, pursuant to accepted or reasonable commercial finance practices, such party wishes to maintain confidential or is otherwise required to maintain confidential.

6.5 Submission to Jurisdiction; Waivers. (a) ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY (a) ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE

JURISDICTION AND VENUE OF SUCH COURTS; (b) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS; (c) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 6.6; AND (d) AGREES THAT SERVICE AS PROVIDED IN CLAUSE (c) ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT.

(a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER HEREOF, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 6.5(b) AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

6.6 Notices. All notices to the Senior Secured Parties and the Term Secured Parties permitted or required under this Agreement shall also be sent to the Senior Agent and the Term Agent, respectively. Unless otherwise specifically provided herein, any notice hereunder shall be in writing and may be personally served, sent by telefacsimile, United States mail, courier service or electronic mail and shall be deemed to have been received when delivered in Person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, three Business Days after depositing it in the United States mail with postage prepaid and properly addressed, or in the case of electronic mail, upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment). For the purposes hereof, the addresses of the parties hereto shall be as set forth below each party's name on the signature pages hereto, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties.

6.7 Further Assurances. The Term Agent, on behalf of itself and the other Term Secured Parties, and the Senior Agent, on behalf of itself and the other Senior Secured Parties, and each Grantor agrees that each of them shall take such further action and shall execute (without recourse or warranty) and deliver such additional documents and instruments (in recordable form, if requested) as the Term Agent or the Senior Agent may reasonably request to effectuate the terms of and the lien priorities contemplated by this Agreement. The parties hereto agree, subject to the other provisions of this Agreement upon request by the Term Agent or the Senior Agent, to cooperate in good faith (and to direct

their counsel to cooperate in good faith) from time to time in order to determine the specific items included in the Term Priority Collateral and the Senior Priority Collateral and the steps taken to perfect their respective Liens thereon and the identity of the respective parties obligated under the Term Documents and the Senior Documents.

6.8 APPLICABLE LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

6.9 Binding on Successors and Assigns. This Agreement shall be binding upon the parties hereto, the Term Secured Parties, the Senior Secured Parties and their respective successors and assigns.

6.10 Specific Performance. Each of the Term Agent and the Senior Agent may demand specific performance of this Agreement. The Term Agent, on behalf of itself and the other Term Secured Parties, and the Senior Agent, on behalf of itself and the other Senior Secured Parties, hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by the Term Agent or the Senior Agent, as the case may be.

6.11 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

6.12 Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith by telecopy or other electronic method shall be effective as delivery of a manually executed counterpart of this Agreement or such other document or instrument, as applicable.

6.13 Authorization; No Conflict. Each of the parties represents and warrants to all other parties hereto that the execution, delivery and performance by or on behalf of such party to this Agreement has been duly authorized by all necessary action, corporate or otherwise, does not violate any provision of law, governmental regulation, or any agreement or instrument by which such party is bound, and requires no governmental or other consent that has not been obtained and is not in full force and effect.

6.14 No Third Party Beneficiaries. This Agreement and the rights and benefits hereof shall inure to the benefit of the Term Secured Parties, the Senior Secured Parties and each of their respective successors and assigns. Except as expressly provided in Section 6.3, no other Person shall have or be entitled to assert rights or benefits hereunder.

6.15 Provisions Solely to Define Relative Rights.

(a) The provisions of this Agreement are and are intended solely for the purpose of defining the relative rights of the Term Secured Parties on the one hand and the Senior Secured Parties on the other hand. None of any Grantor nor any other creditor thereof shall have any rights hereunder. Nothing in this Agreement is intended to or shall impair the obligations of any Grantor which are absolute

and unconditional, to pay the Term Obligations and the Senior Obligations as and when the same shall become due and payable in accordance with their terms.

(b) Nothing in this Agreement shall relieve any Grantor from the performance of any term, covenant, condition or agreement on any Grantor's part to be performed or observed under or in respect of any of the Collateral pledged by it or from any liability to any Person under or in respect of any of such Collateral or impose any obligation on any Agent to perform or observe any such term, covenant, condition or agreement on any Grantor's part to be so performed or observed or impose any liability on any Agent for any act or omission on the part of any Grantor relative thereto or for any breach of any representation or warranty on the part of any Grantor contained in this Agreement or any Senior Document or any Term Document, or in respect of the Collateral pledged by it. The obligations of any Grantor contained in this paragraph shall survive the termination of this Agreement and the discharge of any such Grantor's other obligations hereunder.

(c) Each of the Agents acknowledges and agrees that it has not made any representation or warranty with respect to the execution, validity, legality, completeness, collectibility or enforceability of any Senior Document or any Term Document. Except as otherwise provided in this Agreement, each of the Agents will be entitled to manage and supervise their respective extensions of credit to any Grantor or any of their Subsidiaries in accordance with law and their usual practices, modified from time to time as they deem appropriate.

6.16 Additional Grantors. Each Grantor will cause each Person that becomes a Grantor or is a Subsidiary required by any Term Document or Senior Document to consent to this Agreement, to execute and deliver to the parties hereto an Intercreditor Agreement Consent, whereupon such Person will be bound by the terms hereof applicable to any of the Grantors in the Sections listed in that Intercreditor Agreement Consent to the same extent as if it had executed and delivered a consent to this Agreement as of the date hereof. Grantors shall promptly provide each Agent with a copy of each Intercreditor Agreement Consent executed and delivered pursuant to this Section 6.16.

6.17 Avoidance Issues. If any Senior Secured Party or Term Secured Party is required in any Insolvency or Liquidation Proceeding or otherwise to turn over or otherwise pay to the estate of any Grantor any amount (a "Recovery"), then such Senior Secured Party or Term Secured Party, as applicable, shall be entitled to a reinstatement of Senior Obligations or Term Obligations, as applicable, with respect to all such recovered amounts. If this Agreement shall have been terminated prior to such Recovery (except as the result of the effectiveness of a plan of reorganization adopted in an Insolvency or Liquidation Proceeding), this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto from such date of reinstatement and, to the extent the Senior Obligations and Term Obligations were decreased in connection with such payment which gave rise to the Recovery, the Senior Obligations and Term Obligations, as applicable, shall be increased to such extent.

6.18 Intercreditor Agreement. This Agreement is the Senior Intercreditor Agreement referred to in the Senior Credit Agreement and the Senior Intercreditor Agreement referred to in the Term Credit Agreement. Nothing in this Agreement shall be deemed to subordinate the right of any Senior Secured Party to receive payment to the right of any Term Secured Party to receive payment or of any Term Secured Party to receive payment to the right of any Senior Secured Party to receive payment (whether before or after the occurrence of an Insolvency or Liquidation Proceeding), it being the intent of the parties that this Agreement shall effectuate a subordination of Liens but not a subordination of Indebtedness.

6.19 Subrogation. (a) With respect to any payments or distributions in cash, property, or other assets that any Term Secured Party pays over to Senior Agent under the terms of this Agreement, such Term Secured Party shall be subrogated to the rights of the Senior Secured Parties, and (b) with respect to any payments or distributions in cash, property, or other assets that any Senior Secured Party pays over to Term Agent under the terms of this Agreement, such Senior Secured Party shall be subrogated to the rights of the Term Secured Parties; provided, that (i) the Term Secured Parties shall not assert or enforce any such rights of subrogation they may acquire as a result of any payment hereunder until the Discharge of Senior Obligations has occurred, and (ii) the Senior Secured Parties shall not assert or enforce any such rights of subrogation they may acquire as a result of any payment hereunder until the Discharge of Term Obligations has occurred.

6.20 Reciprocal Rights. The parties agree that the provisions of Sections 2.1(c), 2.2, 2.3, 2.4(a), 2.4(b), 2.4(e), 2.4(f), 2.5(a), 2.5(b), 2.5(c), 2.5(d), 2.5(e), 2.5(f), 2.5(g), 2.5(h), 2.5(j) 2.5(k), and 6.19 including, as applicable, the defined terms referenced therein (but only to the extent used therein), which govern the relationship, and certain rights, restrictions, and agreements, between the Senior Secured Parties with respect to the Senior Obligations, on the one hand, and the Term Secured Parties with respect to the Term Obligations, on the other hand, (a) with respect to the Senior Priority Collateral subject to the Term Security Documents shall, from and after the Discharge of Senior Obligations and until the payment in full of the Term Obligations, apply to and govern, *mutatis mutandis*, (i) until the Discharge of Term Obligations, the relationship between the Term Secured Parties as First Priority Secured Parties with respect to the Term Priority Obligations, on the one hand, and the Senior Secured Parties as Second Priority Secured Parties with respect to the Excess Senior Debt, on the other hand and (ii) after the Discharge of Term Obligations, the relationship between the Senior Secured Parties as First Priority Secured Parties with respect to the Excess Senior Debt, on the one hand, and the Term Secured Parties as Second Priority Secured Parties with respect to the Excess Term Debt, on the other hand and (b) with respect to the Term Priority Collateral subject to the Senior Security Documents shall, from and after the Discharge of Term Obligations and until the payment in full of the Senior Obligations, apply to and govern, *mutatis mutandis*, (i) until the Discharge of Senior Obligations, the relationship between the Senior Secured Parties as First Priority Secured Parties with respect to the Senior Priority Obligations, on the one hand, and the Term Secured Parties as Second Priority Secured Parties with respect to the Excess Term Debt, on the other hand and (ii) after the Discharge of Senior Obligations, the relationship between the Term Secured Parties as First Priority Secured Parties with respect to the Excess Term Debt, on the one hand, and the Senior Secured Parties as Second Priority Secured Parties with respect to the Excess Senior Debt, on the other hand.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Intercreditor Agreement to be executed by their respective officers or representatives as of the day and year first above written.

Address:

Cantor Fitzgerald Securities
110 East 59th St.
New York, NY 10022
Attn: Jon Stapleton
Email: JStapleton@cantor.com

Cantor Fitzgerald Securities, as Senior Agent

By:_____
Name:
Title:

With copies to:

Cantor Fitzgerald Securities
110 East 59th St.
New York, NY 10022
Attn: Nils Horning
Email: NHorning@cantor.com
Fax No.: (646) 219-1180

- and –

Orrick, Herrington & Sutcliffe LLP
51 West 52nd Street
New York, NY 10019
Attn: B.J. Rosen
Fax No.
Email: bjrosen@orrick.com
Phone: (212) 506-5246

- and -

Brown Rudnick LLP
One Financial Center
Boston, Massachusetts 02111
Attn: Steven B. Levine, Esq.
Fax No. (617) 856-8201
Phone: (617) 856-8587
Email: slevine@brownrudnick.com

Address:

Wilmington Savings Fund Society, FSB
500 Delaware Ave., 11th Floor
Wilmington, DE 1980
Fax No. 302-421-9137
Attn: Kristin L. Moor
Phone: 302-573-3239
Email: K.Moore@wsfsbank .com

Wilmington Savings Fund Society, FSB, as Term Agent

By_____
Name:_____
Title:_____

CONSENT AND AGREEMENT

The undersigned hereby (i) acknowledge and consent to the terms of the Intercreditor Agreement, (ii) acknowledge and agree to the terms, covenants and other provisions applicable to any of the Grantors in the Intercreditor Agreement (including without limitation Section 2.5(b) thereof), which such terms, covenants and other provisions shall be binding on, and enforceable against, the Grantors, and (iii) have caused this Consent to be executed by their respective officers or representatives as of December [___], 2015.

Notice Address for each Grantor:

Colt Defense LLC
547 New Park Avenue
West Hartford, CT 06110
Attn: John Coghlin
Fax No. (860) 244-1442

with a copy (which shall not constitute notice) to:

O'Melveny & Myers LLP
7 Times Square
New York, New York 10036
Attn: Sung Pak, Esq.
Fax No.: (212) 326-2061

[Signature Page Follows]

GRANTORS:

COLT HOLDING COMPANY LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT DEFENSE LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT CANADA CORPORATION

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT SECURITY LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT FINANCE CORP.

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

NEW COLT HOLDING CORP.

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT'S MANUFACTURING COMPANY LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT DEFENSE TECHNICAL SERVICES LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

CDH II HOLDCO INC.

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT INTERNATIONAL COÖPERATIEF U.A.

By: _____
Name: Dennis Veilleux
Title: Director

COLT'S MANUFACTURING IP HOLDING COMPANY LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT CANADA IP HOLDING COMPANY

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

Exhibit A
to Intercreditor Agreement

FORM OF
INTERCREDITOR AGREEMENT JOINDER

The undersigned,_____, a_____, hereby agrees to become party as [the Senior Agent] [the Term Agent] under the Intercreditor Agreement dated as of December [___], 2015 (the "Intercreditor Agreement"), among Cantor Fitzgerald Securities, as Senior Agent, and Wilmington Savings Fund Society, FSB, as Term Agent, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, for all purposes thereof on the terms set forth therein, and to be bound by the terms of the Intercreditor Agreement as fully as if the undersigned had executed and delivered the Intercreditor Agreement as of the date thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Intercreditor Agreement Joinder to be executed by their respective officers or representatives as of_____, 20 .

[_____]

By: _____
Name:
Title:

Exhibit B
to Intercreditor Agreement

FORM OF
INTERCREDITOR AGREEMENT CONSENT

The undersigned hereby (i) acknowledges and consents to the terms of the Intercreditor Agreement dated as of _____ (the "Intercreditor Agreement"), among Cantor Fitzgerald Securities, as Senior Agent, and Wilmington Savings Fund Society, FSB, as Term Agent, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, for all purposes on the terms set forth therein, (ii) agrees to be bound by the terms of the Intercreditor Agreement applicable to any of the Grantors under the Intercreditor Agreement as fully as if the undersigned had executed and delivered a consent to the Intercreditor Agreement as of the date thereof, and (iii) has caused this Consent to be executed by its officers or representatives as of the ____ day of _____, ___.

[_____]

By: _____
Name: _____
Title: _____

EXHIBIT J

JUNIOR INTERCREDITOR AGREEMENT

dated as of December [___], 2015

among

Cantor Fitzgerald Securities,
as Senior Agent,

Wilmington Savings Fund Society, FSB,
as Term Agent,

Cantor Fitzgerald Securities,
as Third Priority Agent,

and

Wilmington Trust, National Association,
as Fourth Priority Trustee,

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This JUNIOR INTERCREDITOR AGREEMENT is dated as of December [___], 2015, and is by and among (i) Cantor Fitzgerald Securities, in its capacity as Senior Agent, together with its successors and assigns in such capacity, (ii) Wilmington Savings Fund Society, FSB, in its capacity as Term Agent, together with its successors and assigns in such capacity, (iii) Cantor Fitzgerald Securities, in its capacity as Third Priority Agent, together with its successors and assigns in such capacity and (iv) Wilmington Trust, National Association, in its capacity as Fourth Priority Trustee (as such term is defined below), together with its successors and assigns in such capacity.

RECITALS:

WHEREAS, Colt Defense LLC ("Colt US") and Colt Canada Corporation ("Colt Canada", and together with Colt US and any other borrower party thereto from time to time, each individually, a "Borrower" and, collectively, "Borrowers"), Colt Holding Company LLC ("Parent"), Colt Security LLC ("Colt Security"), Colt Finance Corp. ("Colt Finance"), New Colt Holding Corp. ("New Colt"), Colt's Manufacturing Company LLC ("Colt's Manufacturing"), Colt Defense Technical Services LLC ("CDTS"), CDH II Holdco Inc. ("CDH"), Colt's Manufacturing IP Holding Company LLC, a Delaware limited liability company, a Delaware corporation ("US IP Holdco"), Colt Canada IP Holding Company, a Nova Scotia unlimited company ("Canada IP Holdco", and together with the US IP Holdco, the "IP Holdcos"), Colt International Coöperatief U.A. ("Colt Netherlands" and, together with Parent, Colt Security, Colt Finance, New Colt, Colt's Manufacturing, CDTS, CDH, US IP Holdco, Canada IP Holdco and any other guarantor party thereto from time to time, each individually a "Guarantor" and, collectively, "Guarantors") are obligors under each of (a) that certain Senior Secured Credit Agreement, dated as of December [___], 2015 (as amended, restated, supplemented, extended, renewed, refinanced, replaced or otherwise modified and in effect from time to time, except to the extent prohibited by Section 2.4(c), including any Permitted Refinancing thereof, the "Senior Credit Agreement"), together with the lenders from time to time party thereto (the "Senior Lenders") and Cantor Fitzgerald Securities, as agent for the Senior Lenders (in such capacity and together with its successors and assigns in such capacity, the "Senior Agent"), and (b) that certain Senior Secured Term Loan Agreement, dated as of December [_____], 2015 (as amended, restated, supplemented, extended, renewed, refinanced, replaced or otherwise modified and in effect from time to time, except to the extent prohibited by Section 2.4(c), including any Permitted Refinancing thereof, the "Term Credit Agreement" and together with the Senior Credit Agreement, collectively, the "Senior Priority Agreements") together with the lenders from time to time party thereto (the "Term Lenders" and, together with the Senior Lenders, collectively, the "Senior Priority Lenders"), and Wilmington Savings Fund Society, FSB, as agent for the Term Lenders (in such capacity and together with its successors and assigns in such capacity, the "Term Agent" and together with the Senior Agent, collectively, the "Senior Priority Agents");

WHEREAS, the Borrowers and the Guarantors entered into that certain Third Lien Credit Agreement, dated as of December [_____], 2015 (as amended, restated, supplemented, extended, renewed, refinanced, replaced or otherwise modified and in effect from time to time, except to the extent prohibited by Section 2.4(c), including any Permitted Refinancing thereof, the "Third Priority Credit Agreement"), together with the lenders party thereto from time to time (collectively, the "Third Priority Lenders") and Cantor Fitzgerald Securities, as agent for the Third Priority Lenders (in such capacity and together with its successors and assigns in such capacity, the "Third Priority Agent");

WHEREAS, Colt US, as issuer of its 8.00% Fourth Priority Secured Notes Due 2021 (the "Fourth Priority Notes"), Colt Canada and the Guarantors, as guarantors, entered into that certain Indenture, dated as of December [_____], 2015 (as amended, restated, supplemented, extended, renewed, refinanced, replaced or otherwise modified and in effect from time to time, except to the extent prohibited by Section 2.4(c), including any Permitted Refinancing thereof, the "Fourth Priority Note Indenture"), with Wilmington Trust, National Association, as trustee and collateral agent (in such capacities and together

with its successors and assigns in such capacities, the "Fourth Priority Trustee" and together with the Third Priority Agent, collectively in their respective capacities, the "Junior Priority Agents"), pursuant to which Colt US issued the Fourth Priority Notes (the holders thereof collectively, the "Fourth Priority Noteholders" and together with the Third Priority Lenders, collectively, the "Junior Priority Lenders");

WHEREAS, the Senior Priority Obligations under or in connection with the Senior Priority Agreements and any other Senior Priority Documents (including any Permitted Refinancing thereof) are secured with a first priority Lien and a second priority Lien on the Collateral, subject to certain provisions as set forth in the Senior Intercreditor Agreement;

WHEREAS, the Third Priority Obligations under or in connection with the Third Priority Credit Agreement and any other Third Priority Documents (including any Permitted Refinancing thereof) are secured with a third priority Lien on the Collateral; and

WHEREAS, the Fourth Priority Obligations under or in connection with the Fourth Priority Note Indenture and any other Fourth Priority Documents (including any Permitted Refinancing thereof) are secured with a fourth priority Lien on the Collateral.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions.

1.1 UCC and PPSA Definitions. The following terms which are defined in the UCC are used herein as so defined: Accounts, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Electronic Chattel Paper, Equipment, Financial Assets, Fixtures, Goods, General Intangibles, Instruments, Inventory, Investment Property, Letter-of-Credit Rights, Money, Payment Intangibles, Promissory Notes, Proceeds, Records, Securities, Securities Accounts, Security Entitlements, Supporting Obligations, and Tangible Chattel Paper. Any terms that are defined in the PPSA and pertaining to Collateral consisting of assets of any Grantor organized under the laws of Canada or any province or territory thereof (excluding any tangible assets of any Grantor organized under the laws of Canada or any province or thereof, which are located in the United States of America, in which case such terms shall be construed and defined as set forth in the UCC) shall be construed and defined as set forth in the PPSA unless otherwise defined herein

1.2 Other Defined Terms. The following terms when used in this Agreement, including its preamble and recitals, shall have the following meanings:

"Agents" shall mean the Senior Priority Agents and the Junior Priority Agents.

"Agent Fees" shall mean (a) the fees (including fees incurred by an Agent's counsel), costs, expenses and indemnification rights, of any Senior Priority Agent incurred and (b) in the case of any Junior Agent, such fees, costs (including the fees and expense incurred by such Agent's counsel), expenses and indemnification rights to the extent incurred or arising, as the case may be, in connection with (x) such Person's ordinary exercise of its obligations under the applicable Junior Priority Documents (as reasonably determined by such Junior Agent, including upon the advice of counsel to such Junior Agent), (y) such Person's annual customary administrative or trustee fees as set forth in the applicable fee letter, and (z) such Person's exercise of its fiduciary duties (as reasonably determined by such Junior Agent, including upon the advice of counsel to such Junior Agent) under the applicable Junior Priority Documents.

"Agreement" shall mean this Junior Intercreditor Agreement as the same may be amended, modified, restated and/or supplemented from time to time in accordance with its terms.

"Bankruptcy Code" shall mean Title 11 of the United States Code, as now and hereafter in effect, or any successor statute.

"Bankruptcy Law" shall mean the Bankruptcy Code and any similar federal or state or non-U.S. law or statute for the supervision, administration or relief of debtors, including bankruptcy or insolvency laws.

"Borrowers" shall have the meaning set forth in the recitals hereto.

"Business Day" shall mean any day except Saturday, Sunday and any day which shall be in New York City a legal holiday or a day on which banking institutions are authorized or required by law or other government action to close.

"Capital Lease" shall mean a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Capitalized Lease Obligation" shall mean, with respect to any Person, that portion of any obligation of such Person as lessee under a lease which at the time would be required to be capitalized on the balance sheet of such lessee in accordance with GAAP.

"Cash Collateral" shall have the meaning set forth in Section 2.5(a).

"Cash Proceeds" shall mean all Proceeds of any Collateral received by any Grantor or Secured Party consisting of cash and checks.

"Class" shall mean (a) with respect to any Secured Party, whether such Secured Party is a Fourth Priority Secured Party, Senior Secured Party, Term Secured Party or Third Priority Secured Party, (b) with respect to any Agent, whether such Agent is the Fourth Priority Trustee, Senior Agent, Term Agent or Third Priority Agent, (c) with respect to any Secured Documents, whether such Secured Documents are Fourth Priority Documents, Senior Documents, Term Documents or Third Priority Documents, and (d) with respect to any Secured Obligations, whether such Secured Obligations are Fourth Priority Obligations, Senior Obligations, Term Obligations or Third Priority Obligations.

"Class A Stock" shall mean the "Units" having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Class A Units" in that certain Second Amended and Restated Limited Liability Company Agreement of Colt Holding Company LLC, dated as of [___].

"Class B Stock" shall mean the "Units" having the privileges, preference, duties, liabilities, obligations and rights specified with respect to "Class B Units" in that certain Second Amended and Restated Limited Liability Company Agreement of Colt Holding Company LLC, dated as of [___].

"Collateral" shall mean all property (whether real, personal, movable or immovable and whether now owned or hereafter acquired) with respect to which any security interests or Liens have been granted (or were required to have been, or have been purported to have been, granted) by any Grantor pursuant to any Senior Priority Security Document or Junior Priority Security Document, without regard to whether such Liens or security interests in such property shall be valid, perfected or nonavoidable, or whether such Liens or security interests in such property at any time (including following the commencement of any Insolvency or Liquidation Proceeding) ceases to be valid, perfected or nonavoidable.

"Contingent Obligation" shall mean, as to any Person, any obligation of such Person as a result of such Person being a general partner of any other Person, unless the underlying obligation is expressly made non-recourse as to such general partner, and any obligation of such Person guaranteeing or intended to guarantee any Indebtedness, leases, dividends or other obligations ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such 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 holder of such primary obligation against loss in respect thereof; provided, that, the term "Contingent Obligation" shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the lesser of (x) the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith and (y) the stated amount of such Contingent Obligation.

"DIP Financing" shall mean providing any Grantor financing under Section 364 of the Bankruptcy Code or any similar Bankruptcy Law.

"Discharge of Fourth Priority Obligations" shall mean, except to the extent otherwise provided in Section 2.4(f), the occurrence of all of the following:

(a) termination or expiration of all commitments to extend credit that would constitute Fourth Priority Obligations;

(b) payment in full in cash of the principal of and interest and premium (if any) on all Fourth Priority Obligations; and

(c) payment in full in cash of all other Fourth Priority Obligations that are outstanding and unpaid at the time the termination, expiration and discharge set forth in clauses (a) and (b) above have occurred (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other contingent liabilities in respect of which no claim or demand for payment has been made at such time).

"Discharge of Senior Priority Obligations" shall mean, except to the extent otherwise provided in Section 2.4(f), the occurrence of all of the following:

(a) termination or expiration of all commitments to extend credit that would constitute Senior Priority Obligations;

(b) payment in full in cash of the principal of and interest and premium (if any) on all Senior Priority Obligations; and

(c) payment in full in cash of all other Senior Priority Obligations that are outstanding and unpaid at the time the termination, expiration and discharge set forth in clauses (a) and (b) above have occurred (other than any obligations for taxes, costs, indemnifications, reimbursements,

damages and other contingent liabilities in respect of which no claim or demand for payment has been made at such time).

"Discharge of Third Priority Obligations" shall mean, except to the extent otherwise provided in Section 2.4(f), the occurrence of all of the following:

(a) termination or expiration of all commitments to extend credit that would constitute Third Priority Obligations;

(b) payment in full in cash of the principal of and interest and premium (if any) on all Third Priority Obligations; and

(c) payment in full in cash of all other Third Priority Obligations that are outstanding and unpaid at the time the termination, expiration and discharge set forth in clauses (a) and (b) above have occurred (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other contingent liabilities in respect of which no claim or demand for payment has been made at such time).

"Disposition" shall mean any sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Enforcement Expenses" shall mean, with respect to any Class, all costs, expenses or fees (including fees incurred by the Agent for such Class or any attorneys or other agents or consultants retained by such Agent) that the Agent or any other Secured Party for such Class may suffer or incur after the occurrence of an event of default on account or in connection with (a) the repossession, storage, repair, appraisal, insuring, completion of the manufacture of, preparing for sale, advertising for sale, selling, collecting or otherwise preserving or realizing upon any Collateral, (b) the settlement or satisfaction of any prior Lien or other encumbrance upon any Collateral, (c) the enforcement of any Secured Documents for such Class, or the collection of any of the Secured Obligations for such Class or (d) any Insolvency or Liquidation Proceeding.

"Fourth Priority Default" shall mean, an "Event of Default", as such term is defined in the Fourth Priority Documents.

"Fourth Priority Documents" shall mean (a) the Fourth Priority Note Indenture, the Fourth Priority Notes, and the other "Fourth Lien Note Documents" (as defined in the Fourth Priority Note Indenture), including all Fourth Priority Security Documents, and (b) each of the other agreements, documents and instruments providing for or evidencing any Fourth Priority Obligation, and any other document or instrument executed or delivered at any time in connection with any Fourth Priority Obligation, together with any amendments, replacements, refinancings, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing.

"Fourth Priority Noteholders" shall have the meaning set forth in the recitals hereto.

"Fourth Priority Note Indenture" shall have the meaning set forth in the recitals hereto.

"Fourth Priority Obligations" shall mean all "Fourth Lien Debt" (as defined in the Fourth Priority Note Indenture), and all other amounts owing, due, or secured under the terms of the Fourth Priority Note Indenture or any other Fourth Priority Document, whether now existing or arising hereafter, including all

principal, premium, interest, fees, attorneys fees, costs, charges, expenses, reimbursement obligations, obligations with respect to loans, indemnities or guarantees, and all other amounts payable under or secured by any Fourth Priority Document (including, in each case, all amounts accruing on or after the commencement of any Insolvency or Liquidation Proceeding relating to any Grantor, or that would have accrued or become due under the terms of the Fourth Priority Documents but for the effect of the Insolvency or Liquidation Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency or Liquidation Proceeding), in each case whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, including all Enforcement Expenses and Indemnity Amounts.

"Fourth Priority Secured Parties" shall mean the Fourth Priority Noteholders and the Fourth Priority Trustee and shall include all former Fourth Priority Noteholders and any former trustee or collateral agent under the Fourth Priority Note Indenture to the extent that any Fourth Priority Obligations owing to such Persons were incurred while such Persons were Fourth Priority Noteholders or the trustee or collateral agent under the Fourth Priority Note Indenture and such Fourth Priority Obligations have not been paid or satisfied in full, and all new Fourth Priority Secured Parties.

"Fourth Priority Security Document" shall mean (a) the "Security Documents" (as defined in the Fourth Priority Note Indenture) and (b) any other agreement, document or instrument pursuant to which a Lien is granted by one or more of the Borrowers or any other Grantor securing any Fourth Priority Obligations or under which rights or remedies with respect to such Liens are governed, together with any amendments, replacements, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, to the extent not prohibited by this Agreement, including Section 2.4(c).

"Fourth Priority Standstill Period" shall have the meaning set forth in Section 2.2(a)(i).

"Fourth Priority Trustee" shall have the meaning set forth in the recitals hereto.

"GAAP" shall mean generally accepted accounting principles and practices set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the United States of America accounting profession).

"Grantors" shall mean the Borrowers and Guarantors and each of their respective Subsidiaries that have executed and delivered, or may from time to time hereafter execute and deliver, a Senior Security Document or a Term Security Document.

"Guarantors" shall have the meaning set forth in the recitals hereto.

"Indebtedness" shall mean, as to any Person (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, bankers acceptances, or other financial products, (c) all Capitalized Lease Obligations of such Person, (d) all Contingent Obligations of such Person, (e) all obligations or liabilities of others secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed, (f) all obligations of such Person to pay the deferred purchase price of assets (other than trade payables incurred in the ordinary course of business and repayable in accordance with customary trade practices), (g) all obligations of such Person owing under hedge agreements (which amount shall be calculated based on the amount that would be payable by such Person if the hedge agreement were terminated on the date of determination), (h) any Disqualified Equity Interests (as defined in the Term Credit Agreement and Senior Credit Agreement,

each as in effect on the date hereof) of such Person, and (i) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (h) above.

"Indemnity Amount" shall mean, with respect to any Class on any date, the amount required to be paid by any Grantors to any Agent or any other Secured Party of such Class on such date pursuant to any indemnity provision contained in the Secured Documents for such Class.

"Insolvency or Liquidation Proceeding" shall mean any of the following: (a) the filing by any Grantor of a voluntary petition in bankruptcy under any provision of any bankruptcy law (including the Bankruptcy Code) or a petition to take advantage of any receivership or insolvency laws, including any petition seeking the dissolution, winding up, total or partial liquidation, reorganization, composition, arrangement, adjustment or readjustment or other relief of such Grantor, such Grantor's debts or such Grantor's assets or the appointment of a trustee, receiver, liquidator, custodian or similar official for such Grantor or a material part of such Grantor's property; (b) the admission in writing by such Grantor of its inability to pay its debts generally as they become due; (c) appointment of a receiver, liquidator, trustee, custodian or other similar official for such Grantor or all or a material part of such Grantor's assets; (d) the filing of any petition against such Grantor under any bankruptcy law (including the Bankruptcy Code) or other receivership or insolvency law, including any petition seeking the dissolution, winding up, total or partial liquidation, reorganization, composition, arrangement, adjustment or readjustment or other relief of such Grantor, such Grantor's debts or such Grantor's assets or the appointment of a trustee, receiver, liquidator, custodian or similar official for such Grantor or a material part of such Grantor's property; (e) the general assignment by such Grantor for the benefit of creditors or any other marshaling of the assets and liabilities of such Grantor; or (f) a corporate (or similar) action taken by such Grantor to authorize any of the foregoing.

"Intercreditor Agreement Consent" shall mean an agreement substantially in the form of Exhibit B.

"Intercreditor Agreement Joinder" shall mean an agreement substantially in the form of Exhibit A.

"Junior Priority Agents" shall have the meaning set forth in the recitals hereto.

"Junior Priority Closing Date Obligations" shall mean, collectively, (a) that portion of the Third Priority Obligations outstanding on the date hereof, plus an additional [$5,000,000] that is permitted to be issued thereunder pursuant to the Third Priority Documents in effect on the date hereof, and (b) that portion of the Fourth Priority Obligations outstanding on the date hereof, which shall include the aggregate principal amount outstanding as of the date hereof under all Fourth Priority Notes (including, without limitation, any such Fourth Priority Notes in respect of disputed claims which are deemed issued as of the date hereof pursuant to the Fourth Priority Indenture).

"Junior Priority Default" shall mean any default or event of default, however defined, under any Junior Priority Document.

"Junior Priority Documents" shall mean the Third Priority Documents and Fourth Priority Documents.

"Junior Priority Lenders" shall have the meaning set forth in the recitals hereto.

"Junior Priority Obligations" shall mean the Third Priority Obligations and the Fourth Priority Obligations.

"Junior Priority Secured Parties" shall mean the Third Priority Secured Parties and the Fourth Priority Secured Parties.

"Junior Priority Security Documents" shall mean the Third Priority Security Documents and Fourth Priority Security Documents.

"Lien" shall mean any mortgage, deed of trust, pledge, hypothecation, assignment, hypothec, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement and any other preference, priority, or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"Maximum Fourth Priority Principal Obligations" shall mean, on any date of determination, the result of: (a) $10,000,000 minus (b) the aggregate amount of all principal payments and prepayments (whether voluntary or mandatory) of the Outstanding Fourth Priority Principal Obligations actually received by the Fourth Priority Trustee or Fourth Priority Noteholders under the Fourth Priority Note Indenture (other than payments and prepayments as a result of a Permitted Refinancing thereof with an equal amount of Fourth Priority Obligations under a new facility or facilities).

"Maximum Senior Priority Principal Obligations" shall mean, on any date of determination, the result of: (a) $[141,680,000], minus (b) the aggregate amount of all payments and prepayments (whether voluntary or mandatory) of Outstanding Senior Priority Principal Obligations actually received by any of the Senior Priority Agents or the Senior Priority Lenders under the Senior Priority Documents (other than payments and prepayments as a result of a Permitted Refinancing thereof to the extent that the aggregate principal amount of Senior Priority Obligations under a new facility or facilities do not exceed the principal amount of Outstanding Senior Priority Principal Obligations at the time of and immediately prior to giving effect to such Permitted Refinancing facilities); plus (c) an amount not exceeding $14,360,000 to the extent such amount is provided pursuant to a DIP Financing contemplated by and subject to the terms of Section 2.5(a). Any and all fees payable in connection with an amendment or waiver or refinancing, and any and all interest and/or other amounts payable in-kind, shall not be taken into account when determining the Maximum Senior Priority Principal Obligations.

"Maximum Third Priority Principal Obligations" shall mean, on any date of determination, the result of: (a) $[55,000,000], plus (b) any payment-in-kind interest, premiums, fees, costs or expenses at any time accrued or outstanding (whether or not yet capitalized as principal) that constitute Third Priority Obligations, plus (c) in the case of any Permitted Refinancing of any Third Priority Obligations, an additional amount sufficient to pay accrued interest thereon and reasonable fees, premiums and expenses incurred in connection therewith minus (d) the aggregate amount of all principal payments and prepayments (whether voluntary or mandatory) of Outstanding Third Priority Principal Obligations actually received by the Third Priority Agent or the Third Priority Lenders under the Third Priority Credit Agreement (other than payments and prepayments as a result of a Permitted Refinancing thereof to the extent that the aggregate principal amount of Third Priority Obligations after giving effect thereto does not exceed the sum of amounts paid pursuant to clause (c) above and the amount of outstanding Third Priority Obligations (including accrued interest, premiums and fees required to be paid in connection with such Permitted Refinancing) at the time of and immediately prior to giving effect to such Permitted Refinancing) plus (e) an amount not exceeding $5,500,000 to the extent such amount is provided pursuant to a DIP Financing contemplated by and subject to the terms of Section 2.5(a).

"New Senior Priority Agent" shall have the meaning set forth in Section 2.4(f).

"Outstanding Fourth Priority Principal Obligations" shall mean the aggregate outstanding principal amount of all Indebtedness made, issued or incurred under the Fourth Priority Documents.

"Outstanding Senior Priority Principal Obligations" shall mean the aggregate outstanding principal amount of all Indebtedness made, issued or incurred under the Senior Priority Documents.

"Outstanding Third Priority Principal Obligations" shall mean the aggregate outstanding principal amount of all Indebtedness made, issued or incurred under the Third Priority Documents.

"Payment Over Requirement" shall have the meaning set forth in Section 2.3(a).

"Permitted Refinancing" shall mean, as to any existing Indebtedness, the incurrence or issuance of Refinancing Indebtedness to Refinance such existing Indebtedness; provided, that, the principal amount and terms applicable to such Refinancing Indebtedness and, if applicable, the related guarantees of such Refinancing Indebtedness, shall not violate the terms set forth in Section 2.4.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof, whether existing as of the date hereof or subsequently created or coming to exist.

"Pledged Collateral" shall have the meaning set forth in Section 2.4(e)(i).

"PPSA" shall mean the Personal Property Security Act (Ontario), the Civil Code of Québec or any other applicable Canadian Federal or Provincial statute pertaining to the granting, perfecting, priority or ranking of security interests, liens, hypothecs on personal property, and any successor statutes, together with any regulations thereunder, in each case as in effect from time to time.

"Real Property" shall mean any estates or interests in real property now owned or hereafter acquired by any Grantor and the improvements thereto.

"Recovery" shall have the meaning set forth in Section 6.17.

"Refinance" shall mean, in respect of any existing Indebtedness, to refinance, extend, renew, retire, defease, amend, modify, supplement, restructure, replace, refund, restate or repay, or to issue other Indebtedness (such other Indebtedness, "Refinancing Indebtedness"), in exchange or replacement for, such Indebtedness in whole or in part, including with new or different lenders or whether adding new or additional Grantors. "Refinanced" and "Refinancing" shall have correlative meanings.

"Secured Documents" shall mean the Fourth Priority Documents, Senior Documents, Term Documents and Third Priority Documents.

"Secured Obligations" shall mean the Fourth Priority Obligations, Senior Obligations, Term Obligations and Third Priority Obligations.

"Secured Parties" shall mean the Senior Priority Secured Parties and the Junior Priority Secured Parties.

"Senior Agent" shall have the meaning set forth in the recitals hereto.

"Senior Credit Agreement" shall have the meaning set forth in the recitals hereto.

"Senior Default" shall mean any "Event of Default", as such term is defined in any Senior Document.

"Senior Documents" shall mean (a) the Senior Credit Agreement, and the other Loan Documents (as defined in the Senior Credit Agreement), including the Senior Security Documents, and (b) each of the other agreements, documents and instruments providing for or evidencing any Senior Obligation (including any Permitted Refinancing of any Senior Obligations), and any other document or instrument executed or delivered at any time in connection with any Senior Obligation (including any Permitted Refinancing of any Senior Obligation), together with any amendments, replacements, refinancings, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, including each of the documents executed in connection with any DIP Financing permitted by Section 2.5(a) provided by Senior Agent and/or any Senior Lenders unless such documents expressly provide at the time executed that they shall not constitute Senior Documents for purposes of this Agreement and that the debt thereunder shall not constitute Senior Obligations for purposes of this Agreement.

"Senior Lenders" shall have the meaning set forth in the recitals hereto.

"Senior Intercreditor Agreement" shall mean that certain Intercreditor Agreement dated as of the date hereof, by and between the Senior Agent and the Term Agent, on behalf of the Senior Lenders and Term Lenders, respectively, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time.

"Senior Obligations" shall mean all "Obligations" (as defined in the Senior Credit Agreement), and all other amounts owing, due, or secured under the terms of the Senior Credit Agreement or any other Senior Document, whether now existing or arising hereafter, including all principal, premium, interest, fees, attorneys fees, costs, charges, expenses, reimbursement obligations, obligations with respect to loans, indemnities or guarantees, and all other amounts payable under or secured by any Senior Document (including, in each case, all amounts accruing on or after the commencement of any Insolvency or Liquidation Proceeding relating to any Grantor, or that would have accrued or become due under the terms of the Senior Documents but for the effect of the Insolvency or Liquidation Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency or Liquidation Proceeding), in each case whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, including all Enforcement Expenses and Indemnity Amounts.

"Senior Priority Agents" shall have the meaning set forth in the recitals hereto and shall include any successor thereto as well as any Person designated as the "Agent", "Administrative Agent" or "Collateral Agent" under any Senior Priority Document and includes any New Senior Priority Agent that becomes the new Senior Priority Agent to the extent set forth in Section 2.4(f).

"Senior Priority Agreements" shall have the meaning set forth in the recitals hereto.

"Senior Priority Default" shall mean a Senior Default and/or a Term Default.

"Senior Priority Documents" shall mean (a) the Senior Credit Agreement and the other "Loan Documents" (as defined in the Senior Credit Agreement), including the Senior Security Documents, (b) the Term Credit Agreement and the other "Loan Documents" (as defined in the Term Credit Agreement), including the Term Security Documents and (c) each of the other agreements, documents and instruments providing for or evidencing any Senior Priority Obligations (including any Permitted Refinancing of any

Senior Priority Obligations), and any other document or instrument executed or delivered at any time in connection with any Senior Priority Obligations (including any Permitted Refinancing of any Senior Priority Obligations), together with any amendments, replacements, refinancings, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, including each of the documents executed in connection with any DIP Financing permitted by Section 2.5(a) provided by Senior Priority Agents and any Senior Priority Lenders unless such documents expressly provide at the time executed that they shall not constitute Senior Priority Documents for purposes of this Agreement and that the debt thereunder shall not constitute Senior Priority Obligations for purposes of this Agreement.

"Senior Priority Lenders" shall have the meaning set forth in the recitals hereto.

"Senior Priority Obligations" shall mean all "Obligations" (as defined in the Senior Credit Agreement and Term Credit Agreement), and all other amounts owing, due, or secured under the terms of the Senior Agreements or any other Senior Priority Document, whether now existing or arising hereafter, including all principal, premium, interest, fees, attorneys fees, costs, charges, expenses, reimbursement obligations, obligations with respect to loans or indemnities in respect thereof, any other indemnities or guarantees, and all other amounts payable under or secured by any Senior Priority Document (including, in each case, all amounts accruing on or after the commencement of any Insolvency or Liquidation Proceeding relating to any Grantor, or that would have accrued or become due under the terms of the Senior Priority Documents but for the effect of the Insolvency or Liquidation Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency or Liquidation Proceeding), in each case whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, including all Enforcement Expenses and Indemnity Amounts.

"Senior Priority Secured Parties" shall mean the Senior Secured Parties and the Term Secured Parties.

"Senior Priority Security Documents" shall mean the Senior Security Documents and Term Security Documents.

"Senior Secured Parties" shall mean the Senior Lenders and the Senior Agent and shall include all former Senior Lenders and administrative agents under the Senior Credit Agreement to the extent that any Senior Obligations owing to such Persons were incurred while such Persons were Senior Lenders or the administrative agent under the Senior Credit Agreement and such Senior Obligations have not been paid or satisfied in full and all new Senior Secured Parties.

"Senior Security Agreement" shall mean the Security Agreement (as defined in the Senior Credit Agreement).

"Senior Security Documents" shall mean (a) the Senior Security Agreement and (b) any other agreement, document or instrument pursuant to which a Lien is granted by one or more of the Borrowers or any other Grantor securing any Senior Obligations (including any Permitted Refinancing of any Senior Obligations) or under which rights or remedies with respect to such Liens are governed, together with any amendments, replacements, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, to the extent not prohibited by this Agreement, including Section 2.4(c).

"Specified DIP Financing" shall have the meaning set forth in Section 2.5(a).

"Subsidiary" shall mean, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than fifty percent

(50%) of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; provided, that, in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a "qualifying share" of the former Person shall be deemed to be outstanding. Unless otherwise specified, all references herein to a "Subsidiary" or "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Grantors.

"Term Agent" shall have the meaning set forth in the recitals hereto.

"Term Credit Agreement" shall have the meaning set forth in the recitals hereto.

"Term Default" shall mean any "Event of Default", as such term is defined in any Term Document.

"Term Documents" shall mean (a) the Term Credit Agreement, and the other "Loan Documents" (as defined in the Term Credit Agreement), including the Term Security Documents, and (b) each of the other agreements, documents and instruments providing for or evidencing any Term Obligation (including any Permitted Refinancing of any Term Obligations), and any other document or instrument executed or delivered at any time in connection with any Term Obligation (including any Permitted Refinancing of any Term Obligation), together with any amendments, replacements, refinancings, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, including each of the documents executed in connection with any DIP Financing permitted by Section 2.5(a) provided by Term Agent and/or any Term Lenders unless such documents expressly provide at the time executed that they shall not constitute Term Documents for purposes of this Agreement and that the debt thereunder shall not constitute Term Obligations for purposes of this Agreement.

"Term Lenders" shall have the meaning set forth in the recitals hereto.

"Term Obligations" shall mean all "Obligations" (as defined in the Term Credit Agreement), and all other amounts owing, due, or secured under the terms of the Term Credit Agreement or any other Term Document, whether now existing or arising hereafter, including all principal, premium, interest, fees, attorneys fees, costs, charges, expenses, reimbursement obligations, obligations with respect to loans, indemnities or guarantees, and all other amounts payable under or secured by any Term Document (including, in each case, all amounts accruing on or after the commencement of any Insolvency or Liquidation Proceeding relating to any Grantor, or that would have accrued or become due under the terms of the Term Documents but for the effect of the Insolvency or Liquidation Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency or Liquidation Proceeding), in each case whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, including all Enforcement Expenses and Indemnity Amounts.

"Term Secured Parties" shall mean the Term Lenders and the Term Agent and shall include all former Term Lenders and agents under the Term Credit Agreement to the extent that any Term Obligations owing to such Persons were incurred while such Persons were Term Lenders or the agent under the Term Credit Agreement and such Term Obligations have not been paid or satisfied in full and all new Term Secured Parties.

"Term Security Agreement" shall mean the Security Agreement (as defined in the Term Credit Agreement).

"Term Security Documents" shall mean (a) the Term Security Agreement and (b) any other agreement, document or instrument pursuant to which a Lien is granted by one or more of the Borrowers or any other Grantor securing any Term Obligations (including any Permitted Refinancing of any Term Obligations) or under which rights or remedies with respect to such Liens are governed, together with any amendments, replacements, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, to the extent not prohibited by this Agreement, including Section 2.4(c).

"Third Priority Agent" shall have the meaning set forth in the recitals hereto.

"Third Priority Credit Agreement" shall have the meaning set forth in the recitals hereto.

"Third Priority Default" shall mean, an "Event of Default", as such term is defined in the Third Priority Documents.

"Third Priority Documents" shall mean (a) the Third Priority Credit Agreement, and the other "Loan Documents" (as defined in the Third Priority Credit Agreement), including Third Priority Security Documents, and (b) each of the other agreements, documents and instruments providing for or evidencing any Third Priority Obligation, and any other document or instrument executed or delivered at any time in connection with any Third Priority Obligation, together with any amendments, replacements, refinancings, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing.

"Third Priority Lenders" shall have the meaning set forth in the recitals hereto.

"Third Priority Obligations" shall mean all "Obligations" (as defined in the Third Priority Credit Agreement), and all other amounts owing, due, or secured under the terms of the Third Priority Credit Agreement or any other Third Priority Document, whether now existing or arising hereafter, including all principal, premium, interest, fees, attorneys fees, costs, charges, expenses, reimbursement obligations, obligations with respect to loans, indemnities or guarantees, and all other amounts payable under or secured by any Third Priority Document (including, in each case, all amounts accruing on or after the commencement of any Insolvency or Liquidation Proceeding relating to any Grantor, or that would have accrued or become due under the terms of the Third Priority Documents but for the effect of the Insolvency or Liquidation Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency or Liquidation Proceeding), in each case whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, including all Enforcement Expenses and Indemnity Amounts.

"Third Priority Secured Parties" shall mean the Third Priority Lenders and the Third Priority Agent and shall include all former Third Priority Lenders and agents under the Third Priority Credit Agreement to the extent that any Third Priority Obligations owing to such Persons were incurred while such Persons were Third Priority Lenders or the agent under the Third Priority Credit Agreement and such Third Priority Obligations have not been paid or satisfied in full and all new Third Priority Secured Parties.

"Third Priority Security Documents" shall mean (a) the "Security Documents" (as defined in the Third Priority Credit Agreement) and (b) any other agreement, document or instrument pursuant to which a Lien is granted by one or more of the Borrowers or any other Grantor securing any Third Priority Obligations or under which rights or remedies with respect to such Liens are governed, together with any

amendments, replacements, modifications, extensions, renewals or supplements to, or restatements of, any of the foregoing, to the extent not prohibited by this Agreement, including Section 2.4(c).

"Third Priority Standstill Period" shall have the meaning set forth in Section 2.2(a)(i).

"UCC" shall mean the Uniform Commercial Code as in effect from time to time in the relevant jurisdiction.

"United States" shall mean the United States of America.

1.3 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified, to the extent not prohibited by this Agreement, (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision of this Agreement, (d) all references herein to Exhibits or Sections shall be construed to refer to Exhibits or Sections of this Agreement, (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (f) any terms defined in the UCC or the PPSA but not otherwise defined herein shall have the same meanings herein as are assigned thereto in the UCC or the PPSA, as applicable, (g) reference to any law shall mean such law as amended, modified, codified, replaced or re-enacted, in whole or in part, and in effect on the date hereof, including rules, regulations, enforcement procedures and any interpretations promulgated thereunder, (h) references to Sections or clauses shall refer to those portions of this Agreement, and any references to a clause shall, unless otherwise identified, refer to the appropriate clause within the same Section in which such reference occurs, (i) any definition of, or reference to Collateral herein shall not be construed as referring to any amounts recovered by a Grantor, as a debtor in possession, or a trustee for the estate of a Grantor, under Section 506(c) of the Bankruptcy Code (or by comparable Persons under any other Bankruptcy Law) and (j) in this Agreement, the terms "UCC" and "PPSA" shall also refer to analogous personal property security legislation in foreign jurisdictions other than Canada, mutatis mutandis, and, where the context so requires, any term defined herein by reference to the UCC or the PPSA, as applicable, shall also have any extended, alternative or analogous meaning given to such term in such foreign personal property security legislation, in all cases for the extension, preservation or betterment of the security and rights of the Senior Priority Agents, the other Senior Priority Secured Parties, the Junior Priority Agents and the other Junior Priority Secured Parties.

Section 2. Collateral; Priorities.

2.1 Lien Priorities.

(a) Relative Priorities. Notwithstanding (i) the time, manner, order or method of grant, creation, attachment, validity, enforceability or perfection of any Liens in the Collateral securing the Senior Priority Obligations or of any Liens securing the Junior Priority Obligations, (ii) the date on which any Senior Priority Obligations or Junior Priority Obligations are extended, (iii) any provision of the UCC, PPSA or any other applicable law, including any rule for determining priority thereunder or under any other law or rule governing the relative priorities of secured creditors, including with respect to

real property or fixtures, (iv) any provision set forth in any Senior Priority Document or any Junior Priority Document (other than this Agreement), or (v) the possession or control by any Agent or any Secured Party or any bailee of all or any part of any Collateral as of the date hereof or otherwise, each Agent, on behalf of itself and its respective other Secured Parties, hereby agrees that:

(i) So long as the Discharge of Senior Priority Obligations has not occurred, any Lien on the Collateral securing any Senior Priority Obligations now or hereafter held by or on behalf of the Senior Priority Agents or any other Senior Priority Secured Parties or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation, or otherwise, shall be senior in all respects and prior to any Lien on the (x) Collateral securing any Third Priority Obligations and (y) Collateral securing any Fourth Priority Obligations;

(ii) so long as the Discharge of Third Priority Obligations has not occurred, any Lien on the Collateral securing any Third Priority Obligations now or hereafter held by or on behalf of the Third Priority Agent or any other Third Priority Secured Parties or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation, or otherwise, shall be senior in all respects and prior to any Lien on the Collateral securing any Fourth Priority Obligations; and[1]

(iii) any Lien on the Collateral securing any Fourth Priority Obligations now or hereafter held by or on behalf of Fourth Priority Trustee or any other Fourth Priority Secured Parties or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be (A) so long as the Discharge of Senior Priority Obligations has not occurred, junior and subordinate in all respects to all Liens on the Collateral securing any Senior Priority Obligations and (B) so long as the Discharge of Third Priority Obligations has not occurred junior and subordinate in all respects to all Liens on the Collateral securing any Third Priority Obligations now or hereafter held by or on behalf of the Third Priority Agent or any other Third Priority Secured Parties or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation, or otherwise.

(b) Prohibition on Contesting Liens. Each Agent, on behalf of itself and its Class of Secured Parties, agrees that it will not (and hereby waives any right to), directly or indirectly, contest, or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the extent, validity, attachment, perfection, priority, or enforceability of a Lien held by or on behalf of any Secured Parties of any other Class in the Collateral (or the extent, validity, allowability, or enforceability of any Senior Priority Obligations secured thereby or purported to be secured thereby)[2] or the provisions of this Agreement; provided, that nothing in this Agreement shall be construed to prevent or impair the rights of any Senior Priority Agent or Junior Priority Agent to enforce the terms of this Agreement, including the provisions of this Agreement relating to the priority of the Liens securing the Senior Priority Obligations and the Junior Priority Obligations as provided in Sections 2.1(a) and 2.2.

(c) No New Liens. So long as the Discharge of Senior Priority Obligations has not occurred, the parties hereto agree that any Grantor shall not grant or permit any Liens in favor of the (i) Third Priority Agent or any Third Priority Lender on any asset or property of any Grantor to secure any Third Priority Obligation, except for those created by the Third Priority Security Documents, or (ii) Fourth Priority Trustee or any Fourth Priority Noteholder on any asset or property of any Grantor to

[1] Copied lang from prior clause to address 3-4 liens

[2] Modified to address 3-4 lien

secure any Fourth Priority Obligation, except for those created by the Fourth Priority Security Documents, unless it has granted or substantially contemporaneously grants a Lien therein in favor of the Senior Priority Agents (and the Third Priority Agent, in the case of Liens securing any Fourth Priority Obligations in violation of this clause), and once granted, such Lien shall have the priority as set forth in Section 2.1(a). To the extent that the provisions of the immediately preceding sentence are not complied with for any reason, without limiting any other rights and remedies available to the Senior Priority Agents and/or the other Senior Priority Secured Parties (or the rights and remedies of the Third Priority Secured Parties against the Fourth Priority Secured Parties, as applicable), the Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, agree that any amounts received by or distributed to any of them pursuant to or as a result of Liens on the Collateral granted in contravention of Sections 2.1(a) through (c) shall be subject to Section 2.3.

(d) Effectiveness of Lien Priorities. The priorities of the Liens provided in Section 2.1(a) shall not be altered or otherwise affected by any amendment, modification, supplement, extension, renewal, restatement, replacement or refinancing of the Senior Priority Obligations or Junior Priority Obligations, as applicable, nor by any action or inaction which the Senior Priority Agents or the Senior Priority Lenders may take or fail to take in respect of the Collateral or Junior Priority Agents or the Junior Priority Lenders may take or fail to take in respect of the Collateral, so long as the Liens of the Senior Priority Agents and the Senior Priority Lenders in the Collateral and the Liens of the Junior Priority Agents and the Junior Priority Lenders in the Collateral are valid, perfected and enforceable.

2.2 Exercise of Remedies.

(a) So long as the Discharge of Senior Priority Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against one or more Grantors:

(i) neither the Junior Priority Agents nor any of the other Junior Priority Secured Parties (x) will exercise or seek to exercise any rights or remedies (including set-off) on account of any Collateral or institute or commence or join with any Person (other than any of the Senior Priority Agents and the Senior Priority Secured Parties) in commencing any action or proceeding with respect to such rights or remedies (including any action of foreclosure, enforcement, collection or execution); provided, however, that, the Third Priority Agent may exercise any or all such rights after the passage of a period of two hundred ten (210) days after the date of receipt by the Senior Priority Agents of a notice in writing from the Third Priority Agent of the existence of a Third Priority Default and the Third Priority Agent's intention to exercise its right to take such actions during the existence of a Third Priority Default, but only if a Third Priority Default is continuing at all times from and after the commencement of such period (the "Third Priority Standstill Period"); provided, further, however, that, the Fourth Priority Trustee may exercise any or all such rights after the passage of a period of two hundred seventy (270) days after the date of receipt by the Senior Priority Agents and Third Priority Agent of a notice in writing from the Fourth Priority Trustee of the existence of a Fourth Priority Default and the Fourth Priority Trustee's intention to exercise its right to take such actions during the existence of a Fourth Priority Default, but only if a Fourth Priority Default is continuing at all times from and after the commencement of such period (the "Fourth Priority Standstill Period"); provided, further, however, notwithstanding anything herein to the contrary, (A) neither the Junior Priority Agents nor any other Junior Priority Secured Party will exercise any rights or remedies with respect to any Collateral if, notwithstanding the expiration of the Third Priority Standstill Period or the Fourth Priority Standstill Period, as applicable, the Senior Priority Agents or the other Senior Priority Secured Parties shall have commenced the exercise of any of their rights or remedies with respect to all or any material portion of the Collateral (prompt notice of

such exercise to be given to the Third Priority Agent and Fourth Priority Trustee) and are pursuing in good faith the exercise thereof and (B) neither the Fourth Priority Trustee nor any other Fourth Priority Secured Party will exercise any rights or remedies with respect to any Collateral if, notwithstanding the expiration of the Fourth Priority Standstill Period, any of the Senior Priority Agents, the other Senior Priority Secured Parties, the Third Priority Agent or the other Third Priority Secured Parties shall have commenced the exercise of any of their rights or remedies with respect to all or any material portion of the Collateral (prompt notice of such exercise to be given to the Fourth Priority Trustee) and are pursuing in good faith the exercise thereof, (y) will contest, protest or object to any foreclosure proceeding or action brought by either Senior Priority Agent or any other Senior Priority Secured Party with respect to, or any other exercise by either Senior Priority Agent or any other Senior Priority Secured Party of any rights and remedies relating to, the Collateral pursuant to the Senior Priority Documents or in accordance with applicable law, and (z) subject to its rights under clause (i)(x) above, will object to the forbearance by either Senior Priority Agent or the other Senior Priority Secured Parties from bringing or pursuing any foreclosure proceeding or action or any other exercise of any rights or remedies relating to the Collateral; provided, however, that nothing in this Section 2.2(a) shall be construed to authorize a Senior Priority Agent or any other Senior Priority Secured Party to sell any Collateral free of the Lien of the Junior Priority Agent or any other Junior Priority Secured Party (it being understood that this limitation shall be deemed to have been complied with if such Lien is released on the Collateral subject to Disposition but such Lien attaches to the proceeds therefrom subject to the priorities herein set forth); and

(ii) the Senior Priority Agents and the other Senior Priority Secured Parties shall have the exclusive right to enforce rights, exercise remedies (including set-off and the right to credit bid their debt) and make determinations regarding the Disposition of, or restrictions with respect to, the Collateral without any consultation with or the consent of a Junior Priority Agent or any other Junior Priority Secured Party; provided, that, notwithstanding the provisions of Section 2.2 (a)(i):

(A) the Junior Priority Agents may take any action (not adverse to the prior Liens on the Collateral securing the Senior Priority Obligations or, with respect to actions of the Fourth Lien Trustee, the Third Priority Obligations, or the rights of either Senior Priority Agent or any other Senior Priority Secured Parties or, with respect to actions of the Fourth Lien Trustee, any Third Priority Secured Party to exercise remedies in respect thereof, or in violation of the terms otherwise set forth in this Agreement) in order to create, prove, perfect, preserve or protect (but not enforce) its rights in, and perfection and priority of its Lien on, the Collateral in accordance with applicable law and in a manner not in contravention of the terms of this Agreement (including, but not limited to, any of the provisions of Section 2.5);

(B) the Junior Priority Secured Parties shall be entitled to file any necessary responsive or defensive pleadings in opposition to any motion, filing, application, claim, adversary proceeding, proposal, plan of reorganization, arrangement or composition or other pleading made by any Person objecting to or otherwise seeking the disallowance, subordination (other than with respect to the subordination pursuant to this Agreement), recharacterization or avoidance of the claims or Liens of the Junior Priority Secured Parties, in each case in accordance with applicable law and in a manner not in contravention of the terms of this Agreement (including, but not limited to, any of the provisions of Section 2.5);

(C) the Junior Priority Secured Parties may exercise their rights and remedies as unsecured creditors and shall be entitled to file any pleadings, objections, motions or agreements which assert rights or interests available to unsecured creditors of the Grantors arising under either the Bankruptcy Law or applicable non-bankruptcy law, in each case in accordance with applicable law and not in contravention of the terms of this Agreement (including, but not limited to, any of the provisions of Section 2.5);

(D) the Third Priority Agent or any other Third Priority Secured Party may exercise any of its rights or remedies with respect to the Collateral after the termination of the Third Priority Standstill Period to the extent permitted by Section 2.2(a)(i);

(E) the Fourth Priority Trustee or any other Fourth Priority Secured Party may exercise any of its rights or remedies with respect to the Collateral after the termination of the Fourth Priority Standstill Period to the extent permitted by Section 2.2(a)(i);

(F) in any Insolvency or Liquidation Proceeding commenced by or against the Borrowers or any other Grantor, any Junior Priority Secured Party may file a claim, proof of claim, or statement of interest with respect to its Class of Junior Priority Obligations;

(G) any Junior Priority Secured Party may vote on any plan of reorganization, plan of liquidation, agreement for composition, or other type of plan of arrangement proposed in or in connection with any Insolvency or Liquidation Proceeding and make any arguments and motions in connection therewith that do not, in any case, contravene the terms of this Agreement; and

(H) any Junior Priority Secured Party may bid for the Collateral at any public or private sale thereof, including credit bidding with respect to the Collateral; provided that any such bid for the Collateral by the Junior Priority Secured Parties must provide for payment in cash of the full amount necessary to cause the Senior Priority Obligations to be paid in full in cash.

In exercising rights and remedies with respect to the Collateral, the Senior Priority Agents and the other Senior Priority Secured Parties may enforce the provisions of the Senior Priority Documents and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion, except as otherwise expressly provided herein. Such exercise and enforcement shall include the rights of an agent appointed by them to sell or otherwise dispose of Collateral upon foreclosure, to incur expenses in connection with such sale or Disposition, and to exercise all the rights and remedies of a secured creditor under the UCC of any applicable jurisdiction, and Bankruptcy Laws of any applicable jurisdiction.

(b) So long as the Discharge of Senior Priority Obligations has not occurred, the Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, agree that they will not take or receive any Collateral (including, the cash proceeds or non-cash proceeds in respect of any Collateral) including in connection with (i) the exercise of any right or remedy (including setoff) in respect of any Collateral, (ii) a Disposition of any Collateral in any Insolvency or Liquidation Proceeding or (iii) when any Senior Priority Default exists with respect to which notice has been given to the Junior Priority Agents, in any such case, unless and until the Discharge of Senior Priority Obligations has occurred, except with respect to Agent Fees (subject to Section 5.1) or as expressly provided in Section

2.2(a)(i), Section 2.2(a)(ii), Section 2.3 or Section 2.5(d). Without limiting the generality of the foregoing, unless and until the Discharge of Senior Priority Obligations has occurred, except as expressly provided in Section 2.2(a)(i), Section 2.2(a)(ii), Section 2.3 or Section 2.5(d), the sole right of the Junior Priority Agents and the other Junior Priority Secured Parties with respect to the Collateral is to hold a Lien on the Collateral pursuant to the Junior Priority Documents and subject to the terms of this Agreement, for the period and to the extent granted therein and to receive a share of the Proceeds thereof, if any, after the Discharge of the Senior Priority Obligations (or, with respect to the Fourth Priority Secured Parties, after both the Discharge of the Senior Priority Obligations and the Discharge of the Third Priority Obligations) has occurred in accordance with the terms hereof, the Senior Priority Documents and applicable law. Nothing in this Agreement shall prohibit the payment by any Grantor in cash of the Agent Fees.

(c) Subject to Section 2.2(a)(i), Section 2.2(a)(ii), Section 2.4(a) and Section 2.5(d):

(i) [the Junior Priority Agents, for themselves and on behalf of the other Junior Priority Secured Parties, agree that the Junior Priority Agents and the other Junior Priority Secured Parties will not take any action that would hinder or delay any exercise of remedies undertaken by any Senior Priority Agent or any Senior Priority Secured Party under the Senior Priority Documents, including any sale, lease, exchange, transfer or other Disposition of the Collateral, whether by foreclosure or otherwise][3], and

(ii) the Junior Priority Agents, for themselves and on behalf of the other Junior Priority Secured Parties, hereby waive any and all rights they or the other Junior Priority Secured Parties may have as a junior lien creditor with respect to the Collateral or otherwise to object to the manner in which the Senior Priority Agents or the other Senior Priority Secured Parties seek to enforce or collect the Senior Priority Obligations or the Liens granted in any of the Collateral, regardless of whether any action or failure to act by or on behalf of either Senior Priority Agent or the other Senior Priority Secured Parties is adverse to the interest of the Junior Priority Agents or Junior Priority Secured Parties.

(d) The Junior Priority Agents hereby acknowledge and agree that no covenant, agreement or restriction contained in any Junior Priority Document (other than this Agreement) shall be deemed to restrict in any way the rights and remedies of the Senior Priority Agents or the other Senior Priority Secured Parties with respect to the Collateral as set forth in this Agreement and the Senior Priority Documents.

(e) Notwithstanding article 3:246 paragraph 3 of the Dutch Civil Code, prior to the Discharge of Senior Priority Obligations, the Junior Priority Agents hereby authorize the Senior Priority Agents to enforce their rights of pledge under (1) the Dutch law deed of pledge of membership interests between the Parent and CDTS as pledgors, the Senior Priority Agents as pledgees and Colt Netherlands as cooperative and (2) the Dutch law deed of pledge of accounts between Colt Netherlands as pledgor and the Senior Priority Agents as pledgees, upon the occurrence of an Enforcement Event as defined therein.

2.3 Payments Over.

(a) So long as the Discharge of Senior Priority Obligations has not occurred, any Collateral (including the cash proceeds or non-cash proceeds in respect of any Collateral) received by any Junior Priority Agent or any other Junior Priority Secured Parties on account of the Junior Priority Obligations (other than Agent Fees) shall be segregated and held in trust and forthwith paid over (the "Payment Over Requirement") pursuant to this Section 2.3(a) to the Senior Priority Agents (or either of

[3] Under discussion.

them) for the benefit of the Senior Priority Secured Parties in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct. The Senior Priority Agents are hereby authorized to make any such endorsements as agent for the Junior Priority Agents or any such other Junior Priority Secured Parties. This authorization is coupled with an interest and is irrevocable until the Discharge of Senior Priority Obligations has occurred. Notwithstanding the obligations of the Junior Priority Agents and Junior Priority Secured Parties set forth in the foregoing provisions of this Section 2.3(a) and in Section 2.2(b), the Payment Over Requirement shall not apply with respect to cash proceeds or non-cash proceeds paid or payable to the Junior Priority Agents or any other Junior Priority Secured Parties on account of Junior Priority Obligations (i) to the extent that such proceeds do not constitute Collateral or (ii) if such proceeds constitute Collateral and the Liens of the Senior Priority Agents in such Collateral have been determined by a court of competent jurisdiction to be invalid, unenforceable or unperfected or otherwise avoidable (and avoided successfully), then only to the extent such proceeds are distributable on account of all or any part of the Junior Priority Closing Date Obligations.

(b) After the Discharge of Senior Priority Obligations and for so long as the Discharge of Third Priority Obligations has not occurred, any Collateral (including any cash proceeds or non-cash proceeds in respect of any Collateral) received by the Fourth Priority Trustee or any other Fourth Priority Secured Party on account of the Fourth Priority Obligations (other than Agent Fees) shall be segregated and held in trust and forthwith paid over to the Third Priority Agent for the benefit of the Third Priority Secured Parties in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct. The Third Priority Agent is hereby authorized to make any such endorsements as agent for the Fourth Priority Trustee or the other Fourth Priority Secured Parties. This authorization is coupled with an interest and is irrevocable until the Discharge of Third Priority Obligations has occurred. Notwithstanding the obligations of the Fourth Priority Trustee and Fourth Priority Secured Parties set forth in the foregoing provisions of this Section 2.3(b) and in Section 2.2(b), the Payment Over Requirement in this Section 2.3(b) shall not apply with respect to cash proceeds or non-cash proceeds paid or payable to the Fourth Priority Trustee or any other Fourth Priority Secured Parties on account of Fourth Priority Obligations (i) to the extent that such proceeds do not constitute Collateral or (ii) if such proceeds constitute Collateral and the Liens of the Third Priority Agent in such Collateral have been determined by a court of competent jurisdiction to be invalid, unenforceable or unperfected or otherwise avoidable (and avoided successfully), then only to the extent such proceeds are distributable on account of all or any part of the Fourth Priority Obligations constituting Junior Priority Closing Date Obligations.

2.4 Other Agreements.

(a) Releases.

(i) If, in connection with:

(A) the exercise by the Senior Priority Agents or either of them of any secured creditor enforcement rights or remedies in respect of any Collateral, including one or more sales, leases, exchanges, transfers or other Dispositions of any Collateral by a Grantor with the consent of any Senior Priority Agent, in each case, at such time as the Proceeds of such sales, leases, exchanges, transfers or other Dispositions are applied in accordance with Section 5.1;

(B) any sale, lease, exchange, transfer or other Disposition of any Collateral permitted under the terms of the then extant Senior Priority Documents and Junior Priority Documents; or

(C) Dispositions of Collateral pursuant to Section 2.5(l) hereof,

the Senior Priority Agents, for themselves or on behalf of any of the other Senior Priority Secured Parties, release any of their Liens on any part of the Collateral, then the Liens, if any, of the Junior Priority Agents, for themselves or for the benefit of the other Junior Priority Secured Parties, on such Collateral (but not the Proceeds thereof, which shall be subject to the priorities set forth in Sections 2.1(a) and the applications of proceeds set forth in Section 5.1) shall be automatically, unconditionally and simultaneously released and the Junior Priority Agents, for themselves or on behalf of any such other Junior Priority Secured Parties, promptly shall execute and deliver (without recourse or warranty) to the Senior Priority Agents such termination statements, releases and other documents as the Senior Priority Agents may reasonably request to effectively confirm such release (which request shall specify the proposed terms of the sale and the type and amount of consideration to be received in connection therewith); provided, that, (1) no such release documents shall be required to be delivered (x) to any Grantor or (y) more than three (3) Business Day prior to the date of the closing of the sale or other Disposition of such Collateral, (2) if the closing of the sale or other Disposition of such Collateral is not consummated within three (3) Business Days of the anticipated closing date, the Senior Priority Agents shall promptly return all release documents to the Junior Priority Agents, and (3) the effectiveness of any such release by the Junior Priority Agents shall be subject to the sale or other Disposition of such Collateral described in such request or such other terms to the extent such sale or other Disposition would otherwise comply with Section 2.4(a)(i)(A), (a)(i)(B) or (a)(i)(C) above.

(ii) Until the Discharge of Senior Priority Obligations occurs, to the extent that the Senior Priority Secured Parties, or any of them, (A) have released any Lien on Collateral and any such Lien is later reinstated or (B) obtain any new Lien on assets constituting Collateral from any Grantor, then the Junior Priority Secured Parties shall be granted a junior priority Lien subject to the terms of this Agreement on all such Collateral (it being understood that the Senior Priority Agents and Senior Priority Lenders shall have no obligation to give notice to the Junior Priority Agent or Junior Secured Parties of such events; provided that the Grantors, by their acknowledgement of this Agreement, agree to give prompt notice thereof to the Junior Priority Agents; provided, further, that failure of the Grantors to give any such notice shall not affect the validity or priority of any such Lien securing any Senior Priority Obligations).

(b) Insurance. Unless and until the Discharge of Senior Priority Obligations has occurred, the Senior Priority Agents and the other Senior Priority Secured Parties shall have the sole and exclusive right, subject to the rights of the Grantors under the Senior Priority Documents, to adjust settlement for any insurance policy covering the Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding (or any deed in lieu of condemnation) in respect of the Collateral.

(c) Amendments to Documents.

(i) Amendments to Senior Priority Documents.

(A) Without the prior written consent of the Junior Priority Agents, no Senior Priority Document may be amended, restated supplemented or modified or entered into to the extent such amendment, restatement, supplement, modification or execution, would: (1) contravene the provisions of this Agreement; (2) cause the Outstanding Senior Priority Principal Obligations to exceed the Maximum Senior Priority Principal Obligations, (3) reduce the capacity of any Grantor to incur secured Indebtedness constituting Junior Priority Obligations if such reduction would be to an amount less than the aggregate principal amount of Junior Priority Obligations

outstanding on the day of any such amendment, restatement, supplement, modification, execution or Refinancing or (4) change or add any covenant or Senior Priority Default that prohibits the granting of Liens to the Junior Priority Secured Parties with respect to any assets that are or are required to be subject to Liens securing the relevant Class of Senior Priority Obligations.

(B) The Senior Priority Agents shall endeavor to give prompt notice of any amendment, waiver or consent of a Senior Priority Document to the Junior Priority Agents after the effective date of such amendment, waiver or consent; provided, that the failure of the Senior Priority Agents to give any such notice shall not affect the priority of the Senior Priority Agents' Liens as provided herein.

(ii) Amendments to Junior Priority Documents.

(A) Without the prior written consent of the Senior Priority Agents, no Junior Priority Document may be amended, restated, supplemented or modified or entered into to the extent such amendment, restatement, supplement, modification or execution, would: (1) contravene the provisions of this Agreement; (2) change (to earlier dates) any dates upon which payments of principal or interest are due thereon; (3) increase the "Applicable Margin" or similar component of the interest rate or any fixed interest rate by more than 200 basis points or require payment in cash (other than at maturity thereof) of any interest, fees, indemnity payments, costs or expenses, other than Agent Fees; (4) change the redemption, prepayment or defeasance provisions thereof or change the subordination provisions thereof (or of any guarantee thereof) in a manner that would be adverse to the interests of the Senior Priority Secured Parties (in their capacities as such); (5) change or add any covenant or Junior Priority Default which restricts one or more Grantors from making payments under the Senior Priority Documents or performing any Borrower's or Guarantor's obligations under the Senior Priority Documents (as in effect at such time); provided that this clause (5) shall not apply to any restriction on (x) the incurrence of Indebtedness unless such change reduces the capacity of any Grantor to incur Indebtedness constituting Senior Priority Obligations to an amount less than the aggregate principal amount of Senior Priority Obligations or then committed by one or more Senior Priority Lenders to provide upon satisfaction of one or more conditions then outstanding; (6) change or add any covenant or Junior Priority Default that prohibits the granting of Liens to the Senior Priority Secured Parties, unless such Junior Priority Document provides that such prohibition would not apply if a junior priority Lien on the relevant asset(s) is also granted to secure the relevant Class of Junior Priority Obligations; (7) cause the Outstanding Third Priority Principal Obligations to exceed the Maximum Third Priority Principal Obligations or (8) cause the Outstanding Fourth Priority Principal Obligations to exceed the Maximum Fourth Priority Principal Obligations.

(B) Each Junior Priority Agent shall endeavor to give prompt notice of any amendment, waiver or consent of a Junior Priority Document to the other Junior Priority Agent and to the Senior Priority Agents after the effective date of such amendment, waiver or consent; provided, that the failure of the Third Priority Agent to give any such notice the Fourth Priority Trustee shall not affect the priority of the Third Priority Agent's Liens in relation to the Fourth Priority Trustee's Liens as provided herein.

(d) [Reserved].

(e) Bailee for Perfection.

(i) The Senior Priority Agents agree to hold that part of the Collateral that is in their possession or control (or in the possession or control of their agents or bailees) to the extent that possession or control thereof is taken or obtained to perfect a Lien thereon under the UCC, the PPSA or any other applicable law, including, without limitation, any deposit account or investment property perfected by "control" within the meaning of the UCC (such Collateral being the "Pledged Collateral") as collateral agents for the Senior Priority Secured Parties and as bailee for and as agents for the Junior Priority Agents (on behalf of the Junior Priority Secured Parties) and any assignee thereof solely for the purpose of perfecting the security interest granted under the Senior Priority Documents and the Junior Priority Documents, respectively, subject to the terms and conditions of this Section 2.4(e). If any Senior Priority Agent shall at any time obtain any landlord waiver or bailee's letter or any similar agreement or arrangement granting it rights or access to Collateral, the applicable Senior Priority Agent shall also take such actions with respect to such landlord waiver, bailee's letter or similar agreement or arrangement, as sub-agent and gratuitous bailee for each of the Junior Priority Agents (on behalf of the Junior Priority Secured Parties) and any assignee thereof solely for the purpose of perfecting the security interest granted under the Senior Priority Documents and the Junior Priority Documents, respectively, subject to the terms and conditions of this Section 2.4(e).

(ii) Except as otherwise specifically provided herein, until the Discharge of Senior Priority Obligations has occurred, the Senior Priority Agents shall be entitled to deal with the Pledged Collateral in accordance with the terms of the Senior Priority Documents as if the Liens of the Junior Priority Agents under the Junior Priority Security Documents did not exist. The rights of the Junior Priority Agents shall at all times be subject to the terms of this Agreement and to the Senior Priority Agent's rights under the Senior Priority Documents.

(iii) The Senior Priority Agents shall have no obligation whatsoever to the Junior Priority Agents or any other Junior Priority Secured Party to ensure that the Pledged Collateral is genuine or owned by any of the Grantors or to preserve rights or benefits of any Person except as expressly set forth in this Section 2.4(e). The duties or responsibilities of the Senior Priority Agents under this Section 2.4(e) shall be limited solely to holding the Pledged Collateral as bailee or agent in accordance with this Section 2.4(e).

(iv) The Senior Priority Agents acting pursuant to this Section 2.4(e) shall not have by reason of the Senior Priority Security Documents, the Junior Priority Security Documents, this Agreement or any other document a fiduciary relationship in respect of the Junior Priority Agents or any other Junior Priority Secured Party.

(v) Upon the Discharge of the Senior Priority Obligations and the payment in full in cash of the Senior Priority Obligations, each Senior Priority Agent shall, at the written request of either Junior Priority Agent, deliver or cause to be delivered the remaining Pledged Collateral (if any) in its possession or control or in the possession or control of its agents or bailees, together with any necessary endorsements prepared (at Company's sole expense) by such Junior Priority Agent, first, to the Third Priority Agent to the extent Third Priority Obligations remain outstanding, second, to the Fourth Priority Trustee to the extent Fourth Priority Obligations remain outstanding, and third, to the applicable Grantor (in each case, so as to allow such Person to obtain control of such Pledged Collateral) and will cooperate with the applicable Junior Priority Agent in assigning (without recourse to or representation or warranty by the Senior Priority Agents or any other Senior Priority Secured Party or agent or bailee thereof) control over any other Pledged Collateral under its control, including by delivering notices to

depositary banks, securities intermediaries and commodities intermediaries, and assigning to the applicable Junior Priority Agent, to the extent that it is legally permitted to do so, its rights under any landlord waiver or bailee's letter or any similar agreement or arrangement granting it rights or access to Collateral. Each Senior Priority Agent further agrees to take all other action reasonably requested by such Person (at the sole cost and expense of Grantors or such Person) in connection with such Person obtaining a first priority interest in the Pledged Collateral or as a court of competent jurisdiction may otherwise direct.

(vi) Notwithstanding anything to the contrary contained herein, if for any reason, prior to the Discharge of the Third Priority Obligations, the Fourth Priority Trustee acquires possession of any Pledged Collateral, the Fourth Priority Trustee shall hold the same as bailee and/or agent to the same extent as is provided in the preceding clause (i) with respect to Collateral, provided that as soon as is practicable the Fourth Priority Trustee shall deliver or cause to be delivered such Pledged Collateral to the Third Priority Agent in a manner otherwise consistent with the requirements of preceding clause (v).

(f) When Discharge of Senior Priority Obligations Deemed to Not Have Occurred. Notwithstanding anything to the contrary herein, if concurrently with the Discharge of Senior Priority Obligations, any Grantor enters into any Permitted Refinancing of any Senior Priority Obligations, then such Discharge of Senior Priority Obligations shall automatically be deemed not to have occurred for all purposes of this Agreement, and the obligations under the Permitted Refinancing shall automatically be treated as Senior Priority Obligations for all purposes of this Agreement, including for purposes of the Lien priorities and rights in respect of Collateral set forth herein, the term "Senior Priority Agreement" shall be deemed appropriately modified to refer to such Permitted Refinancing and the administrative agent under such Senior Priority Documents shall be a Senior Priority Agent for all purposes hereof and the new secured parties under such Senior Priority Documents shall automatically be treated as Senior Priority Secured Parties for all purposes of this Agreement; provided that the Borrowers or relevant Senior Priority Agent shall have delivered a notice thereof to each Junior Priority Agent. Upon receipt of a notice stating that any Grantor is entering into a new Senior Priority Document in respect of a Permitted Refinancing of Senior Priority Obligations (which notice shall include the identity of the new collateral agent, such agent, the "New Senior Priority Agent"), and delivery by the New Senior Priority Agent of an Intercreditor Agreement Joinder, the Junior Priority Agent shall promptly enter into such documents and agreements (including amendments or supplements to this Agreement) as any Grantor or such New Senior Priority Agent shall reasonably request in order to provide to the New Senior Priority Agent the rights contemplated hereby, in each case consistent in all respects with the terms of this Agreement. The New Senior Priority Agent shall agree to be bound by the terms of this Agreement. If the new Senior Priority Obligations under the new Senior Priority Documents are secured by assets of the Grantors of the type constituting Collateral that do not also secure the Junior Priority Obligations, then the Junior Priority Obligations shall be secured at such time by a junior priority Lien on such assets to the same extent provided in the Junior Priority Security Documents with respect to the other Collateral.

2.5 Insolvency or Liquidation Proceedings.

(a) Finance Issues. Until the Discharge of Senior Priority Obligations has occurred, if any Grantor shall be subject to any Insolvency or Liquidation Proceeding and any Senior Priority Agent shall desire (in their sole and absolute discretion and without any commitment to do so) to (i) permit or otherwise consent to the use of cash collateral constituting Collateral on which the Senior Priority Agent or any other creditor has a Lien under Section 363 of the Bankruptcy Code or any similar Bankruptcy Law (the "Cash Collateral") or (ii) provide or consent to any other Person providing DIP Financing (such financing under this clause (ii) "Specified DIP Financing"), subject to the Maximum Senior Priority Principal Obligations amount then applicable, then the Junior Priority Agents, on behalf of themselves

and the other Junior Priority Secured Parties, agree that (x) they will raise no objection to such use of Cash Collateral constituting Collateral or to the fact that such Specified DIP Financing may be granted Liens on the Collateral, (y) they will not request adequate protection or any other relief with respect to the Collateral (except, in the case of subclause (x) or (y), as expressly agreed by the Senior Priority Agents or to the extent permitted by clause (A), (B), (C) or (F) of the proviso to Section 2.2(a)(ii) or Section 2.5(d)) and (z) to the extent the Liens on the Collateral securing the Senior Priority Obligations are subordinated or *pari passu* with the Liens on the Collateral securing such Specified DIP Financing, the Junior Priority Agents will subordinate their Liens in the Collateral to the Liens securing such DIP Financing (and all obligations relating thereto) and to all Liens to which such Specified DIP Financing is subject. If either Senior Priority Agent or any one or more of the Senior Priority Lenders offers to provide, and are prepared to provide, or the Senior Priority Agents consent or do not object to any other Person providing DIP Financing, Junior Priority Secured Parties shall not provide or offer to provide any DIP Financing secured by a Lien on the Collateral senior or *pari passu* with the Liens granted to the Senior Priority Lenders. If the Third Priority Agent or any one or more of the Third Priority Lenders offers to provide, and are prepared to provide, or the Third Priority Agent consents or does not object to any other Person providing DIP Financing, Fourth Priority Secured Parties shall not provide or offer to provide any DIP Financing secured by a Lien on the Collateral senior or *pari passu* with the Liens granted to the Third Priority Secured Parties.

(b) [Reserved].

(c) Relief from the Automatic Stay. Until the Discharge of Senior Priority Obligations has occurred, the Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, agree that (i) none of them shall seek relief from the automatic stay or any other stay in any Insolvency or Liquidation Proceeding, except to the extent necessary to obtain adequate protection as permitted pursuant to Section 2.5(d) of this Agreement, and (ii) none of them shall oppose any relief from the automatic stay or other stay in any Insolvency or Liquidation Proceeding sought by a Senior Priority Agent in respect of the Collateral (except as expressly agreed by the Senior Priority Agents or to the extent permitted by Section 2.5(d)). Until the Discharge of Third Priority Obligations has occurred, the Fourth Priority Trustee, on behalf of itself and the other Fourth Priority Secured Parties, further agrees that none of them shall oppose any relief from the automatic stay or other stay in any Insolvency or Liquidation Proceeding sought by the Third Priority Agent in respect of the Collateral and not otherwise in violation of this Agreement (except as expressly agreed by the Third Priority Agent or to the extent permitted by Section 2.5(d)).

(d) Adequate Protection. The Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, agree that none of them shall contest (or support any other Person contesting) (i) any request by either Senior Priority Agent or the other Senior Priority Secured Parties for adequate protection or (ii) any objection by either Senior Priority Agent or the other Senior Priority Secured Parties to any motion, relief, action or proceeding based on the Senior Priority Agents or the other Senior Priority Secured Parties claiming a lack of adequate protection. Notwithstanding the foregoing provisions in this Section 2.5(d), in any Insolvency or Liquidation Proceeding, (A) if the Senior Priority Secured Parties (or any subset thereof) are granted adequate protection in the form of a Lien on additional or replacement collateral and/or superpriority claims, then the Junior Priority Agents, on behalf of themselves or any of the other Junior Priority Secured Parties, may seek or request adequate protection in the form of a Lien on such additional or replacement collateral and/or a superpriority claim (as applicable) and to the extent any Lien and/or a superpriority claim (as applicable) so granted to the Junior Priority Secured Parties (or any subset thereof) in accordance with this clause (A) such Lien and/or a superpriority claim (as applicable) will be subordinated to the Liens securing the Senior Priority Obligations (and all obligations relating thereto and to which such Liens are subject) on the same basis as the other Liens on Collateral securing the Junior Priority Obligations are so subordinated to the Senior

Priority Obligations under this Agreement and (B) in the event any Junior Priority Agents, for themselves and on behalf of the Junior Priority Secured Parties (or subset thereof), seek or request adequate protection and such adequate protection is granted (in each instance, to the extent such grant is not otherwise prohibited pursuant to this Agreement) in the form of a Lien on additional or replacement collateral and/or a superpriority claim, then such Junior Priority Agents, for themselves and on behalf of the Junior Priority Secured Parties, agree that each Senior Priority Agent shall also be granted a senior Lien on such additional or replacement collateral as security and adequate protection for the Senior Priority Obligations and/or a senior superpriority claim (as applicable) and that any Lien on such additional or replacement collateral securing the Junior Priority Obligations and/or junior superpriority claim (as applicable) shall be subordinated to the Liens on such collateral securing or providing adequate protection for, and claims with respect to, the Senior Priority Obligations and any other Liens or claims granted to the Senior Priority Secured Parties as adequate protection on the same basis as the other Liens securing, and claims with respect to, the Junior Priority Obligations are so subordinated and junior to such Liens securing, and claims with respect to, Senior Priority Obligations under this Agreement. Without the consent of the Senior Priority Agents, the Junior Priority Secured Parties may not seek, request or receive (with any such receipt subject to the provisions of Section 2.2 of this Agreement) adequate protection in the form of cash payments (other than with respect to Agent Fees, subject to the right of the Senior Priority Secured Parties to object to the reasonableness of the amounts of fees and expenses or other cash payments so sought by the Junior Priority Secured Parties).

(e) No Waiver. (i) Subject to the proviso in clause (ii) of Section 2.2(a), and except as otherwise expressly provided herein, nothing contained herein shall prohibit or in any way limit the Senior Priority Agents or any other Senior Priority Secured Party from objecting in any Insolvency or Liquidation Proceeding or otherwise to any action taken by the Junior Priority Agent or any of the other Junior Priority Secured Parties in respect of the Collateral, including the seeking by a Junior Priority Agent or any other Junior Priority Secured Parties of adequate protection in respect thereof (except for adequate protection to the extent permitted by Section 2.5(d) or the asserting by the Junior Priority Agent or any other Junior Priority Secured Parties of any of its rights and remedies under the Junior Priority Documents or otherwise in respect thereof; and (ii) except as otherwise expressly provided in this Agreement, nothing contained herein shall prohibit or in any way limit any Senior Priority Agent or any Senior Priority Secured Party from objecting in any Insolvency or Liquidation Proceeding involving a Grantor to any action taken by Junior Priority Agent or any Junior Priority Secured Party.

(f) Post-Petition Interest. Neither the Junior Priority Agents nor any other Junior Priority Secured Party shall oppose or seek to challenge any claim by either Senior Priority Agent or any other Senior Priority Secured Party for allowance in any Insolvency or Liquidation Proceeding of Senior Priority Obligations consisting of post-petition interest, premiums, fees or expenses. Neither the Senior Priority Agents nor any other Senior Priority Secured Party shall oppose or seek to challenge any claim by either Junior Priority Agent or any other Junior Priority Secured Party for allowance in any Insolvency or Liquidation Proceeding of Junior Priority Obligations consisting of post-petition interest, premiums, fees or expenses (to the extent of the value of the Liens on the Collateral securing the relevant Class of Junior Priority Obligations (after taking into account the Senior Priority Obligations)), other than a claim for the payment in cash of any post-petition interest or premiums prior to the Discharge of Senior Priority Obligations.

(g) [Reserved].

(h) Waiver. The Junior Priority Agents, for themselves and on behalf of the Junior Priority Secured Parties, agree that they shall consent to, and shall not object to, oppose, support any objection, or take any other action to impede, the right of any Senior Priority Secured Party or Senior Priority Agent to make an election under Section 1111(b)(2) of the Bankruptcy Code (or similar

Bankruptcy Law). The Junior Priority Agents, for themselves and on behalf of the other Junior Priority Secured Parties, waive any claim they may hereafter have against any Senior Priority Secured Party arising out of the election of any Senior Priority Secured Party of the application of Section 1111(b)(2) of the Bankruptcy Code (or similar Bankruptcy Law).

(i) Reserved.

(j) Plan of Reorganization. If, in any Insolvency or Liquidation Proceeding involving a Grantor, debt obligations of the reorganized debtor secured by Liens upon any property of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan on account of Senior Priority Obligations and any Junior Priority Obligations, then, to the extent the debt obligations distributed on account of the Senior Priority Obligations and any Junior Priority Obligations are secured by Liens upon the same property, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations.

(k) Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency or Liquidation Proceeding and all converted or succeeding cases in respect thereof. The relative rights of Secured Parties in or to any distributions from or in respect of any Collateral or Proceeds of Collateral, shall continue after the commencement of any Insolvency or Liquidation Proceeding. Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code (or similar Bankruptcy Law).

(l) Asset Dispositions. With respect to any Disposition of Collateral that has been consented to by either Senior Priority Agent, until the Discharge of Senior Priority Obligations has occurred, Junior Priority Agents, for themselves and on behalf of the other Junior Priority Secured Parties, agree that, in the event of any Insolvency or Liquidation Proceeding, the Junior Priority Secured Parties will not object or oppose (or support any Person in objecting or opposing) a motion relating to any Disposition of any Collateral free and clear of the Liens of Junior Priority Agent and the other Junior Priority Secured Parties or other similar claims under Sections 363, 365 or 1129 of the Bankruptcy Code, or any comparable provision of any Bankruptcy Law (and including any motion for bid procedures or other procedures related to the Disposition that is the subject of such motion), and shall be deemed to have consented to any such Disposition of any Collateral under Section 363(f) of the Bankruptcy Code, or any comparable provision of any Bankruptcy Law; provided that, to the extent such Disposition is to be free and clear of Liens, the Liens securing the Senior Priority Obligations and the Junior Priority Obligations will attach to the Proceeds of the Disposition on the same basis of priority as the Liens on the Collateral securing the Senior Priority Obligations rank to the Liens on the Collateral securing the Junior Priority Obligations pursuant to this Agreement; provided, further, that the Junior Priority Secured Parties are not deemed to have waived any rights to credit bid on the Collateral in any such Disposition in accordance with Section 363(k) of the Bankruptcy Code (or any similar provision under any other applicable Bankruptcy Law), so long as any such credit bid provides for the payment in full in cash of the Senior Priority Obligations.

2.6 Reliance; Waivers; Etc.

(a) Reliance. Other than any reliance on the terms of this Agreement, the Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, acknowledge that they and such other Junior Priority Secured Parties have, independently and without reliance on the Senior Priority Agents or any other Senior Priority Secured Parties, and based on documents and information deemed by them appropriate, made their own credit analysis and decision to enter into such

Junior Priority Documents and be bound by the terms of this Agreement and they will continue to make their own credit decisions in taking or not taking any action under the Junior Priority Credit Agreement or this Agreement.

(b) No Warranties or Liability. The Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, acknowledge and agree that the Senior Priority Agents and the other Senior Priority Secured Parties have made no express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectibility or enforceability of any of the Senior Priority Documents (except as set forth in Section 6.13), the ownership of any Collateral or the perfection or priority of any Liens thereon. The Senior Priority Secured Parties will be entitled to manage and supervise their respective loans and extensions of credit under their respective Senior Priority Documents in accordance with law and as they may otherwise, in their sole discretion, deem appropriate. The Senior Priority Agents and the other Senior Priority Secured Parties shall have no duty to the Junior Priority Agents or any of the other Junior Priority Secured Parties to act or refrain from acting in a manner which allows, or results in, the occurrence or continuance of an event of default or default under any agreements with any Grantor (including the Senior Priority Documents and the Junior Priority Documents), regardless of any knowledge thereof which they may have or be charged with.

(c) No Waiver of Lien Priorities.

(i) No failure or delay on the part of any party hereto in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereto are cumulative and are not exclusive of any rights or remedies that they would otherwise have.

(ii) Without in any way limiting the generality of the foregoing paragraph (but subject to the rights of any Grantors under the Senior Priority Documents and subject to the other provisions of this Agreement), the Senior Priority Agents, the other Senior Priority Secured Parties, and any of them, may, at any time and from time to time in accordance with the Senior Priority Documents and/or applicable law, without the consent of, or notice to, the Junior Priority Agents or any other Junior Priority Secured Party (except to the extent such consent or notice is expressly required hereunder), without incurring any liabilities to the Junior Priority Agents or any other Junior Priority Secured Party and without impairing or releasing the Lien priorities and other benefits provided in this Agreement (even if any right of subrogation or other right or remedy of the Junior Priority Agent or any other Junior Priority Secured Party is affected, impaired or extinguished thereby) do any one or more of the following:

(A) sell, exchange, realize upon, enforce or otherwise deal with in any manner (in any such case, subject to the terms hereof and applicable law) and in any order any part of the Collateral or any liability of any Grantor to the Senior Priority Agents or the other Senior Priority Secured Parties, or any liability incurred directly or indirectly in respect thereof;

(B) settle or compromise any Senior Priority Obligation or any other liability of any Grantor in respect thereof or any security therefor or any liability incurred directly or indirectly in respect thereof; and

(C) subject to the terms hereof and applicable law, exercise or delay in or refrain from exercising any right or remedy against any Grantor or any security or

any Grantor or any other Person, elect any remedy and otherwise deal freely with any Guarantor or any Collateral and any security and any guarantor or any liability of any Grantor to the Senior Priority Secured Parties or any liability incurred directly or indirectly in respect thereof.

(iii) The Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, also agree that the Senior Priority Agents and the other Senior Priority Secured Parties shall have no liability to the Junior Priority Agents or any other Junior Priority Secured Party, and the Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, hereby waive any claim against the Senior Priority Agents and any other Senior Priority Secured Party, arising out of any and all actions which the Senior Priority Agents or the other Senior Priority Secured Parties may take or permit or omit to take with respect to:

(A) the Senior Priority Documents (other than this Agreement);

(B) the collection of the Senior Priority Obligations; or

(C) the foreclosure upon, or sale, liquidation or other Disposition of, any Collateral in accordance with this Agreement and applicable law;

provided, that such action or inaction is not in direct contravention of the express terms of this Agreement. The Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, agree that the Senior Priority Agents and the other Senior Priority Secured Parties have no duty to the Junior Priority Agents or the other Junior Priority Secured Parties in respect of the maintenance or preservation of the Collateral, the Senior Priority Obligations or otherwise, except as otherwise provided in this Agreement.

(iv) The Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, agree not to assert and hereby waive, to the fullest extent permitted by law, any right to demand, request, plead or otherwise assert or otherwise claim the benefit of, any marshaling, appraisal, valuation or other similar right that may otherwise be available under applicable law with respect to the Collateral or any other similar rights a junior secured creditor may have under applicable law.

(d) Obligations Unconditional. All rights, interests, agreements and obligations of the Senior Priority Agents and the other Senior Priority Secured Parties and the Junior Priority Agents and the other Junior Priority Secured Parties, respectively, under this Agreement shall remain in full force and effect irrespective of:

(i) except as otherwise provided in this Agreement, any lack of validity or enforceability of any Senior Priority Document or any Junior Priority Document;

(ii) except as otherwise provided in this Agreement, any change in the time, manner or place of payment of, or in any other terms of, all or any of the Senior Priority Obligations or Junior Priority Obligations, or any amendment or waiver or other modification, whether by course of conduct or otherwise, of the terms of any Senior Priority Document or any Junior Priority Document;

(iii) any exchange of any security interest in any Collateral or any amendment, waiver or other modification permitted hereunder, whether in writing or by course of

conduct or otherwise, of all or any of the Senior Priority Obligations or Junior Priority Obligations; or

(iv) the commencement of any Insolvency or Liquidation Proceeding in respect of one or more of any Grantor.

Section 3. [Reserved].

Section 4. [Reserved].

Section 5. Application of Proceeds.

5.1 Application of Proceeds in Distributions.

(a) Collateral. Upon the exercise of remedies in respect of any Collateral or a Disposition of any Collateral in any Insolvency or Liquidation Proceeding, the Senior Priority Agents will apply the Proceeds received by the Senior Priority Agents or any Senior Priority Secured Party therefrom, and, after the Discharge of Senior Priority Obligations, the Junior Priority Agents will apply the Proceeds of any collection, sale, foreclosure or other realization of any Collateral by the Junior Priority Agents or any Junior Priority Secured Party as expressly permitted hereunder, in the following order of application:

First, to the payment of all outstanding Agent Fees, together with the payment of all costs and expenses incurred by the Senior Priority Agents or any co-trustee or agent of the Senior Priority Agents in connection with any such collection, sale, foreclosure or other realization upon the Collateral in accordance with the terms of this Agreement;

Second, to the Senior Priority Agents for application to the payment of all outstanding Senior Priority Obligations in such order as may be provided in the Senior Priority Documents and the Senior Intercreditor Agreement, in an amount sufficient to pay in full in cash all outstanding Senior Priority Obligations;

Third, to the payment of all costs and expenses incurred by the Third Priority Agent or any co- trustee or agent of the Third Priority Agent in connection with any such collection, sale, foreclosure or other realization upon the Collateral in accordance with the terms of this Agreement;

Fourth, to the Third Priority Agent for application to the payment of all outstanding Third Priority Obligations in such order as may be provided in the Third Priority Documents in an amount sufficient to pay in full in cash all outstanding Third Priority Obligations;

Fifth, to the payment of all costs and expenses incurred by the Fourth Priority Trustee or any co- trustee or agent of the Fourth Priority Trustee in connection with any such collection, sale, foreclosure or other realization upon the Collateral in accordance with the terms of this Agreement;

Sixth, to the Fourth Priority Trustee for application to the payment of all outstanding Fourth Priority Obligations in such order as may be provided in the Fourth Priority Documents in an amount sufficient to pay in full in cash all outstanding Fourth Priority Obligations;

Seventh, any surplus remaining after the payment in full in cash of the amounts described in the preceding clauses will be paid to any Borrower, or the applicable Grantor, as the case may be, its successors or assigns, or as a court of competent jurisdiction may direct.

(b) Sale of Non-Cash Proceeds. In connection with the application of Proceeds pursuant to Section 5.1(a), (i) except as otherwise directed by the Required Lenders under (and as defined in) the Senior Priority Documents, the Senior Priority Agents may sell any non-Cash Proceeds for cash prior to the application of the Proceeds thereof until the Discharge of Senior Priority Obligations has occurred and (ii) except as otherwise directed by the Required Lenders under (and as defined in) the Third Priority Documents, the Third Priority Agent may sell any non-Cash Proceeds for cash prior to the application of the Proceeds thereof from and after the Discharge of Senior Priority Obligations and until the Discharge of Third Priority Obligations has occurred.

(c) Collections Applicable to Collateral.

(i) Until the Discharge of Senior Priority Obligations has occurred, if any Junior Priority Agent or any other Junior Priority Secured Party collects or receives any Proceeds of such foreclosure, collection or other enforcement that, if received by any Senior Priority Agent or any Senior Priority Secured Party, should have been applied to the payment of the Senior Priority Obligations in accordance with Section 5.1(a), whether after the commencement of an Insolvency or Liquidation Proceeding or otherwise, such Junior Priority Secured Party will forthwith deliver the same to a Senior Priority Agent, for the account of the holders of the Senior Priority Obligations, to be applied in accordance with Section 5.1(a). Until so delivered, such Proceeds will be held by that Junior Priority Secured Party for the benefit of the holders of the Senior Priority Obligations.

(ii) From and after the Discharge of Senior Priority Obligations and until the Discharge of Third Priority Obligations has occurred, if the Fourth Priority Trustee or any other Fourth Priority Secured Party collects or receives any Proceeds of such foreclosure, collection or other enforcement that, if received by the Third Priority Agent or any Fourth Priority Secured Party, should have been applied to the payment of the Third Priority Obligations in accordance with Section 5.1(a), whether after the commencement of an Insolvency or Liquidation Proceeding or otherwise, such Fourth Priority Secured Party will forthwith deliver the same to the Third Priority Agent, for the account of the holders of the Third Priority Obligations, to be applied in accordance with Section 5.1(a). Until so delivered, such Proceeds will be held by that Fourth Priority Secured Party for the benefit of the holders of the Third Priority Obligations.

Section 6. Miscellaneous.

6.1 Conflicts. In the event of any conflict between the provisions of this Agreement and the provisions of the Senior Priority Documents or the Junior Priority Documents with respect to the subject matter hereof, the provisions of this Agreement shall govern and control. Each Secured Party acknowledges and agrees that the terms and provisions of this Agreement do not violate any term or provision of its respective Senior Priority Document or the Junior Priority Document. As between the Senior Agent (on behalf of the Senior Lenders) and the Term Agent (on behalf of the Term Lenders), nothing in this Agreement shall be deemed to supersede the provisions of the Senior Intercreditor Agreement and in the event of a conflict between the rights and obligations that the Senior Lenders and Term Lenders owe to each other under the Senior Intercreditor Agreement and this Agreement, the Senior Intercreditor Agreement shall exclusively control as among the Senior Priority Secured Parties. Nothing contained in this Agreement shall in any way govern or restrict the actions of a

holder of any Class A Stock or Class B Stock which also holds Third Priority Obligations or Fourth Priority Obligations in its capacity as a holder of any Class A Stock or Class B Stock.

6.2 Effectiveness; Continuing Nature of this Agreement; Severability.

(a) This Agreement shall become effective when executed and delivered by the parties hereto. Except as otherwise provided in Section 6.2(b), the terms of this Agreement shall survive, and shall continue in full force and effect, in any Insolvency or Liquidation Proceeding but, as to any Grantor and the rights of the Secured Parties with respect thereto, shall not survive the effectiveness of any plan of reorganization adopted in connection therewith. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. All references to any Grantor shall include any Grantor as debtor and debtor in possession and any receiver or trustee for any Grantor (as the case may be) in any Insolvency or Liquidation Proceeding.

(b) This Agreement shall terminate and be of no further force and effect:

(i) with respect to the Senior Priority Agents, the other Senior Priority Secured Parties and the Senior Priority Obligations, upon the Discharge of Senior Priority Obligations, subject to the rights of the Senior Priority Secured Parties under Section 6.17; provided that the agreements and obligations of any Senior Priority Secured Party to take any actions (or refrain from taking any actions) upon the Discharge of Senior Priority Obligations or thereafter shall continue in effect until the Discharge of Third Priority Obligations and the Discharge of Fourth Priority Obligations;

(ii) with respect to the Third Priority Agent, the other Third Priority Secured Parties and the Third Priority Obligations, upon the Discharge of Third Priority Obligations, subject to the rights of the Third Priority Secured Parties under Section 6.17; and

(iii) with respect to the Fourth Priority Trustee, the other Fourth Priority Secured Parties and the Fourth Priority Obligations, upon the Discharge of Fourth Priority Obligations, subject to the rights of the Fourth Priority Secured Parties under Section 6.17.

6.3 Amendments; Waivers. Subject to the immediately succeeding sentence, no amendment, modification or waiver of any of the provisions of this Agreement by any Senior Priority Agent or any Junior Priority Agent shall be deemed to be made unless the same shall be in writing signed on behalf of each party hereto or its authorized agent and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the parties making such waiver or the obligations of the other parties to such party in any other respect or at any other time. No Grantor shall have any right to consent to or approve any amendment, modification or waiver of any provision of this Agreement except to the extent its rights are directly and adversely affected or its obligations are directly increased (which includes any amendment to the Grantors' ability to cause additional obligations to constitute Senior Priority Obligations or Junior Priority Obligations as any Grantor may designate).

6.4 Information Concerning Financial Condition of any Grantor and its Subsidiaries. The Senior Priority Agents and the other Senior Priority Secured Parties of each Class, on the one hand, and the Junior Priority Agents and the other Junior Priority Secured Parties of each Class, on the other hand, shall each be responsible for keeping themselves informed of (a) the financial condition of any Grantor and its Subsidiaries and all endorsers and/or guarantors of the Senior Priority

Obligations or the Junior Priority Obligations and (b) all other circumstances bearing upon the risk of nonpayment of the Junior Priority Obligations or the Senior Priority Obligations. No Class of Secured Parties shall have any duty to advise any other Class of Secured Parties (or Agent for such other Class) of information known to it or them regarding such condition or any such circumstances or otherwise. In the event that any Secured Party of any Class, in its sole discretion, undertakes at any time or from time to time to provide any such information to any Secured Party of any other Class, it shall be under no obligation (w) to make, and such informing party shall not make, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness or validity of any such information so provided, (x) to provide any additional information or to provide any such information on any subsequent occasion, (y) to undertake any investigation or (z) to disclose any information which, pursuant to accepted or reasonable commercial finance practices, such party wishes to maintain confidential or is otherwise required to maintain confidential.

6.5 Submission to Jurisdiction; Waivers. (a) ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY (a) ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS; (b) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS; (c) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 6.6; AND (d) AGREES THAT SERVICE AS PROVIDED IN CLAUSE (c) ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT.

(a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER HEREOF, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 6.5(b) AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

6.6 Notices. All notices to the Senior Priority Secured Parties and the Junior Priority Secured Parties permitted or required under this Agreement shall also be sent to the other Senior

Priority Agents and the Junior Priority Agents, respectively. Unless otherwise specifically provided herein, any notice hereunder shall be in writing and may be personally served, sent by telefacsimile, United States mail, courier service or electronic mail and shall be deemed to have been received when delivered in Person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, three Business Days after depositing it in the United States mail with postage prepaid and properly addressed, or in the case of electronic mail, upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment). For the purposes hereof, the addresses of the parties hereto shall be as set forth below each party's name on the signature pages hereto, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties.

6.7 Further Assurances. The Senior Priority Agents, on behalf of themselves and the other Senior Priority Secured Parties, and the Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, and each Grantor agrees that each of them shall take such further action and shall execute (without recourse or representation or warranty) and deliver such additional documents and instruments (in recordable form, if requested) as any Senior Priority Agent or any Junior Priority Agent may reasonably request to effectuate the terms of and the Lien priorities contemplated by this Agreement. The parties hereto agree, subject to the other provisions of this Agreement, upon reasonable request by any Senior Priority Agent or any Junior Priority Agent, to cooperate in good faith (and to direct their counsel to cooperate in good faith) from time to time in order to determine the specific items included in the Collateral and the steps taken to perfect their respective Liens thereon and the identity of the respective parties obligated under the Senior Priority Document and Junior Priority Documents.

6.8 APPLICABLE LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

6.9 Binding on Successors and Assigns. This Agreement shall be binding upon the parties hereto, the Senior Priority Agents, the Junior Priority Agents and their respective successors and assigns.

6.10 Specific Performance. Each of the Senior Priority Agents and the Junior Priority Agents may demand specific performance of this Agreement. The Senior Priority Agents, on behalf of themselves and the other Senior Priority Secured Parties, and the Junior Priority Agents, on behalf of themselves and the other Junior Priority Secured Parties, hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by any Senior Priority Agent or any Junior Priority Agent, as the case may be.

6.11 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

6.12 Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith by telecopy or other electronic method shall be effective as delivery of a manually executed counterpart of this Agreement or such other document or instrument, as applicable.

6.13 Authorization; No Conflict. Each of the parties represents and warrants to all other parties hereto that the execution, delivery and performance by or on behalf of such party to this Agreement has been duly authorized by all necessary action, corporate or otherwise, does not violate any provision of law, governmental regulation, or any agreement or instrument by which such party is bound, and requires no governmental or other consent that has not been obtained and is not in full force and effect.

6.14 No Third Party Beneficiaries. This Agreement and the rights and benefits hereof shall inure to the benefit of the Senior Priority Secured Parties, the Junior Priority Secured Parties and each of their respective successors and assigns.

6.15 Provisions Solely to Define Relative Rights.

(a) The provisions of this Agreement are and are intended solely for the purpose of defining the relative rights (i) of the Senior Priority Secured Parties on the one hand and the Junior Priority Secured Parties on the other hand and (ii) of the Third Priority Secured Parties on the one hand and the Fourth Priority Secured Parties on the other hand. None of any Grantor nor any other creditor thereof shall have any rights hereunder. Nothing in this Agreement is intended to or shall impair the obligations of any Grantor which are absolute and unconditional, to pay the Senior Priority Obligations and the Junior Priority Obligations as and when the same shall become due and payable in accordance with their terms.

(b) Nothing in this Agreement shall relieve any Grantor from the performance of any term, covenant, condition or agreement on any Grantor's part to be performed or observed under or in respect of any of the Collateral pledged by it or from any liability to any Person under or in respect of any of such Collateral or impose any obligation on any Agent to perform or observe any such term, covenant, condition or agreement on any Grantor's part to be so performed or observed or impose any liability on any Agent for any act or omission on the part of any Grantor relative thereto or for any breach of any representation or warranty on the part of any Grantor contained in this Agreement or any Senior Priority Document or any Junior Priority Document, or in respect of the Collateral pledged by it. The obligations of any Grantor contained in this paragraph shall survive the termination of this Agreement and the discharge of any such Grantor's other obligations hereunder.

(c) Each of the Agents acknowledges and agrees that it has not made any representation or warranty with respect to the execution, validity, legality, completeness, collectibility or enforceability of any Senior Priority Document or any Junior Priority Document, except with respect to this Agreement as expressly set forth in Section 6.13. Except as otherwise provided in this Agreement, each of the Agents will be entitled to manage and supervise their respective extensions of credit to any Grantor or any of their Subsidiaries in accordance with law and their usual practices, modified from time to time as they deem appropriate.

6.16 Additional Grantors. Each Grantor will cause each Person that becomes a Grantor or is a Subsidiary required by any Senior Priority Document or any Junior Priority Document to consent to this Agreement, to execute and deliver to the parties hereto an Intercreditor Agreement Consent, whereupon such Person will be bound by the terms hereof applicable to any of the Grantors to the same extent as if it had executed and delivered a consent to this Agreement as of the date hereof. Grantors shall promptly provide each Agent with a copy of each Intercreditor Agreement Consent executed and delivered pursuant to this Section 6.16.

6.17 Avoidance Issues. If any Senior Priority Secured Party or Junior Priority Secured Party is required in any Insolvency or Liquidation Proceeding or otherwise to turn over or

otherwise pay to the estate of any Grantor any amount (a "Recovery"), then such Senior Priority Secured Party or Junior Priority Secured Party, as applicable, shall be entitled to a reinstatement of Senior Priority Obligations or Junior Priority Obligations, as applicable, with respect to all such recovered amounts. If this Agreement shall have been terminated prior to such Recovery (except as the result of the effectiveness of a plan of reorganization adopted in an Insolvency or Liquidation Proceeding), this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto from such date of reinstatement and, to the extent the Senior Priority Obligations or Junior Priority Obligations were decreased in connection with such payment which gave rise to the Recovery, the Senior Priority Obligations or Junior Priority Obligations, as applicable, shall be increased to such extent.

6.18 Intercreditor Agreement. This Agreement is the "Junior Intercreditor Agreement" referred to in the Senior Credit Agreement, the "Junior Intercreditor Agreement" referred to in the Term Credit Agreement, the "Intercreditor Agreement" referred to in the Third Priority Credit Agreement and the "Intercreditor Agreement" referred to in the Fourth Priority Note Indenture. Nothing in this Agreement shall be deemed to subordinate the rights of any Class of Secured Parties to receive payment to the rights of any other Class of Secured Parties to receive payment (in any such case, whether before or after the occurrence of an Insolvency or Liquidation Proceeding), it being the intent of the parties that this Agreement shall effectuate a subordination of Liens but not a subordination of Indebtedness.

6.19 Subrogation. With respect to any payments or distributions in cash, property, or other assets that any Junior Priority Secured Party pays over to a Senior Priority Agent under the terms of this Agreement, such Junior Priority Secured Party shall be subrogated to the rights of the Senior Priority Secured Parties.

6.20 Reciprocal Rights.

(a) [The parties agree that the solely as it relates to defining the relative rights of, and the relationship between, the Third Priority Secured Parties, on the one hand, and the Fourth Priority Secured Parties, on the other hand, the provisions set forth in Sections 2.2(a)(i)(y), 2.2(a)(i)(z), 2.2(c), 2.2(d), 2.4(f), 2.5(d), 2.5(e), 2.5(f), 2.5(h), 2.5(j), 2.5(l) and 2.6, the defined terms referenced therein (but only to the extent used therein), that govern the relationship, and certain rights, restrictions, and agreements, between the Senior Priority Secured Parties with respect to the Senior Priority Obligations, on the one hand, and the Junior Priority Secured Parties with respect to the Junior Priority Obligations, on the other hand, shall apply to and govern, mutatis mutandis, the rights, obligations, privileges, and relationship as between the Third Priority Secured Parties with respect to the Third Priority Obligations, on the one hand, and the Fourth Priority Secured Parties with respect to the Fourth Priority Obligations, on the other hand (with references therein to Third Priority Secured Parties and other defined terms relating to such Class being deemed to be Senior Priority Secured Parties or the corresponding defined term relating thereto solely for purposes of this Section 6.20(a)); provided that, until the Discharge of Senior Priority Obligations has occurred, the foregoing shall not limit the agreements or obligations of any the Third Priority Secured Parties or the Fourth Priority Secured Parties, on the one hand, in favor of or otherwise owed to any of the Senior Secured Parties or Term Secured Parties, on the other hand.]

(b) [From and after the Discharge of Senior Priority Obligations, (i) the Third Priority Secured Parties shall cease to constitute "Junior Priority Secured Parties" and shall be deemed to be "Senior Priority Secured Parties" for all purposes of this Agreement, including Sections 2.1(c), 2.2(a), 2.2(b), 2.2(e), 2.3, 2.4(a), 2.4(b), 2.4(c), 2.4(e), 2.5(a), 2.5(c) , 5.1, and 6.19, and (ii) the terms hereof that govern the relationship, and certain rights, restrictions, and agreements, between the Senior Priority Secured Parties with respect to the Senior Priority Obligations, on the one hand, and the Junior Priority

Secured Parties with respect to the Junior Priority Obligations, on the other hand, shall apply to and govern, mutatis mutandis, the rights, obligations, privileges, and relationship as between the Third Priority Secured Parties with respect to the Third Priority Obligations, on the one hand, and the Fourth Priority Secured Parties with respect to the Fourth Priority Obligations, on the other hand (with references therein to Third Priority Secured Parties and other defined terms relating to such Class being deemed to be Senior Priority Secured Parties or the corresponding defined term relating thereto).]

(c) [For the avoidance of doubt, it is the express intent and agreement of the parties hereto, and the Grantors by their acknowledgement of this Agreement, agree that (i) solely as it relates to defining the relative rights of, and the relationship between, the Third Priority Secured Parties, on the one hand, and the Fourth Priority Secured Parties, on the other hand, the Third Priority Secured Parties shall have the rights, obligations and privileges of the Senior Priority Secured Parties in respect of their relationship with the Fourth Priority Secured Parties (subject to the proviso to Section 6.20(a)) and (ii) from and after the Discharge of Senior Priority Obligations, the Third Priority Secured Parties shall accede to the rights, obligations and privileges of the Senior Priority Secured Parties in respect of their relationship with the Fourth Priority Secured Parties.]

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers or representatives as of the day and year first above written.

Address:

Cantor Fitzgerald Securities
110 East 59th St.
New York, NY 10022
Attn: Jon Stapleton
Email: JStapleton@cantor.com

Cantor Fitzgerald Securities, as Senior Agent

By:_____
Name:
Title:

With copies to:

Cantor Fitzgerald Securities
110 East 59th St.
New York, NY 10022
Attn: Nils Horning
Email: NHorning@cantor.com
Fax No.: (646) 219-1180

- and –

Orrick, Herrington & Sutcliffe LLP
51 West 52nd Street
New York, NY 10019
Attn: B.J. Rosen
Fax No.
Email: bjrosen@orrick.com
Phone: (212) 506-5246

- and -

Brown Rudnick LLP
One Financial Center
Boston, Massachusetts 02111
Attn: Steven B. Levine, Esq.
Fax No. (617) 856-8201
Phone: (617) 856-8587
Email: slevine@brownrudnick.com

Address:

Wilmington Savings Fund Society, FSB
500 Delaware Ave., 11th Floor
Wilmington, DE 1980
Fax No. 302-421-9137
Attn: Kristin L. Moore
Phone: 302-573-3239
Email: KMoore@wsfsbank .com

Wilmington Savings Fund Society, FSB, as Term Agent

By_____
Name:_____
Title:_____

With copies to:

Willkie Farr & Gallagher LLP
787 Seventh Ave.
New York, NY 10019
Attn: Leonard Klingbaum
Email: LKlingbaum@willkie.com
Fax No.: (212) 728-9290

- and –

Pryor Cashman LLP
7 Times Square
New York, NY 10036-6569
Attn: Eric Hellige
Email: EHellige@pryorcashman.com
Fax No.: (212) 798-6380

Address:

Cantor Fitzgerald Securities
110 East 59th St.
New York, NY 10022
Attn: Jon Stapleton
Email: JStapleton@cantor.com

Cantor Fitzgerald Securities, as Third Priority Agent

By_____
Name:_____
Title:_____

With copies to:

Cantor Fitzgerald Securities
110 East 59th St.
New York, NY 10022
Attn: Nils Horning
Email: NHorning@cantor.com
Fax No.: (646) 219-1180

- and –

Orrick, Herrington & Sutcliffe LLP
51 West 52nd Street
New York, NY 10019
Attn: B.J. Rosen
Fax No.
Email: bjrosen@orrick.com
Phone: (212) 506-5246

- and -

Brown Rudnick LLP
One Financial Center
Boston, Massachusetts 02111
Attn: Steven B. Levine, Esq.
Fax No.: (617) 856-8201
Phone: (617) 856-8587
Email: slevine@brownrudnick.com

Address:

Wilmington Trust, National Association
50 South 6th Street
Suite 1290
Minneapolis, MN 55402-1544
Attn: Corporate Trust Administration
Fax No.: (612) 217-5651

With a copy to:
Loeb & Loeb, LLP
345 Park Avenue
New York, NY 10154
Attn: Walter H. Curchack, Esq.
Fax No.: (212) 504-8058
Email: wcurchack@loeb.com

Wilmington Trust, National Association, as Fourth Priority Trustee

By_____
Name:_____
Title:_____

CONSENT AND AGREEMENT

The undersigned hereby (i) acknowledge and consent to the terms of the Junior Intercreditor Agreement, , dated as of December [___], 2015 (the "Intercreditor Agreement"), among Cantor Fitzgerald Securities, as Senior Agent, Wilmington Savings Fund Society, FSB, as Term Agent, Cantor Fitzgerald Securities, as Third Priority Agent, and Wilmington Trust, National Association, as Fourth Priority Trustee, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, for all purposes on the terms set forth therein, (ii) acknowledge and agree to the terms, covenants and other provisions applicable to any of the Grantors in the Intercreditor Agreement, which such terms, covenants and other provisions shall be binding on, and enforceable against, the Grantors, and (iii) have caused this Consent to be executed by their respective officers or representatives as of December [___], 2015.

Notice Address for each Grantor:

Colt Defense LLC
547 New Park Avenue
West Hartford, CT 06110
Attn: John Coghlin
Fax No. (860) 244-1442

with a copy (which shall not constitute notice) to:

O'Melveny & Myers LLP
7 Times Square
New York, New York 10036
Attn: Sung Pak, Esq.
Fax No.: (212) 326-2061

[Signature Page Follows]

GRANTORS:

COLT HOLDING COMPANY LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT DEFENSE LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT CANADA CORPORATION

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT SECURITY LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT FINANCE CORP.

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

NEW COLT HOLDING CORP.

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT'S MANUFACTURING COMPANY, LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT DEFENSE TECHNICAL SERVICES LLC

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

CDH II HOLDCO INC.

By: _____
Name: Dennis Veilleux
Title: President and Chief Executive Officer

COLT INTERNATIONAL COÖPERATIEF U.A.

By: _____
Name: Dennis Veilleux
Title: Director

COLT'S MANUFACTURING IP HOLDING COMPANY LLC

By: _____
Name: Dennis Veilleux
Title: Authorized Representative

COLT CANADA IP HOLDING COMPANY

By: _____
Name: Dennis Veilleux
Title: Authorized Representative

Exhibit A
to Junior Intercreditor Agreement

FORM OF
INTERCREDITOR AGREEMENT JOINDER

The undersigned,_____, a_____, hereby agrees to become party as [the Senior Agent] [the Term Agent] [Third Priority Agent] [Fourth Priority Trustee] under the Junior Intercreditor Agreement, dated as of December [___], 2015 (the "Intercreditor Agreement"), among Cantor Fitzgerald Securities, as Senior Agent, Wilmington Savings Fund Society, FSB, as Term Agent, Cantor Fitzgerald Securities, as Third Priority Agent, and Wilmington Trust, National Association, as Fourth Priority Trustee, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, for all purposes thereof on the terms set forth therein, and to be bound by the terms of the Intercreditor Agreement as fully as if the undersigned had executed and delivered the Intercreditor Agreement as of the date thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Junior Intercreditor Agreement Joinder to be executed by their respective officers or representatives as of__, 20 .

[_____], as [_____]

By: _____
Name:
Title:

Exhibit B
to Junior Intercreditor Agreement

FORM OF
INTERCREDITOR AGREEMENT CONSENT

The undersigned hereby (i) acknowledges and consents to the terms of the Junior Intercreditor Agreement, dated as of December [___], 2015 (the "Intercreditor Agreement"), among Cantor Fitzgerald Securities, as Senior Agent, Wilmington Savings Fund Society, FSB, as Term Agent, Cantor Fitzgerald Securities, as Third Priority Agent, and Wilmington Trust, National Association, as Fourth Priority Trustee, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, for all purposes on the terms set forth therein, (ii) acknowledged and agrees to the terms, covenants and other provisions of the Intercreditor Agreement applicable to any of the Grantors under the Intercreditor Agreement as fully as if the undersigned had executed and delivered a consent to the Intercreditor Agreement as of the date thereof, which such terms, covenants and other provisions shall be binding on, and enforceable against, the undersigned Grantor, (iii) agrees that all references to any "Grantor" or the "Grantors" under the Intercreditor Agreement shall, from and after the date hereof, be deemed to include the undersigned Grantor, and (iv) has caused this Consent to be duly executed by its officers or representatives as of the ____ day of _____, ___.

[_____], as a Grantor

By: _____
Name: _____
Title: _____

EXHIBIT K

Subject to FRE 408
Draft

TERMS AND CONDITIONS
OF
THE COLT HOLDING COMPANY, LLC
MANAGEMENT INCENTIVE PLAN

Establishment of Plan/Types of Awards

Colt Holding Company, LLC's (the "Company") will implement a "Management Incentive Plan" (the "MIP"), effective on the date the Company emerges from bankruptcy (the "Effective Date"). The MIP shall provide for grants of the Company's newly-established Class A Units (sometimes referred to herein as "Awards") to employees and consultants of the Company or any of the Company's subsidiaries. The MIP must, in form and substance, comply with the provisions of the Debtors' Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the "Plan"). Initial grants shall be in the form of Restricted Class A Units, but the MIP will include the flexibility to grant other types of awards such as options.

The rights and obligations of the Class A Units underlying the Awards shall be as set forth in the Company's Limited Liability Company Agreement in effect on the Effective Date (as amended from time to time in accordance with its terms, the "LLC Agreement"). Such rights shall include pro rata entitlement to 100% of all distributions made by the Company until such time as the Priority Return has been paid to the holders of Class A Units, and thereafter participating in accordance with the Participation Ratio (as may be adjusted), all as set forth in the LLC Agreement, and in all respects consistent with the Offering Term Sheet attached as Exhibit C to the Plan. Capitalized terms used but not defined herein shall have the meanings set forth in the LLC Agreement or the Plan, as applicable.[1]

Awards shall be made by the Company's entering into a Restricted Unit Agreement with each participant (each, an "Award Agreement"), which shall contain additional terms and conditions of the Award. The Award Agreements may contain different terms and conditions and may expressly supersede certain terms and conditions of the Award that would otherwise be applicable pursuant to the LLC Agreement, as determined by the Administrator (defined below).

[1] Terms to be conformed as necessary to reflect the terms used in the LLC Agreement. For the avoidance of doubt, any distributions made to the holders of Awards pro rata with the distributions of the Priority Return to the holders of Class A Units shall be treated as distributions made in respect of the Priority Return and be applied to reduce the remaining Priority Return.

Size of MIP Pool:	The number of Class A Units available under the MIP shall represent up to 10% of the Class A Units of the Company issued and outstanding or authorized as of the Effective Date.
Administration of MIP	The MIP shall be administered by a three-member committee of the Board (the "Administrator") comprised of (i) one independent manager, (ii) one manager appointed by [Sciens Capital Management LLC], and (iii) one manager appointed by [Newport Global Advisors, LP]. The Administrator shall, among other things, determine the allocation of the Awards and the terms and conditions of each Award Agreement (including vesting).
Allocation of Awards	[Initial grants of Awards shall be allocated as set forth on Exhibit A]. Additional Awards shall be determined by the Administrator.
Vesting of Awards:	Unless otherwise provided in an individual Award Agreement (*i.e.*, to recognize significant past service by a participant), Awards shall vest in equal annual installments over a 4-year period assuming continued employment or other engagement by the participant by the Company or any of its subsidiaries, commencing on the grant date of such Award, and on each anniversary thereafter; provided that the Administrator reserves the right to also condition the vesting of Awards upon the achievement of specified performance criteria. For the avoidance of doubt, some or all of the time-based vesting criteria applicable to an Award may be partially or fully satisfied at grant, as set forth in a participant's Award Agreement. Unless otherwise determined in an individual Award Agreement, in the event of a Change of Control (to be defined consistent with the stock sale/asset sale provisions of a Liquidity Event as defined in the LLC Agreement and not including an IPO), all of the unvested Awards will fully accelerate to the extent that the holder incurs a qualifying termination of employment (which may include a termination without "Cause" or a termination for "Good Reason", as determined by the Administrator and defined in the Award Agreement) within a specified period of time following the date that the transaction resulting in a Change of Control is consummated.[2]

[2] If and to the extent that accelerated vesting of any Award, when combined with any other payments in the nature of compensation, would result in an excess parachute payment under Section 280G of the Internal Revenue Code, such accelerated vesting and/or such other payments shall be limited or reduced if the aggregate amount as so

Distributions:	Distributions with respect to unvested Awards shall be retained by the Company and payable at such time as the underlying Award vests.
Forfeiture/Repurchase Rights:	Except as otherwise set forth herein, to the extent that any Awards are unvested as of the date that the holder ceases to be employed or otherwise engaged by the Company or its subsidiaries for any reason, such awards (and any unpaid distributions thereon) shall be forfeited. Forfeited Awards shall become available for re-grant. The Company shall have the right for a 180 day period following termination of a holder's employment or other engagement or violation of Restrictive Covenants, if later, as exercised by the Administrator in its sole discretion, to repurchase any or all of the vested Awards held by any holder if such holder ceases to be so employed or engaged, in each case at the price forth in Schedule A attached hereto.
Restrictive Covenants:	In connection with any grant of Award, each holder shall be required to execute an agreement setting forth (i) a customary non-compete and non-solicitation provision that shall apply while such holder continues to be employed or engaged by the Company or any of its subsidiaries and for a period of one year thereafter and (ii) a customary restriction on the use of confidential information relating to the Company or any of its subsidiaries ("Restrictive Covenants").
Tax Consequences:	It is intended that recipients of initial Awards will timely file Section 83(b) elections under Section 83 of the Internal Revenue Code, resulting in only de minimis income recognition to participants at grant. Such tax treatment is contingent on the Awards having a de minimis grant date fair market value as determined by an independent valuation.
Other Terms:	Voting, Transfer Restrictions, Tag-Along Rights, Drag-Along Rights, Registration Rights and other customary terms and conditions shall apply to the Class A Units underlying any Award, all as set forth in the LLC Agreement.

* * * *

limited or reduced exceeds the amount of the parachute payment net of the excise tax under Section 4999 of the Internal Revenue Code. The applicable approach shall be set forth in the Award Agreement.

SCHEDULE A

Repurchase Rights Upon Termination

	Employee Terminates		**Company Terminates**		**Death/Disability**
	With Good Reason (if applicable by Award Agreement)	**Without Good Reason**	**Not for Cause**	**For Cause (or Employee Violates Restrictive Covenants)**	
Unvested Awards	Forfeited	Forfeited	Forfeited	Forfeited	Forfeited
Vested Awards	Call @ FMV	Call @ FMV	Call @ FMV	Call @ Lower of cost or FMV	Call @ FMV

Definitions

Definitions of "**Cause,**" "**Disability"** and "**Good Reason**" will be customary definitions set forth in the MIP, which shall defer to any existing employment agreement, as applicable.

"**Fair Market Value**" or "**FMV**" means a good faith determination by the Board/Administrator through a reasonable application of a reasonable valuation method. Such determination shall be conclusive and binding on all persons.

EXHIBIT A

Initial Allocation of Awards

[TO COME]

EXHIBIT L

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
COLT HOLDING COMPANY LLC, *et al*.,[1]	:	Case No. 15-11296 (LSS)
Debtors.	:	Jointly Administered

NOTICE OF ELECTION TO ASSUME AND AMEND WEST HARTFORD FACILITY LEASE PURSUANT TO DEBTORS' SECOND AMENDED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

PLEASE TAKE NOTICE that on or about June 14, 2015, each of the above-captioned debtors and debtors in possession (collectively, the "**Debtors**") filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**").

PLEASE TAKE FURTHER NOTICE that the Debtors lease their corporate headquarters and primary manufacturing facility in West Hartford, Connecticut (the "**West Hartford Facility**") pursuant to that certain net lease dated as of October 26, 2005 (as amended, the "**West Hartford Facility Lease**"), by and between Colt Defense LLC, as tenant, and NPA Hartford LLC, as landlord (solely in such capacity, "**NPA Hartford**").

PLEASE TAKE FURTHER NOTICE that the Debtors entered into that certain Restructuring Support Agreement dated as of October 9, 2015 (as amended on November 10, 2015, and as further amended, restated, supplemented, or otherwise modified, the "**Restructuring Support Agreement**"), by and among, (i) the Debtors; (ii) certain lenders (solely in such capacity, the "**Consenting DIP Senior Lenders**") under that certain First Amended and Restated Senior Secured Super-Priority Debtor-in-Possession Credit Agreement dated as of June 24, 2015 (as amended, restated, supplemented, or otherwise modified), by and among Colt Defense LLC, Colt's Manufacturing Company LLC, and Colt Canada Corporation, as borrowers, certain subsidiary guarantors, the lenders party thereto, and Cortland Capital Market Services LLC, as agent; (iii) certain holders (solely in such capacity, the "**Consenting 8.75% Noteholders**") of outstanding notes issued pursuant to that certain Indenture dated

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are Colt Holding Company LLC (0094); Colt Security LLC (4276); Colt Defense LLC (1950); Colt Finance Corp. (7687); New Colt Holding Corp. (6913); Colt's Manufacturing Company LLC (9139); Colt Defense Technical Services LLC (8809); Colt Canada Corporation (5534); Colt International Coöperatief U.A. (6822); and CDH II Holdco Inc. (1782). The address of the Debtors' corporate headquarters is: 547 New Park Avenue, West Hartford, Connecticut 06110.

November 10, 2009, for the issuance of 8.75% Senior Notes due 2017 among Colt Defense LLC, Colt Finance Corp., certain subsidiary guarantors, and Wilmington Trust FSB, as indenture trustee; (iv) Sciens Capital Management LLC and each of its affiliates (to the extent that Sciens Capital Management LLC or an investment advisor under common control with Sciens Capital Management LLC retains voting control over such affiliate) (collectively, the "**Sciens Group**"), and (v) NPA Hartford (together with the Consenting DIP Senior Lenders, the Consenting 8.75% Noteholders, and the Sciens Group, the "**Plan Support Parties**"); pursuant to which the Debtors and the Plan Support Parties committed to support confirmation of a plan of reorganization in furtherance of the Chapter 11 Plan Term Sheet attached as Exhibit A to the Restructuring Support Agreement (as amended, restated, supplemented, or otherwise modified, the "**Restructuring Term Sheet**").

PLEASE TAKE FURTHER NOTICE that on November 10, 2015, the Debtors filed solicitation versions of the *Debtors' Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 675] (as amended, restated, supplemented, or otherwise modified, the "**Plan**") and the *Disclosure Statement for the Debtors' Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 678, 688] (as amended, restated, supplemented, or otherwise modified, the "**Disclosure Statement**"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan. The Plan incorporates, among other things, the global restructuring contemplated by the Restructuring Term Sheet.

PLEASE TAKE FURTHER NOTICE that on November 10, 2015, the Bankruptcy Court entered (i) an order approving the Debtors' entry into and performance under the Restructuring Support Agreement [D.I. 681] and (ii) an order approving the Disclosure Statement, approving voting and tabulation procedures in connection therewith, setting **December 16, 2015, at 9:00 a.m. (Eastern Standard Time)** as the first scheduled date and time for the hearing on confirmation of the Plan, setting **December 9, 2015, at 4:00 p.m. (Eastern Standard Time)** as the deadline to file and serve objections to confirmation of the Plan, setting related deadlines, and granting related relief [D.I. 682].

PLEASE TAKE FURTHER NOTICE that Exhibit B to the Restructuring Term Sheet is a term sheet (the "**West Hartford Facility Term Sheet**") pursuant to which the Debtors were entitled to elect by November 30, 2015, to purchase the West Hartford Facility or assume the West Hartford Facility Lease. The Debtors' election and all other terms and conditions of the West Hartford Facility Term Sheet are expressly and explicitly conditioned upon, and subject in their entirety to, the global restructuring contemplated by the Plan and the Restructuring Term Sheet.

PLEASE TAKE FURTHER NOTICE that on November 19, 2015, the Bankruptcy Court entered an amended order extending the deadline by which the Debtors shall assume or reject the West Hartford Facility Lease to January 30, 2016, or such later date as the Debtors and NPA Hartford may agree [D.I. 705].

PLEASE TAKE FURTHER NOTICE that on November 27, 2015, the Debtors filed the *Notice of (I) Contracts and Leases to Be Assumed in Connection with the Debtors' Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code and*

(II) Proposed Cure Claim Amounts Relating Thereto [D.I. 719], which, among other things, identifies the West Hartford Facility Lease as an unexpired lease to be assumed in connection with the Plan.

PLEASE TAKE FURTHER NOTICE that subject to confirmation of the Plan and the occurrence of the Effective Date of the Plan, the Debtors hereby provide further notice of their election to assume and amend the West Hartford Facility Lease in accordance with the terms and conditions of the West Hartford Facility Term Sheet. In the event that the Plan is not confirmed or the Effective Date of the Plan does not occur, the Debtors hereby expressly reserve, and do not waive, their rights in respect of the West Hartford Facility and the West Hartford Facility Lease, including with respect to assumption or rejection of the West Hartford Facility Lease.

Dated: December 2, 2015
Wilmington, Delaware

/s/ Joseph C. Barsalona II

RICHARDS, LAYTON & FINGER, P.A.
Mark D. Collins (No. 2981)
Jason M. Madron (No. 4431)
Joseph C. Barsalona II (No. 6102)
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701

- and -

O'MELVENY & MYERS LLP
John J. Rapisardi (admitted *pro hac vice*)
Peter Friedman (admitted *pro hac vice*)
Joseph Zujkowski (admitted *pro hac vice*)
Times Square Tower
Seven Times Square
New York, New York 10036
Telephone: (212) 326-2000
Facsimile: (212) 326-2061

Attorneys for the Debtors and Debtors in Possession

EXHIBIT M

Exhibit M

Proposed Initial Member of Oversight Committee

Section 5.13(a) of the Plan provides as follows: "To the extent Allowed or Disputed General Unsecured Claims plus Senior Notes Claims held by Nonparticipating Holders against the Debtors exceed $112.9 million as of the Effective Date, then, on the Effective Date, there shall be formed the Oversight Committee."

The Committee has proposed **Wilmington Trust, National Association**, to serve as the sole, initial member of the Oversight Committee, if constituted.

If the Oversight Committee is formed as of the Effective Date in accordance with the Plan, any documents governing the actions of the Oversight Committee will be filed with the Court.

EXHIBIT N

Exhibit N

Retained Actions

Section 7.4 of the Plan provides as follows:

> Except as otherwise provided in the Plan, or in any contract, instrument, or other agreement or document entered into in connection with this Plan, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors shall retain and may enforce, sue on, settle, compromise, otherwise resolve, discontinue, abandon, or dismiss all Claims, rights, Causes of Action, suits, and proceedings, including those described in the Plan Supplement (collectively, the "**Retained Actions**"), whether at law or in equity, whether known or unknown, that the Debtors or their Estates may hold against any Entity (other than Claims, rights, Causes of Action, suits, and proceedings released pursuant to Section 10.4 below), without the approval of the Bankruptcy Court or the Canadian Court, subject to the terms of Section 7.2 hereof, the Confirmation Order, and any contract, instrument, release, indenture, or other agreement entered into in connection herewith. For the avoidance of doubt, Retained Actions do not include any claim or cause of action arising under or authorized by sections 510, 542 through 551, and 553 of the Bankruptcy Code, which claims and causes of actions will be released pursuant to Section 10.4 below. The Reorganized Debtors or their successor(s) may pursue such Retained Actions, as appropriate, in accordance with the best interests of the Reorganized Debtors or their successor(s) that hold such rights.
>
> **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Retained Action against it as any indication that the Reorganized Debtors will not, or may not, pursue any and all available Retained Actions against it. The Reorganized Debtors expressly reserve all rights to prosecute any and all Retained Actions against any Entity. Unless any Retained Action against an Entity is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Retained Actions for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches shall apply to such Retained Action upon, after, or as consequence of, confirmation or consummation of the Plan**. For the

> avoidance of doubt, all Claims, Causes of Action, suits, and proceedings of the Debtors that are not Retained Actions are waived as of the Effective Date.

Plan § 7.4 (emphasis added).

Notwithstanding and without limiting the generality of Section 7.4 of the Plan, the Debtors identify the following specific types of Retained Actions, to the extent not previously released, settled, or compromised, or released or exculpated under Section 10 of the Plan, that are expressly preserved by the Debtors and the Reorganized Debtors:

(i) Claims Related to Employment Agreements: claims and Causes of Action that have or may be asserted by any Debtor or Reorganized Debtor against any employee for violating any non-compete provision, non-solicitation provision, or any similar restrictive covenant in an employment or severance agreement.

(ii) Claims Related to Accounts Receivable, Loans and Accounts Payable: claims and Causes of Action that have or may be asserted by any Debtor or Reorganized Debtor against or related to all Entities that owe or that may in the future owe money to the Debtors or Reorganized Debtors. Furthermore, the Debtors expressly reserve all claims and Causes of Action against or related to all Entities who assert or may assert that the Debtors or Reorganized Debtors owe money to them.

(iii) Claims Related to Insurance Policies: claims and Causes of Action that have or may be asserted by any Debtor or Reorganized Debtor based in whole or in part upon any and all insurance contracts, insurance policies, occurrence policies, and occurrence contracts to which any Debtor or Reorganized Debtor is a party or pursuant to which any Debtor or Reorganized Debtor has any rights whatsoever, including claims and Causes of Action against insurance carriers, reinsurance carriers, insurance brokers, underwriters, occurrence carriers or surety bond issuers relating to coverage, indemnity, contribution, reimbursement or any other matters.

(iv) Claims Related to Deposits, Adequate Assurance Postings, and Other Collateral Postings: claims and Causes of Action that have or may be asserted by any Debtor or Reorganized Debtor based in whole or in part upon any and all postings of a security deposit, adequate assurance payment, or any other type of deposit or collateral.

(v) Claims, Defenses, Cross-Claims, and Counter-Claims Related to Litigation and Possible Litigation: all claims, defenses, cross-claims, and counterclaims (including without limitation all counterclaims in relation to proofs of claim filed against the Debtors in these Chapter 11 Cases) that have or may be asserted by any Debtor or Reorganized Debtor against or related to all Entities that are party to or that may in the future become party to litigation, arbitration, or any other

type of adversarial proceeding or dispute resolution proceeding, whether formal or informal, judicial or non-judicial, including, without limitation, the following:

- claims, defenses, cross-claims, and counterclaims related to that certain action titled *City of Gary, Indiana v. Smith & Wesson Corp., et al.*, Case No. 45D05-0005-CT-243, currently pending in the Lake County Superior Court in Lake, Indiana;

- claims, defenses, cross-claims, and counterclaims related to that certain action titled *Rubell Henderson v. Colt's Manufacturing Company LLC*, Nos. CHRO 1510113 and EEOC 16A-2014-01760, currently pending before the Connecticut Commission on Human Rights and Opportunities in Hartford, Connecticut;

- claims, defenses, cross-claims, and counterclaims related to that certain action titled *Ruffino Trabal v. Colt's Manufacturing Company LLC*, No. CHRO 1310184, currently pending before the Connecticut Commission on Human Rights and Opportunities in Hartford, Connecticut;

- claims, defenses, cross-claims, and counterclaims related to that certain action titled *Michael Bruno v. Colt Defense LLC*, No. CHRO 1610091, currently pending before the Connecticut Commission on Human Rights and Opportunities in Hartford, Connecticut;

- claims, defenses, cross-claims, and counterclaims related to that certain action titled *Catherine Guerrier v. Colt's Manufacturing Company LLC*, No. CHRO 1610246, currently pending before the Connecticut Commission on Human Rights and Opportunities in Hartford, Connecticut;

- claims, defenses, cross-claims, and counterclaims related to that certain action titled *Remington Arms Company, LLC v. United States*, Case No. 1:15-CV-01425, currently pending before the U.S. Court of Federal Claims in Washington, D.C.; and

- claims, defenses, cross-claims, and counterclaims related to that certain action titled *Blanca Valentin v. Colt's Manufacturing Company LLC*, No. 01-CA-159158, currently pending before the National Labor Relations Board.

(vi) Claims Related to Contracts and Leases: claims and Causes of Action that have or may be asserted by any Debtor or Reorganized Debtor, based in whole or in part upon any and all contracts and leases to which any Debtor or Reorganized Debtor is a party or pursuant to which any Debtor or Reorganized Debtor has any rights whatsoever. The claims and Causes of Action reserved include, without

limitation, Causes of Action against vendors, suppliers of goods or services, or any other parties: (a) for overpayments, back charges, duplicate payments, improper holdbacks, deposits, warranties, guarantees, indemnities, recoupment, or setoff; (b) for wrongful or improper termination, suspension of services or supply of goods, or failure to meet other contractual or regulatory obligations; (c) for failure to fully perform or to condition performance on additional requirements under contracts with any one or more of the Debtors before the assumption or rejection, if applicable, of such contracts; (d) for payments, deposits, holdbacks, reserves, or other amounts owed by any creditor, utility, supplier, vendor, insurer, surety, factor, lender, bondholder, lessor, or other party; (e) for any liens, including mechanic's, artisan's, materialmen's, possessory, or statutory liens held by any one or more of the Debtors; (f) counter-claims and defenses related to any contractual obligations; (g) for unfair competition, interference with contract or potential business advantage, breach of contract, infringement of intellectual property, or any business tort claims; and (h) any accumulated service credits, both those that may apply to future vendor invoices and those from which the Debtors may be entitled to receive a refund.

(vii) Claims Related to Customer Obligations: claims and Causes of Action that have or may be asserted by any Debtor or Reorganized Debtor against or related to all customers that owe or may in the future owe money to the Debtors or the Reorganized Debtors, whether for unpaid invoices; unreturned, missing, or damaged inventory; or any other matter whatsoever.

Nothing in this Exhibit N amends or otherwise modifies the discharge, release, exculpation, and injunction provisions of the Plan. *See* Plan §§ 10.3, 10.4, 10.5, and 10.6.

EXHIBIT O

Exhibit O-1

Management Team and Governing Board of the Reorganized Debtors

Management Team

Name	Position
Dennis Veilleux	President and CEO
Scott B. Flaherty	Senior Vice President and CFO
John Coghlin	Secretary, Senior Vice President, and General Counsel
Kevin G. Green	Corporate Controller
Kenneth Juergens	Senior Vice President, Government & Military Programs
Paul Spitale	Senior Vice President, Commercial Programs
Kevin Langevin	Executive Director, Product Engineering
Jeffrey Macleod	General Manager, Colt Canada

Governing Board

Name	Designating Party
Dennis Veilleux	Chief Executive Officer
Daniel J. Standen	Sciens[1]
John P. Rigas	Sciens
Ryan Langdon	Newport/Fidelity
John Kennedy	Newport/Fidelity
John Brecker	Independent
General George W. Casey Jr.	Independent

[1] The Sciens appointees to the Governing Board of the Reorganized Debtors will receive compensation for services and reimbursement of expenses only in accordance with those certain consulting services agreements to be entered into as of the Effective Date or as reasonably practicable thereafter.

Exhibit O-2

Disclosure of Insider Compensation

In accordance with section 1129(a)(5) of the Bankruptcy Code, the base salary of any insider that will be employed or retained by the Reorganized Debtors as of the Effective Date is set forth below:

Employee	Current Position	Base Salary
Dennis Veilleux	President and CEO	$400,000
Scott B. Flaherty	Senior Vice President and CFO	$430,560
John Coghlin	Secretary, Senior Vice President, and General Counsel	$375,000
Kevin G. Green	Corporate Controller	$208,950
Kenneth Juergens	Senior Vice President, Government & Military Programs	$350,000
Paul Spitale	Senior Vice President, Commercial Programs	$300,000
Kevin Langevin	Executive Director, Product Engineering	$171,532
Jeffrey Macleod	General Manager, Colt Canada	$212,527

In addition, on or as soon as practicable after the Effective Date, the Board of the Reorganized Debtors will adopt and implement the New Management Incentive Plan, which is summarized in the term sheet attached as Exhibit K to the Plan Supplement.

EXHIBIT P

REGISTRATION RIGHTS AGREEMENT

This **REGISTRATION RIGHTS AGREEMENT** (this "***Agreement***") is made as of December [●], 2015, by and among [Colt Holding Company LLC], a Delaware limited liability company (the "***Company***"), and each Holder (as defined herein) who becomes a party to this Agreement pursuant to Section 1.13 hereof.

RECITALS

WHEREAS, pursuant to the Second Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code of Colt Holding Company LLC, *et al.* filed with the United States Bankruptcy Court for the District of Delaware, as confirmed on [_____], 2015 (the "***Plan***"), and which became effective on [_____], 2015, the newly reorganized Company has agreed to enter into this Agreement for the benefit of each Holder of Registrable Securities (as defined herein).

NOW, THEREFORE, in consideration of the premises and respective covenants and agreements set forth in this Agreement and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE I.

REGISTRATION RIGHTS

Section 1.1 Definitions. For purposes of this Agreement:

"***Affiliate***" means, with respect to any Person, any other Person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For purposes of this definition of Affiliate, "***control***" means the possession, directly or indirectly, of the power to direct, or cause the direction of, the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"***Agent***" and "***Agents***" have the meaning specified in Section 1.6(a)(ii) hereof.

"***Agreement***" has the meaning specified in the preamble hereof.

"***beneficial ownership***" (and related terms such as "***beneficially owned***" or "***beneficial owner***") has the meaning set forth in Rule 13d-3 under the Exchange Act.

"***Board***" means the board of directors of the Company (or any successor governing body) or any authorized committee thereof.

"***Business Day***" means any day except a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to be closed.

"***Company***" has the meaning specified in the preamble hereof and includes the Company's successors by merger, acquisition, reorganization or otherwise.

"***Company Indemnified Parties***" has the meaning specified in Section 1.8(a) hereof.

"***Company Securities***" means the securities that the Company proposes to register for its own account on a registration statement in accordance with the terms of this Agreement.

"***Demand Notice***" has the meaning specified in Section 1.2(a) hereof.

"***Demand Registration***" has the meaning specified in Section 1.2(a) hereof.

"***Effective Date***" has the meaning specified in the Plan.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, or any similar or successor statute.

"***Full Cooperation***" means, in connection with any underwritten offering, including an IPO, where, in addition to the cooperation otherwise required by this Agreement, (a) members of senior management of the Company (including the chief executive officer and chief financial officer) fully cooperate with the underwriter(s) in connection therewith and make themselves available to participate in "road-show" and other customary marketing activities in such locations (domestic and foreign) as reasonably recommended by the underwriter(s) (including one-on-one meetings with prospective purchasers of the Registrable Securities) and (b) the Company prepares preliminary and final prospectuses (preliminary and final prospectus supplements in the case of an offering pursuant to a Shelf Registration Statement) for use in connection therewith containing such additional information as reasonably requested by the underwriter(s) (in addition to the minimum amount of information required by law, rule or regulation).

"***FINRA***" means the Financial Industry Regulatory Authority, Inc., or any successor entity thereof.

"***Holder***" means a Person that becomes a party to this Agreement in accordance with Section 1.13 hereof. The term Holder shall not include any registered owner of Registrable Securities that holds such Registrable Securities in "street name" on behalf of beneficial owners thereof .

"***Holder Indemnified Parties***" has the meaning specified in Section 1.8(b) hereof.

"***Indemnified Party***" has the meaning specified in Section 1.8(c) hereof.

"***Indemnifying Party***" has the meaning specified in Section 1.8(c) hereof.

"***IPO***" means an underwritten offering which is an initial public offering of the Units pursuant to an effective Registration Statement filed under the Securities Act.

"***Losses***" has the meaning specified in Section 1.8(a) hereof.

"***Maximum Offering Amount***" has the meaning specified in Section 1.2(c)(ii) hereof.

"***Minimum Price"*** means (i) in the case of an IPO, the minimum price for the offering in the so-called "range" as set forth in the preliminary prospectus for the offering immediately prior to the road show for the offering or (ii) in the case of any underwritten registration under the Securities Act other than an IPO, eighty percent (80%) of the closing price per share of the Registrable Securities on the trading day immediately prior to the date the demand is made for such registration.

"***Offering***" has the meaning specified in the Plan.

"***Other Holders***" has the meaning specified in Section 1.3(c)(ii) hereof.

"***Other Securities***" has the meaning specified in Section 1.3(c)(ii) hereof.

"***Participating Holders***" means Holders participating, or electing to participate, in an offering of Registrable Securities pursuant to the terms of this Agreement.

"***Person***" means any individual, firm, corporation, company, partnership, trust, incorporated or unincorporated association, limited liability company, joint venture, joint stock company, government (or an agency or political subdivision thereof) or other entity of any kind, and shall include any successor (by merger or otherwise) of any such entity.

"***Piggyback Holder***" has the meaning specified in Section 1.3(b) hereof.

"***Piggyback Registration***" has the meaning specified in Section 1.3(a) hereof.

"***Plan***" has the meaning specified in the recitals hereof.

"***Proposed Registration***" has the meaning specified in Section 1.3(a) hereof.

"***Registrable Securities***" means (a) any Units acquired by any Holder pursuant to the Plan or subsequently acquired by any Holder after the Effective Date and (b) any equity interests or other securities of the Company issued or issuable with respect to the Units referred to in clause (a): (i) upon any conversion or exchange thereof, (ii) by way of dividend or other distribution, split or reverse split, or (iii) in connection with a combination of securities, recapitalization, merger, consolidation, exchange offer, reorganization or other similar event; provided, however, that Units or other securities that are considered to be Registrable Securities shall cease to be Registrable Securities (A) upon the sale thereof pursuant to and in accordance with an effective Registration Statement, (B) upon the sale thereof to the public through a broker, dealer or market maker pursuant to Rule 144 under the Securities Act (or any similar rule promulgated by the SEC then in force), (C) when such securities are eligible for sale without registration pursuant to Rule 144 (or any similar provisions then in force) under the Securities Act without limitation thereunder on volume or manner of sale and without the need for current public information required by Rule 144(c)(1) (or Rule 144(i)(2), if applicable), provided that this clause (C) shall not apply unless the Company has consummated an IPO or (D) when they cease to be outstanding.

"***Registration Expenses***" mean all expenses (other than Selling Expenses) arising from or incident to the performance of, or compliance with, this ARTICLE I, including, without limitation, (i) SEC, stock exchange, FINRA and other registration and filing fees, (ii) all fees and expenses incurred in connection with complying with any state securities or blue sky laws (including, without limitation, fees, charges and disbursements of counsel in connection with blue sky qualifications of Registrable Securities), (iii) all printing, messenger and delivery expenses, (iv) the fees, charges and disbursements of counsel to the Company and of its independent public accountants and any other accounting and legal fees, charges and expenses incurred by the Company (including, without limitation, any expenses arising from any special audits or "comfort letters" required in connection with or incident to any registration), (v) the fees, charges and disbursements of any special experts retained by the Company in connection with any registration pursuant to the terms of this Agreement, (vi) all internal expenses of the Company (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), (vii) the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange and (viii) Securities Act liability insurance (if the Company elects to obtain such insurance), regardless of whether any Registration Statement filed in connection with such registration is declared effective. "Registration Expenses" shall also include reasonable and documented fees, charges and disbursements of one (1) firm of counsel to all of the Participating Holders participating in any underwritten public offering pursuant to this ARTICLE I (which shall be selected by a Majority in Voting Power of Participating Holders).

"***Registration Statement***" shall mean any registration statement of the Company filed with the SEC on the appropriate form (including on Form S-8, if applicable) pursuant to the Securities Act which covers any of the Units and/or any other equity securities of the Company pursuant to the provisions of this Agreement and all amendments and supplements to any such registration statement, including post-effective amendments, in each case including the prospectus contained therein, all exhibits thereto and all materials incorporated by reference therein.

"***Requesting Holder***" means any Holder making a request for a Demand Registration pursuant to Section 1.2(a) hereof.

"***Required Holders***" mean Holders that beneficially own at least 20% of the Voting Power of all Registrable Securities outstanding at a given time.

"***SEC***" or "***Commission***" means the United States Securities and Exchange Commission.

"***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, or any similar or successor statute.

"***Selling Expenses***" shall mean the underwriting fees, discounts, selling commissions and transfer taxes applicable to any Registrable Securities.

"***Shelf Registration***" has the meaning specified in Section 1.2(a) hereof.

"***Shelf Registration Statement***" has the meaning specified in Section 1.2(a) hereof.

"***Units***" means the New Class A LLC Units and the New Class B LLC Units, including, for the avoidance of doubt, any New Class B LLC Unit issued on the conversion of any New Class A LLC Unit (as each such term is defined in the Plan).

"***underwritten registration, underwritten offering or underwritten public offering***" means an offering in which securities of the Company are sold to or through one or more underwriters (as defined in Section 2(a)(11) of the Securities Act) for resale to the public.

"***Valid Business Reason***" has the meaning specified in Section 1.2(d)(i) hereof.

"***Voting Power***" means the voting power of the securities (without regard to the occurrence of any contingency).

Section 1.2 Demand Registration.

(a) Request by Holders. Subject to the terms and conditions set forth in this Agreement, Holders of Registrable Securities may make a written request to the Company (a "***Demand Notice***") to register all or part of their Registrable Securities for resale under the Securities Act (a "***Demand Registration***") as follows:

(i) prior to the completion of an IPO, Holders may make such a request at any time following the date that is five (5) years after the Effective Date, provided that the Holders making such request hold at least a majority of the Voting Power of all Registrable Securities outstanding at such time; and

(ii) after the completion of an IPO, the Required Holders may make such a request at any time on or following the date that is six (6) months after the completion of an IPO,.

Each Demand Notice shall (A) specify the number of Registrable Securities that the Requesting Holders intend to sell or dispose of and (B) state the intended method or methods of sale or disposition of the Registrable Securities. In connection with any Demand Registration, the Requesting Holders may request the Company to file a shelf registration statement (a "***Shelf Registration Statement***") with the SEC in accordance with and pursuant to Rule 415 promulgated under the Securities Act (or any successor rule in effect) (a "***Shelf Registration***"), provided that the Company is then eligible to use Form S-3 (or any successor form) under the Securities Act for such intended resale. In connection with each such Demand Registration, the Company shall cause there to occur Full Cooperation.

(b) Demand Registration. Following receipt of a Demand Notice, the Company shall:

(i) give written notice of such request for registration to all Holders of Registrable Securities within twenty (20) days after receipt of such Demand Notice;

(ii) cause to be filed, as soon as practicable, but in any event within seventy-five (75) days (or, in the case of an IPO, one hundred twenty (120) days)

after the date of receipt of such Demand Notice, a Registration Statement covering such Registrable Securities that the Company has been so requested to register by the Requesting Holders and other Holders of Registrable Securities who make a request to the Company, within fifteen (15) days of the mailing of the Company's notice referred to in Section 1.2(b)(i) hereof, that their Registrable Securities also be registered, providing for the registration under the Securities Act of such Registrable Securities to the extent necessary to permit the disposition of such Registrable Securities in accordance with the intended method of distribution specified in such Demand Notice;

(iii) use its commercially reasonable best efforts to have such Registration Statement declared effective by the SEC as soon as practicable thereafter, but in no event later than sixty (60) days or, if a Registration Statement is reviewed by the staff of the SEC, not later than ninety (90) days (or, in the case of an IPO, one hundred twenty (120) days) following the date of initial filing thereof with the SEC;

(iv) refrain from filing any other Registration Statements, other than pursuant to a Registration Statement on Form S-4 or Form S-8 (or similar or successor forms), with respect to any equity securities of the Company until such date which is at least ninety (90) days (or, in the case of an IPO, one hundred eighty (180) days) following effectiveness of the Registration Statement relating to such Demand Registration; and

(v) if the Company shall have previously effected a demand registration pursuant to Section 1.2, the Company shall not be required to effect any registration pursuant to Section 1.2 until a period of one hundred eighty (180) days shall have elapsed from the effective date of such previous registration statement.

(c) Selection of Underwriters; Priority for Demand Registrations.

(i) In the event that the Requesting Holders intend to distribute the Registrable Securities covered by the Demand Notice by means of an underwriting, they shall so advise the Company as part of the Demand Notice and the Company shall include such information in the notice it provides to all Holders pursuant to Section 1.2(b)(i) hereof. The managing underwriter for such underwriting shall be one or more reputable nationally recognized investment banks selected by the Company, subject to the approval of the holders of a majority of the Voting Power of Participating Holders, which approval shall not be unreasonably withheld, delayed or conditioned. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided in this Section 1.2(c). In the case of any Proposed Registration pursuant to Section 1.3 or registration initiated by the Company for its own account or any other offering not effected pursuant to this Section 1.2, the Company shall select one or more investment banks at its sole discretion as an underwriter for such offering. If requested by

the underwriters, the Company and all Holders proposing to distribute their securities through such underwriting pursuant to this Section 1.2 shall enter into an underwriting agreement with the underwriters selected for such underwriting, which underwriting agreement shall be in customary form and reasonably satisfactory in form and substance to the Company, the holders of a majority of the Voting Power of Participating Holders and the underwriters and shall contain such representations and warranties by the Company and the Participating Holders and such other terms and provisions as are customarily contained in agreements of this type, including, but not limited to, indemnities to the effect and to the extent provided in this Agreement or as are otherwise then customary (if more extensive), provisions for the delivery of officers' certificates, opinions of counsel for the Company and the Participating Holders and accountants' "comfort" letters, and lock-up arrangements.

(ii) If any Demand Registration involves an underwritten offering and the managing underwriter of such offering advises the Company that, in its good faith view, the number of Registrable Securities and other securities, if any, to be included in such offering exceeds the largest number of securities which can reasonably be sold in an orderly manner without having a significant and adverse effect on such offering (the "***Maximum Offering Amount***"), then the Company shall include in such registration the number which can be so sold in the following order of priority:

(A) first, all Registrable Securities requested by the Participating Holders to be included in such registration shall be included, but, if the number of Registrable Securities requested to be included in such registration exceeds the Maximum Offering Amount, then the number of Registrable Securities that each Participating Holder will be entitled to include in such registration will be allocated on a *pro rata* basis based on the number of Registrable Securities owned by such Participating Holder to the aggregate number of Registrable Securities owned by all Participating Holders;

(B) second, to the extent that the number of Registrable Securities to be included in such registration is less than the Maximum Offering Amount, the Company Securities; and

(C) third, other securities, if any, to be included in such registration at the Company's discretion up to the Maximum Offering Amount after including the Registrable Securities and the Company Securities to be included in such registration.

(d) Limitations on Demand Registrations.

(i) Notwithstanding anything herein to the contrary, the Company may suspend the registration process and/or any Holder's ability to use a prospectus or delay making a filing of a Registration Statement or taking any other action in connection therewith when the Board has determined in good faith that it would be materially adverse to the Company if such Registration Statement (or an amendment or supplement

thereto) were filed, such Registration Statement (or amendment or supplement) were to become effective or remain effective for the time otherwise required for such Registration Statement to remain effective or any other action were taken in connection therewith because such filing, effectiveness or other action either would (A) materially adversely affect a significant financing, acquisition, disposition, merger or other material transaction, (B) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential or (C) render the Company unable to comply with requirements under the Securities Act or the Exchange Act (each, a "***Valid Business Reason***"); provided, however, that such right to delay shall be exercised by the Company not more than once in any twelve (12) month period and the Company shall only have the right to delay so long as such Valid Business Reason exists (but in no event for a period longer than one hundred twenty (120) days in any twelve month period). The Company shall give notice to each Participating Holder that the registration process has been delayed and upon notice duly given pursuant to Section 2.3, each Holder agrees not to sell any Registrable Securities pursuant to any Registration Statement until such Holder's receipt of copies of the supplemented or amended prospectus, or until it is advised in writing by the Company that the prospectus may be used, and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such prospectus. The Company shall not specify the nature of the event giving rise to a suspension in any notice to the Holders.

(ii) Notwithstanding anything herein to the contrary, the Company shall not be required to effect more than (x) two (2) Demand Registrations relating to Demand Notices made pursuant to Section 1.2(a)(ii) hereof, plus (y) one (1) Demand Registration relating to a Demand Notice made pursuant to Section 1.2(a)(i). A Demand Registration shall not be deemed to have been effected and shall not count as one of the Demand Registrations referenced in the immediately preceding sentence (A) unless a Registration Statement with respect thereto has been declared effective by the Commission and remained effective in compliance with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such Registration Statement until such time as all of such Registrable Securities have been disposed of in accordance with the intended methods of disposition by the Holders thereof set forth in such Registration Statement or there shall cease to be any Registrable Securities covered by such Registration Statement; provided, however, that such period shall not exceed one hundred twenty (120) days (or two (2) years in the case of a Shelf Registration Statement); (B) if, after it has become effective, (i) such registration is interfered with by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court for any reason (other than a violation of applicable law solely by any Participating Holder) and has not thereafter become effective; or (ii) the offering of Registrable Securities is not consummated because the underwriters of an underwritten public offering advise the Participating Holders that the Registrable Securities cannot be sold at a net price per share equal to or above the minimum net price acceptable to the holders of a majority of the Voting Power of Participating Holders, provided, however, that this clause (B)(ii) shall not apply to an underwritten public offering conducted on a "firm commitment basis" which is not consummated following the commencement of a roadshow, unless such offering is an IPO and the underwriters of

such offering advise the Participating Holders that the Registrable Securities cannot be sold at a net price per share equal to or above the Minimum Price; (C) if the conditions to closing specified in the underwriting agreement to which the Company is a party, if any, entered into in connection with such registration are not satisfied or waived (unless a cause of such conditions to closing not being satisfied shall be attributable to any Participating Holder or underwriter); (D) if the amount of Registrable Securities of Requesting Holders included in the registration are reduced to fewer than 50% of the Registrable Securities originally requested to be registered, provided, however, that this subsection (D) shall not apply to any underwritten public offering that is not conducted on a "firm commitment" basis; or (E) if there is not Full Cooperation in connection therewith.

(iii) Notwithstanding anything herein to the contrary, the Company will not be required to effect any Demand Registration relating to a Demand Notice made pursuant to Section 1.2(a)(ii) unless the Company reasonably believes, based on the advice of an underwriter that is a reputable nationally recognized investment bank, that such an offering would not reasonably be expected to generate gross proceeds (before deducting underwriters' commissions and fees and other expenses) of at least $50,000,000.

(iv) Notwithstanding anything herein to the contrary, the Company will not be required to effect any Demand Registration during the period starting on the date thirty (30) days prior to the Company's estimated date of filing of, and ending on the date one hundred eighty (180) days immediately following the effective date of, any Registration Statement (other than on Form S-4 or S-8 under the Securities Act, or any successor form) pertaining to the securities of the Company, provided that the Company is employing in good faith all commercially reasonable efforts to cause such Registration Statement to become effective.

(e) Cancellation of Registration. A majority of the Voting Power of the Participating Holders shall have the right to cancel a proposed registration of Registrable Securities pursuant to Section 1.2(a) prior to the effectiveness of such registration when (i) in their discretion, market conditions are so unfavorable as to be seriously detrimental to an offering pursuant to such registration or (ii) the request for cancellation is based upon material adverse information relating to the Company that is different from the information known to the Participating Holders at the time of the Demand Notice. Such cancellation of a registration shall not be counted as one of the total of three (3) Demand Registrations referenced in Section 1.2(d)(ii) hereof and notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for all Registration Expenses incurred in connection with the registration prior to the time of cancellation.

(f) Withdrawal by Participating Holders. Any Participating Holder shall have the right to withdraw such Holder's request for inclusion of such Holder's Registrable Securities in any Registration Statement pursuant to Section 1.2(a) by giving written notice to the Company of such withdrawal; provided, however, that the Company may ignore a notice of withdrawal made within 48 hours of the time the Registration Statement is to become effective. The Company may not effect such Registration Statement in the event that the Holders of Registrable

Securities that have not elected to withdraw, own in the aggregate, less than the percentage of the shares of Registrable Securities required to initiate a request under Section 1.2(a); provided that if such Demand Registration is not effected for such reason, such Demand Registration shall still count as one of the total of three (3) Demand Registrations referenced in Section 1.2(d)(ii) hereof if (i) the Company has completed a roadshow for such offering and (ii) the proposed price per share in the offering is equal to or above the Minimum Price, unless the withdrawing Holders reimburse the Company for all Registration Expenses incurred in connection with such Demand Registration.

Section 1.3 Piggyback Registrations.

(a) Right to Include Registrable Securities. Each time that the Company proposes for any reason to register any of its securities of the same class as the Registrable Securities under the Securities Act, either for its own account or for the account of a member or members exercising demand registration rights (other than Demand Registrations pursuant to Section 1.2 hereof) (a "***Proposed Registration***"), the Company shall promptly give written notice (which notice shall be given not less than fifteen (15) days prior to the expected filing date of the Proposed Registration and shall describe the intended method of distribution for the offering relating to the Proposed Registration) of such Proposed Registration to all Holders of Registrable Securities and shall offer such Holders the right to request inclusion of any of such Holder's Registrable Securities in the Proposed Registration (a "***Piggyback Registration***"); provided, however, that the Holders shall have no right to include Registrable Securities in a registration statement relating either to the sale of securities to employees of the Company pursuant to an option, stock purchase or similar plan or an SEC Rule 145 transaction. No registration pursuant to this Section 1.3 shall relieve the Company of its obligation to effect a Demand Registration, as contemplated by Section 1.2 hereof. The rights to Piggyback Registration may be exercised on an unlimited number of occasions.

(b) Piggyback Procedure. Each Holder shall have ten (10) days from the date of receipt of the Company's notice referred to in Section 1.3(a) above to deliver to the Company a written request specifying the number of Registrable Securities such Piggyback Holder intends to register and sell in the offering relating to such Piggyback Registration (any Holder so requesting to have any of their Registrable Securities included in the Proposed Registration, a "***Piggyback Holder***"). Any Piggyback Holder shall have the right to withdraw such Piggyback Holder's request for inclusion of such Holder's Registrable Securities in any Registration Statement pursuant to this Section 1.3 by giving written notice to the Company of such withdrawal; provided, however, that the Company may ignore a notice of withdrawal made within 48 hours of the time the Registration Statement is to become effective. Subject to Section 1.3(c) below, the Company shall use commercially reasonable efforts to include in such Registration Statement all such Registrable Securities requested to be included therein; provided, further, that the Company may at any time withdraw or cease proceeding with any such Proposed Registration if it shall at the same time withdraw or cease proceeding with the registration of all other securities of the same class as the Registrable Securities originally proposed to be registered, without prejudice, however, to the rights of any Holder to request that a Demand Registration be effected; and provided, further, that no registration effected under this provision will relieve the Company from its obligations to effect a Demand Registration upon a Demand

Notice, subject to the express terms and conditions set forth in this Agreement, including Section 1.2(d)(iv).

(c) Priority for Piggyback Registration. If any Proposed Registration involves an underwritten offering and the managing underwriter of such offering advises the Company that, in its good faith view, that the number of securities requested to be included in such offering exceeds the Maximum Offering Amount, then the Company shall include in such registration the number of securities which can be so sold in the following order of priority:

(i) first, the Company Securities;

(ii) second, to the extent that the number of Company Securities is less than the Maximum Offering Amount, the remaining securities to be included in such registration will be allocated on a *pro rata* basis among (A) all Piggyback Holders requesting that Registrable Securities be included in such Registration, and (B) all other holders ("***Other Holders***") of the Company's securities who have been granted "piggy-back" registration rights with respect to such securities (the "***Other Securities***") and have requested that such Other Securities be included in such registration.

For purposes of this Section 1.3(c), the *pro rata* portion of each Piggyback Holder and each Other Holder shall be the product of (i) the total number of Registrable Securities and Other Securities which the managing underwriter agrees to include in the public offering and (ii) the ratio which such Piggyback Holder's or Other Holder's total Registrable Securities or Other Securities, as the case may be, bears to the total number of Registrable Securities and Other Securities then outstanding.

(d) Underwritten Offering. In the event that the Proposed Registration by the Company is, in whole or in part, an underwritten public offering of securities of the Company, any notice from the Company to the Holders under this Section 1.3 shall offer the Holders the right to include any Registrable Securities covered by the Proposed Registration in the underwriting on the same terms and conditions as the securities, if any, otherwise being sold through underwriters under such Proposed Registration.

(e) Cancellation and Delay of Registration. If at any time after giving written notice of its Proposed Registration and prior to the effective date of the Registration Statement filed in connection with the Proposed Registration or, in the case of a Shelf Registration Statement, prior to the consummation of such offering, the Company shall determine for any reason not to register or to delay registration of such offering, the Company may, at its election, give written notice of such determination to each Piggyback Holder and (i) in the case of a determination not to register, the Company shall be relieved of its obligation to register any Registrable Securities in connection with such Proposed Registration (but not from any obligation of the Company to pay the Registration Expenses in connection therewith), without prejudice, however, to the rights of any Holder to include Registrable Securities in any future registrations pursuant to this Section 1.3 and (ii) in the case of a determination to delay registering, shall be permitted to delay registering any Registrable Securities, for the same period as the delay in registering other securities in the Proposed Registration.

Section 1.4 Shelf Registration Statement.

(a) Filing of Shelf Registration Statement. At such time as the Company shall have qualified for the use of a Shelf Registration Statement, the Company shall (i) promptly prepare and file with (or confidentially submit to) the Commission a Shelf Registration Statement that covers all Registrable Securities then outstanding for an offering to be made on a delayed or continuous basis pursuant to Rule 415 under the Securities Act or any successor rule thereto (a "***Shelf Registration***") and (ii) use its commercially reasonable efforts to cause such Shelf Registration Statement to be declared effective by the Commission as soon as practicable thereafter; provided, that following a registered offering of Company Securities (other than a registration (i) pursuant to a Registration Statement on Form S-8 (or any successor form) (or other registration solely relating to an offering or sale to employees or directors of the Company pursuant to any employee stock plan or other employee benefit arrangement), (ii) pursuant to a Registration Statement on Form S-4 (or any successor form), (iii) that relates to a transaction subject to Rule 145 under the Securities Act (or any successor rule thereto) or (iv) in connection with any dividend or distribution reinvestment or similar plan), the Company shall not be required to file a Shelf Registration Statement pursuant to this Section 1.4 until one hundred eighty (180) days following the effective date of such Registration Statement covering the Company Securities in the case of an IPO or ninety (90) days following the effective date of such Registration Statement covering the Company Securities in the case of any registration under the Securities Act other than an IPO. If, after the filing of a Shelf Registration Statement, a holder of Registrable Securities requests registration under the Securities Act of additional Registrable Securities pursuant to such Shelf Registration, the Company shall use its commercially reasonable efforts to amend such Shelf Registration Statement to cover such additional Registrable Securities. The Company shall use its commercially reasonable efforts to cause such Shelf Registration Statement to remain effective for as long as any Registrable Securities are outstanding.

Section 1.5 Holdback Agreements.

(a) Restrictions on Sale by Holders. Each Holder hereby agrees that, if and whenever the Company (i) proposes to register any of its equity securities under the Securities Act, whether or not for its own account, or (ii) is required to use its commercially reasonable efforts to effect the registration of any Registrable Securities under the Securities Act pursuant to a Demand Registration, such Holder, if requested by the managing underwriter in an underwritten offering, agrees to enter into a "lock-up agreement" containing terms (including the duration of the lock-up period, which, for the avoidance of doubt shall commence no earlier than fifteen (15) days prior to the effectiveness of the registration statement and shall not exceed one hundred eighty (180) days in the case of an IPO, or ninety (90) days in the case of any registration under the Securities Act other than an IPO, following the effectiveness of the registration statement) that are customary at the time such agreement is entered into for offerings of similar size and type, and the Company shall cause all of the Company's directors and executive officers to sign lock-up agreements on comparable terms in connection therewith (or on such terms as may be required by the managing underwriter). Any such lock-up agreements signed by the Holders shall contain reasonable and customary exceptions, including, without limitation, the right of a Holder to make transfers to certain Affiliates, subject to such Affiliates entering into such lock-up agreement. The Company may impose stop-transfer instructions with

respect to the Units or other securities subject to the foregoing restrictions until the end of the relevant lock-up period. For purposes of the forgoing, the term "lock-up agreement" refers to an agreement by the undersigned thereto not to effect for a specified period of time any sale or distribution (other than in connection with the public offering for which such lock-up agreement is being requested and other customary exceptions), including, without limitation, any sale pursuant to Rule 144 under the Securities Act, of any Registrable Securities, any other equity securities of the Company or any securities convertible into or exchangeable or exercisable for any equity securities of the Company, without the prior consent of the managing underwriter.

(b) Restrictions on Sale by the Company. The Company agrees not to effect (except pursuant to registrations on Form S-4 or S-8 or any similar or successor form) any sale or distribution, or to file any Registration Statement covering, any of its equity securities, or any securities convertible into or exchangeable or exercisable for such securities during the period beginning no earlier than fifteen (15) days prior to the effective date of the Registration Statement, and up to one hundred eighty (180) days in the case of an IPO, or ninety (90) days in the case of any registration under the Securities Act other than an IPO, after the effective date of the Registration Statement for any Demand Registration, to the extent reasonably requested by the managing underwriter thereto (except for securities being sold by the Company for its own account under such Registration Statement).

Section 1.6 Registration Procedures.

(a) Obligations of the Company. Whenever registration of Registrable Securities is required pursuant to this Agreement, the Company shall use commercially reasonable efforts to effect the registration and sale of such Registrable Securities in accordance with the intended method of distribution thereof as promptly as reasonably practicable, and in connection with any such request, the Company shall, as promptly as reasonably practicable, use its commercially reasonable efforts to:

(i) *Preparation of Registration Statement; Effectiveness*. Prepare and file with the SEC (and in any event, with respect to a Demand Registration under Section 1.2, not later than the time permitted under Section 1.2(b)(ii)) a Registration Statement on any form on which the Company then qualifies, which counsel for the Company shall deem appropriate and pursuant to which such offering may be made in accordance with the intended method of distribution thereof (except that the Registration Statement shall contain such information as may reasonably be requested for marketing or other purposes by the managing underwriter, if applicable), and use commercially reasonable efforts to cause any registration required hereunder to become effective as soon as practicable (and, in any event, with respect to a Demand Registration under Section 1.2, not later than the time permitted under Section 1.2(b)(iii)) and, with respect to a Demand Registration or a Shelf Registration, remain effective for a period of not less than one hundred twenty (120) days (or such shorter period in which all Registrable Securities have been sold in accordance with the methods of distribution set forth in the Registration Statement); provided, however, that, in the case of any Shelf Registration of Registrable Securities which are intended to be offered on a continuous or delayed basis, such one hundred twenty (120) day period shall be extended, if necessary, to keep the Registration Statement effective until all such Registrable Securities are sold;

(ii) *Participation in Preparation and Full Cooperation.* Provide any Participating Holder, any underwriter participating in any disposition pursuant to a Registration Statement, and any attorney, accountant or other agent retained by any Participating Holder or underwriter (each, an "***Agent***" and, collectively, the ***Agents***"), the opportunity to participate (including, but not limited to, reviewing, commenting on and attending all meetings) in the preparation of such Registration Statement, each prospectus included therein or filed with the SEC and each amendment or supplement thereto. In connection with each Demand Registration pursuant to Section 1.2 and any Shelf Registration pursuant to Section 1.4, cause there to occur Full Cooperation;

(iii) *Due Diligence*. For a reasonable period prior to the filing of any Registration Statement pursuant to this Agreement, make available for inspection and copying (such copying to be at the Company's expense) by the Agents such financial and other information and books and records, pertinent corporate documents and properties of the Company and its subsidiaries and cause the officers, directors, employees, counsel and independent certified public accountants of the Company and its subsidiaries to respond to such inquiries and to supply all information reasonably requested by any such Agent in connection with such Registration Statement, as shall be reasonably necessary, in the judgment of the Agents, to conduct a reasonable investigation within the meaning of the Securities Act; provided, however, that if requested by the Company, each Agent and each Participating Holder shall enter into a confidentiality agreement with the Company prior to participating in the preparation of the Registration Statement or the Company's release or disclosure of confidential information to such Agent;

(iv) *General Notifications*. Promptly notify in writing the Participating Holders, the sales or placement agent, if any, therefor and the managing underwriter of the securities being sold, if applicable, (A) when such Registration Statement or the prospectus included therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to any such Registration Statement or any post-effective amendment, when the same has become effective, (B) when the SEC notifies the Company whether there will be a "review" of such Registration Statement, (C) of the receipt of any comments (oral or written) by the SEC and by the blue sky or securities commissioner or regulator of any state with respect thereto and (D) of any request by the SEC for any amendments or supplements to such Registration Statement or the prospectus or for additional information;

(v) *10b-5 Notification*. Promptly notify in writing the Participating Holders, the sales or placement agent, if any, therefor and the managing underwriter of the securities being sold pursuant to any Registration Statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act upon discovery that, or upon the happening of any event as a result of which, any prospectus included in such Registration Statement (or amendment or supplement thereto) contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made, and the Company shall promptly prepare a supplement or amendment to such prospectus and file it with the SEC (in any event no later than ten (10) Business Days following notice of the occurrence of such event to each

Participating Holder, the sales or placement agent and the managing underwriter) so that after delivery of such prospectus, as so amended or supplemented, to the purchasers of such Registrable Securities, such prospectus, as so amended or supplemented, shall not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made;

(vi) *Notification of Stop Orders; Suspensions of Qualifications and Exemptions*. Promptly notify in writing the Participating Holders, the sales or placement agent, if any, therefor and the managing underwriter of the securities being sold of (A) any stop order issued or threatened to be issued by the SEC or (B) any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose and the Company agrees to use commercially reasonable efforts to (x) prevent the issuance of any such stop order, and in the event of such issuance, to obtain the withdrawal of any such stop order and (y) obtain the withdrawal of any order suspending or preventing the use of any related prospectus or suspending the qualification of any Registrable Securities included in such Registration Statement for sale in any jurisdiction at the earliest practicable date;

(vii) *Amendments and Supplements; Acceleration*. (A) Prepare and file with the SEC such amendments and supplements to each Registration Statement as may be necessary to comply with the provisions of the Securities Act, including post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement continuously effective for the applicable time period required hereunder and if applicable, file any Registration Statements pursuant to Rule 462(b) under the Securities Act; (B) cause the related prospectus to be supplemented by any required prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) promulgated under the Securities Act; and (C) comply with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such Registration Statement as so amended or in such prospectus as so supplemented;

(viii) *Copies*. Furnish as promptly as practicable to each Participating Holder and Agent prior to filing a Registration Statement or any supplement or amendment thereto, copies of such Registration Statement, supplement or amendment as it is proposed to be filed, and after such filing such number of copies of such Registration Statement, each amendment and supplement thereto (in each case including all exhibits thereto), the prospectus included in such Registration Statement (including each preliminary prospectus) and such other documents as each such Participating Holder or underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Participating Holder;

(ix) *Blue Sky*. Use commercially reasonable efforts to, prior to any public offering of the Registrable Securities, register or qualify (or seek an exemption

from registration or qualifications) such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any Participating Holder or underwriter may request, and to continue such qualification in effect in each such jurisdiction for as long as is permissible pursuant to the laws of such jurisdiction, or for as long as a Participating Holder or underwriter reasonably requests or until all of such Registrable Securities are sold, whichever is shortest, and do any and all other acts and things which may be reasonably necessary or advisable to enable any Participating Holder to consummate the disposition in such jurisdictions of the Registrable Securities; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent of process in any such states or jurisdictions or subject itself to material taxation in any such state or jurisdiction, but for this subparagraph;

(x) *Other Approvals*. Use commercially reasonable efforts to obtain all other approvals, consents, exemptions or authorizations from such governmental agencies or authorities as may be necessary upon the advice of counsel of the Company or counsel to the Participating Holders to enable the Participating Holders and underwriters to consummate the disposition of Registrable Securities;

(xi) *Agreements*. Enter into and perform customary agreements (including any underwriting agreements in customary form), and take such other actions as may be reasonably required in order to expedite or facilitate the disposition of Registrable Securities;

(xii) *"Cold Comfort" Letter*. If such registration is in connection with an underwritten offering, obtain a "cold comfort" letter from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by "cold comfort" letters as the managing underwriter of such offering may reasonably request;

(xiii) *Legal Opinion*. If such registration is in connection with an underwritten offering, furnish, at the request of the managing underwriter of such offering on the date such securities are delivered to the underwriters for sale pursuant to such registration, an opinion, dated such date, of counsel representing the Company for the purposes of such registration, addressed to the Holders, and the placement agent or sales agent, if any, thereof and the underwriters, if any, thereof, covering such legal matters with respect to the registration in respect of which such opinion is being given as such underwriter may reasonably request and as are customarily included in such opinions;

(xiv) *SEC Compliance, Earnings Statement*. Use commercially reasonable efforts to comply with all applicable rules and regulations of the SEC and make available to its shareholders, as soon as reasonably practicable, but no later than fifteen (15) months after the effective date of any Registration Statement, an earnings statement covering a period of twelve (12) months beginning after the effective date of such Registration Statement, in a manner which satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder and which requirement will be deemed

satisfied if the Company timely files complete and accurate information on Forms 10-Q and 10-K and Current Reports on Form 8-K under the Exchange Act and otherwise complies with Rule 158 under the Securities Act;

(xv) *Certificates, Closing*. If such registration is in connection with an underwritten offering, provide officers' certificates and other customary closing documents as the managing underwriter of such offering may reasonably request;

(xvi) *FINRA*. Cooperate with each Participating Holder and each underwriter participating in the disposition of such Registrable Securities and underwriters' counsel in connection with any filings required to be made with the FINRA;

(xvii) *Road Show*. If such registration is in connection with an underwritten offering, cause appropriate officers as are requested by a managing underwriter to participate in a "road show" or similar marketing effort being conducted by such underwriter with respect to an underwritten public offering;

(xviii) *Listing*. Cause all such Registrable Securities to be listed or quoted on each securities exchange or market system on which similar securities issued by the Company are so listed or quoted (or, in the case of the IPO, to become so listed or quoted if requested);

(xix) *Transfer Agent, Registrar and CUSIP*. Provide a transfer agent and registrar for all Registrable Securities registered pursuant hereto and a CUSIP number for all such Registrable Securities, in each case, no later than the effective date of such registration;

(xx) *Efforts*. Take all other actions necessary to effect the registration of the Registrable Securities contemplated hereby.

(b) Seller Information. The Company may require each Participating Holder as to which any registration of such Holder's Registrable Securities is being effected to furnish to the Company, such information regarding such Participating Holder and such Participating Holder's method of disposition of such Registrable Securities as the Company may from time to time reasonably request in writing or as may be required by law. If a Participating Holder refuses to provide the Company with any of such information on the grounds that it is not necessary to include such information in the Registration Statement, the Company may exclude such Participating Holder's Registrable Securities from the Registration Statement if the Company determines, based on the advice of counsel, that such information must be included in the Registration Statement and such Participating Holder continues thereafter to withhold such information. The exclusion of a Participating Holder's Registrable Securities shall not affect the registration of the other Registrable Securities to be included in the Registration Statement.

(c) Notice to Discontinue. Each Participating Holder whose Registrable Securities are covered by a Registration Statement filed pursuant to this Agreement agrees that, upon receipt of written notice from the Company of the happening of any event of the kind described in Sections 1.2(d) and/or 1.6(a)(v), such Participating Holder shall forthwith

discontinue the disposition of Registrable Securities until such Participating Holder's receipt of the copies of the supplemented or amended prospectus contemplated by Sections 1.2(d) and/or 1.6(a)(v) or until it is advised in writing by the Company that the use of the prospectus may be resumed and has received copies of any additional or supplemental filings which are incorporated by reference into the prospectus, and, if so directed by the Company in the case of an event described in Sections 1.2(d) and/or 1.6(a)(v), such Participating Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Participating Holder's possession, of the prospectus covering such Registrable Securities which is current at the time of receipt of such notice. If the Company shall give any such notice, the Company shall extend the period during which such Registration Statement is to be maintained effective by the number of days during the period from and including the date of the giving of such notice pursuant to Sections 1.2(d) and/or 1.6(a)(v) to and including the date when the Participating Holder shall have received the copies of the supplemented or amended prospectus contemplated by, and meeting the requirements of Sections 1.2(d) and/or 1.6(a)(v). Each Participating Holder whose Registrable Securities are covered by a Registration Statement filed pursuant to this Agreement agrees that as of the date that a final prospectus is made available to it for distribution to prospective purchasers of Registrable Securities, it shall cease to distribute copies of any preliminary prospectus prepared in connection with the offer and sale of such Registrable Securities.

Section 1.7 Registration Expenses and Selling Expenses. Except as otherwise provided herein, all Registration Expenses shall be borne by the Company. All Selling Expenses relating to Registrable Securities registered shall be borne by the Participating Holders of such Registrable Securities pro rata on the basis of the number of Registrable Securities sold.

Section 1.8 Indemnification.

(a) Indemnification by the Company. In the event any Registrable Securities are included in a Registration Statement, the Company will indemnify and hold harmless to the fullest extent permitted by law each Participating Holder, its partners, members, managers, its Affiliates, their respective directors and officers, stockholders, employees, agents and each Person who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) such Participating Holder (collectively, "***Company Indemnified Parties***") from and against any and all losses, claims, damages, expenses (including, without limitation, reasonable costs of investigation and fees, reasonable disbursements and other charges of counsel, any amounts paid in settlement effected with the Company's consent, and any costs reasonably incurred in enforcing the Company's indemnification obligations hereunder) or other liabilities (collectively, "***Losses***") to which any such Company Indemnified Party may become subject under the Securities Act, the Exchange Act, any other federal, state or foreign law or any rule or regulation promulgated thereunder, or under any common law or otherwise insofar as such Losses (or actions or proceedings, whether commenced or threatened, in respect thereof) are resulting from or arising out of or based upon any untrue, or alleged untrue, statement of a material fact contained in any Registration Statement, including any prospectus or preliminary prospectus contained therein or any amendments or supplements thereto, any free writing prospectuses or any document incorporated by reference in any of the foregoing or resulting from or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a

prospectus, preliminary prospectus or free writing prospectus, in the light of the circumstances under which they were made), not misleading and the Company will promptly reimburse each such Company Indemnified Party for any legal and any other Losses reasonably incurred in connection with investigating, preparing or defending any such claim, loss, damage, liability, action or investigation or proceeding; provided, however, that the Company shall not be liable to any Company Indemnified Party for any Losses that arise out of or are based upon any untrue statement or omission, made in conformity with written information provided by, or on behalf of, a Company Indemnified Party expressly for use in the Registration Statement. Such indemnity obligation shall remain in full force and effect regardless of any investigation made by or on behalf of the Company Indemnified Parties and shall survive the transfer of Registrable Securities by such Company Indemnified Parties.

(b) Indemnification by Participating Holders. In connection with any proposed registration in which a Holder is participating pursuant to this Agreement, each such Participating Holder agrees, severally and not jointly, to indemnify and hold harmless the Company, each other Participating Holder, their respective directors and officers and each Person who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Company or any other Participating Holder (collectively, "***Holder Indemnified Parties***") to the same extent as the foregoing indemnity from the Company to the Participating Holders as set forth in Section 1.8(a) (subject to the exceptions set forth in the foregoing indemnity, the proviso to this sentence and applicable law), but only with respect to any such untrue statement or omission made in conformity with information relating to such Participating Holder furnished in writing to the Company by such Participating Holder expressly for use in such Registration Statement; provided, however, that the liability of any Participating Holder under this Section 1.8(b) shall be limited to the amount of the net proceeds received by such Participating Holder in the offering giving rise to such liability. Such indemnity obligation shall remain in full force and effect regardless of any investigation made by or on behalf of the Holder Indemnified Parties and shall survive the transfer of Registrable Securities by such Participating Holder.

(c) Conduct of Indemnification Proceedings. Any Person entitled to indemnification hereunder (the "***Indemnified Party***") agrees to give prompt written notice to the indemnifying party (the "***Indemnifying Party***") after the receipt by the Indemnified Party of any written notice of the commencement of any action, suit, proceeding or investigation or threat thereof made in writing for which the Indemnified Party intends to claim indemnification or contribution pursuant to this Agreement; provided, however, that the failure so to notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that it may have to the Indemnified Party hereunder unless and to the extent such Indemnifying Party is materially prejudiced by such failure. If notice of commencement of any such action is given to the Indemnifying Party as above provided, the Indemnifying Party shall be entitled to participate in and, to the extent it may wish, jointly with any other Indemnifying Party similarly notified, to assume the defense of such action at its own expense, with counsel chosen by it and reasonably satisfactory to such Indemnified Party. The Indemnified Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be paid by the Indemnified Party unless (i) the Indemnifying Party agrees to pay the same, (ii) the Indemnifying Party fails to assume the defense of such action with counsel satisfactory to the Indemnified Party in its reasonable judgment or (iii) the

Indemnified Party reasonably believes that the joint representation of the Indemnified Party and any other party in such proceeding (including but not limited to the Indemnifying Party) would be inappropriate under applicable standards of professional conduct. No Indemnifying Party shall be liable for any settlement entered into without its written consent. No Indemnifying Party shall, without the written consent of the Indemnified Party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the Indemnified Party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (A) includes an unconditional release of the Indemnified Party from all liability arising out of such action or claim and (B) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of any Indemnified Party. The rights afforded to any Indemnified Party hereunder shall be in addition to any rights that such Indemnified Party may have at common law, by separate agreement or otherwise.

(d) Contribution. If the indemnification provided for in this Section 1.8 from the Indemnifying Party is unavailable or insufficient to hold harmless an Indemnified Party in respect of any Losses referred to herein, then the Indemnifying Party, in lieu of indemnifying the Indemnified Party, shall contribute to the amount paid or payable by the Indemnified Party as a result of such Losses (i) in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and the Indemnified Party, as well as any other relevant equitable considerations, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as shall be appropriate to reflect the relative benefits received by the Indemnifying Party, on the one hand, and Indemnified Party, on the other hand, from their sale of Registrable Securities. The relative faults and relative benefits of the Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, was made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the Indemnifying Party's and Indemnified Party's relative intent, knowledge, access to information and opportunity to correct or prevent such action; provided, however, that the liability of any Holder under this Section 1.8(d) shall be limited to the amount of the net proceeds received by such Holder in the offering giving rise to such liability. The amount paid or payable by a party as a result of the Losses or other liabilities referred to above shall be deemed to include, subject to the limitations set forth in Section 1.8(a), Section 1.8(b) and Section 1.8(c), any legal or other fees, charges or expenses reasonably incurred by such party in connection with any investigation or proceeding. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 1.8(d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution pursuant to this Section 1.8(d) from any Person who was not guilty of such fraudulent misrepresentation.

(e) The obligations of the Company and Holders under this Article I shall survive the completion of any offering of Registrable Securities pursuant to a registration statement under this Article I, and shall survive the termination of this Agreement.

Section 1.9 Rule 144 and 144A; Other Exemptions. With a view to making available to the Holders the benefits of Rule 144 and Rule 144A promulgated under the Securities Act and other rules and regulations of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration, the Company covenants that it will (i) if it is subject to the periodic reporting requirement under the Exchange Act, file in a timely manner all reports and other documents required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder and (ii) take such further action as each Holder may reasonably request (including, but not limited to, providing any information necessary to comply with Rule 144 and Rule 144A, if available with respect to resales of the Registrable Securities under the Securities Act), all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 and Rule 144A (if available with respect to resales of the Registrable Securities) under the Securities Act, as such rules may be amended from time to time. Upon the written request of a Holder, the Company shall deliver to the Holder a written statement as to whether it has complied with such requirements.

Section 1.10 Certain Limitations On Registration Rights. No Holder may participate in any Registration Statement hereunder involving an underwritten public offering unless such Holder completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements, and other documents reasonably required under the terms of the underwriting arrangements made in connection with such Registration Statement and agrees to sell such Holder's Registrable Securities on the basis provided in any underwriting agreement approved by the Holder or Holders entitled hereunder to approve such arrangements; provided, however, that no such Holder shall be required to make any representations or warranties to the Company or the underwriters in connection with any such registration other than representations and warranties as to (i) such Holder's ownership of its Registrable Securities to be sold or transferred, (ii) such Holder's power and authority to effect such transfer and (iii) such matters pertaining to compliance with securities laws or such other matters as may be reasonably requested. Such Holders holding Registrable Securities to be sold by such underwriters may, at their option, require that any or all of the representations and warranties by, and the other agreements on the part of the Company to and for the benefit of such underwriters, shall also be made to and for the benefit of such Holders and that any or all of the conditions precedent to the obligations of the underwriters under the underwriting agreement be conditions precedent to the obligations of the Holders.

Section 1.11 Limitations on Subsequent Registration Rights. The Company represents and warrants that it has not granted registration rights prior to the date hereof that remain in effect. If the Company shall at any time hereafter provide to any holder of any securities of the Company rights with respect to the registration of such securities under the Securities Act or the Exchange Act, such rights shall not be in conflict with or adversely affect any of the rights provided to the Holders in, or conflict (in a manner that adversely affects Holders) with any other provisions included in, this Agreement.

Section 1.12 Transfer of Registration Rights. The rights of a Holder hereunder may be transferred or assigned in connection with any transfer of Registrable Securities if (i) such transfer is permitted under and accomplished in accordance with the requirements set forth in the

Company's certificate of formation and operating agreement, (ii) the transferee or assignee beneficially owns at least [NUMBER][1] of the Registrable Securities and becomes a party to this Agreement as a "Holder" in accordance with Section 1.13 of this Agreement and (iii) the Company is given written notice by such Holder of such transfer or assignment, stating the name and address of the transferee or assignee and identifying the Registrable Securities with respect to which such rights are being transferred or assigned; provided, that the rights and obligations that are assigned shall apply only to the Registrable Securities sold or transferred by a Holder, including any securities issued in respect of such Registrable Securities pursuant to clause (b) of the definition of "Registrable Securities," but expressly excluding any other securities of the Company acquired by such assignee, including without limitation, pursuant to clause (a) of such definition.

Section 1.13 Parties to Agreement. The parties to this Agreement shall be (i) the Company, (ii) any Person who acquires New Class A LLC Units in the Offering pursuant to the terms of the Plan (who shall be automatically deemed to be party to this Agreement upon such acquisition of the New Class A LLC Units pursuant to the terms of the Plan) and (iii) any Person who is a permitted transferee of Registrable Securities pursuant to Section 1.12 hereof that (A) provides written notice of its election to become party to this Agreement to the Company in accordance with Section 2.3 hereof within fifteen (15) days after the date of any transfer pursuant to Section 1.12, and (B) in connection therewith promptly executes and returns to the Company a counterpart signature page to this Agreement. The Company shall furnish, without charge, to each Person referred to in the immediately preceding sentence a copy of this Agreement upon written request to the Company in accordance with Section 2.3 hereof.

Section 1.14 Number of Registrable Securities Outstanding. In order to determine the number of Registrable Securities outstanding at any time, upon the written request of the Company to the Holders, each Holder shall promptly inform the Company of the number of Registrable Securities that such Holder owns and that the Company may conclusively rely upon any certificate provided under this Agreement for the purpose of determining the number of such Registrable Securities.

ARTICLE II.

GENERAL PROVISIONS

Section 2.1 Entire Agreement. This Agreement, together with any certificates, documents, instruments and writings that are delivered pursuant hereto, constitutes the entire agreement and understanding of the parties in respect of the subject matter hereof and supersedes all prior understandings, agreements or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof.

Section 2.2 Assignment; Binding Effect. No party may assign either this Agreement or any of its rights, interests, remedies, liabilities or obligations hereunder (i) without the prior written approval of the other parties or (ii) except in accordance with the express provisions of this Agreement. All of the terms, agreements, covenants, representations, warranties and

[1] Such number to represent 2% of the outstanding Registrable Securities at the Effective Date.

conditions of this Agreement are binding upon, and inure to the benefit of and are enforceable by, the parties and their respective successors and permitted assigns.

Section 2.3 **Notices**. All notices, requests and other communications provided for or permitted to be given under this Agreement must be in writing and be given by personal delivery, by certified or registered United States mail (postage prepaid, return receipt requested), by a nationally recognized overnight delivery service for next day delivery, or by facsimile transmission, as follows (or to such other address as any party may give in a notice given in accordance with the provisions hereof):

If to any Holder, at its last known address appearing on the books of the Company maintained for such purpose.

If to the Company, at

Colt Holding Company LLC
547 New Park Avenue
West Hartford, Connecticut 06110
Telephone: (860) 232-4489
Facsimile: (860) 244-1442
Attention: John Coghlin

All notices, requests or other communications will be effective and deemed given only as follows: (i) if given by personal delivery, upon such personal delivery, (ii) if sent by certified or registered mail, on the fifth (5^{th}) Business Day after being deposited in the United States mail, (iii) if sent for next day delivery by overnight delivery service, on the date of delivery as confirmed by written confirmation of delivery, (iv) if sent by facsimile, upon the transmitter's confirmation of receipt of such facsimile transmission, except that if such confirmation is received after 5:00 p.m. (in the recipient's time zone) on a Business Day, or is received on a day that is not a Business Day, then such notice, request or communication will not be deemed effective or given until the next succeeding Business Day. Notices, requests and other communications sent in any other manner, including by electronic mail, will not be effective.

Section 2.4 **Specific Performance; Remedies**. Each party acknowledges and agrees that the other parties would be damaged irreparably if any provision of this Agreement were not performed in accordance with its specific terms or were otherwise breached and the Company agrees that it shall not oppose any such demand for specific performance on the basis that monetary damages are available. Accordingly, the parties will be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and its provisions in any action or proceeding instituted in any court of the United States or any state thereof having jurisdiction over the parties and the matter, in addition to any other remedy to which they may be entitled, at law or in equity. Except as expressly provided herein, the rights, obligations and remedies created by this Agreement are cumulative and in addition to any other rights, obligations or remedies otherwise available at law or in equity. Except as expressly provided herein, nothing herein will be considered an election of remedies.

Section 2.5 Submission to Jurisdiction; Waiver of Jury Trial.

(a) Submission to Jurisdiction. Any action, suit or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall only be brought in any federal court located in the State of New York or any New York state court, and each party consents to the exclusive jurisdiction and venue of such courts (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such, action, suit or proceeding in any such court or that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such action, suit or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(b) Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES THAT ANY DISPUTE THAT MAY ARISE OUT OF OR RELATING TO THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE SUCH PARTY HEREBY EXPRESSLY WAIVES ITS RIGHT TO JURY TRIAL OF ANY DISPUTE BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OTHER AGREEMENTS RELATING HERETO OR ANY DEALINGS AMONG THEM RELATING TO THE TRANSACTIONS CONTEMPLATED HEREBY. THE SCOPE OF THIS WAIVER IS INTENDED TO ENCOMPASS ANY AND ALL ACTIONS, SUITS AND PROCEEDINGS THAT RELATE TO THE SUBJECT MATTER OF THE TRANSACTIONS CONTEMPLATED HEREBY, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY REPRESENTS THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT IN THE EVENT OF ANY ACTION, SUIT OR PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) SUCH PARTY UNDERSTANDS AND WITH THE ADVICE OF COUNSEL HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND REPRESENTATIONS IN THIS SECTION 2.5(b).

Section 2.6 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York, without giving effect to any choice of law principles.

Section 2.7 Headings. The article and section headings contained in this Agreement are inserted for convenience only and will not affect in any way the meaning or interpretation of this Agreement.

Section 2.8 Amendments; Waivers. An amendment, modification or waiver to any provision of this Agreement will require the written consent of the Company and the holders of a majority of the Voting Power of the Registrable Securities outstanding on the date of such amendment, modification or amendment, except in the case of any amendment, modification or

waiver of any warranty, covenant, obligation or other provision of this Agreement relating only to a particular Registration Statement which has been filed with the SEC, which will require the written consent of Holders representing a majority of the Voting Power of Participating Holders relating to that Registration Statement.

No waiver by any party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, may be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising because of any such prior or subsequent occurrence. Neither the failure nor any delay on the part of any party to exercise any right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude any other or further exercise of the same or of any other right or remedy.

Section 2.9 Severability. The provisions of this Agreement will be deemed severable and the invalidity or unenforceability of any provision will not affect the validity or enforceability of the other provisions hereof; provided, that if any provision of this Agreement, as applied to any party or to any circumstance, is judicially determined not to be enforceable in accordance with its terms, the parties agree that the court judicially making such determination may modify the provision in a manner consistent with its objectives such that it is enforceable, and/or to delete specific words or phrases, and in its modified form, such provision will then be enforceable and will be enforced.

Section 2.10 Counterparts; Effectiveness. This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

Section 2.11 Construction. This Agreement has been freely and fairly negotiated among the parties. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party because of the authorship of any provision of this Agreement. Any reference to any law will be deemed to refer to such law as in effect on the date hereof and all rules and regulations promulgated thereunder, unless the context requires otherwise. The words "include," "includes," and "including" will be deemed to be followed by "without limitation." Pronouns in masculine, feminine, and neuter genders will be construed to include any other gender, and words in the singular form will be construed to include the plural and vice versa, unless the context otherwise requires. The words "this Agreement," "herein," "hereof," "hereby," "hereunder," and words of similar import refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. The parties intend that each representation, warranty, and covenant contained herein will have independent significance. If any party has breached any covenant contained herein in any respect, the fact that there exists another covenant relating to the same subject matter (regardless of the relative levels of specificity) which the party has not breached will not detract from or mitigate the fact that the party is in breach of the first covenant.

Section 2.12 Adjustments for Securities Splits, Etc. Wherever in this Agreement there is a reference to a specific number of the Company's securities of any class or series, then,

upon the occurrence of any subdivision, combination or dividend of such class or series of securities, the specific number of securities so referenced in this Agreement will automatically be proportionally adjusted to reflect the effect of such subdivision, combination or dividend on the outstanding securities of such class or series of securities.

Section 2.13 Termination of Registration Rights. This Agreement, including, without limitation, the Company's obligations under Sections 1.2 and 1.3 hereof to register Registrable Securities for sale under the Securities Act shall terminate on the first date on which no shares of Registrable Securities are outstanding. Notwithstanding any termination of this Agreement pursuant to this Section 2.13, the parties' rights and obligations under Sections 1.7 and 1.8 and Article II hereof shall continue in full force and effect.

Section 2.14 Aggregation of Registrable Securities. All Registrable Securities owned or acquired by any Holder or its Affiliated entities or persons (assuming full conversion, exchange and exercise of all convertible, exchangeable and exercisable securities into Registrable Securities) shall be aggregated together for the purpose of determining the availability of any right under this Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COMPANY: [Colt Holding Company LLC]

By:_____
Name:
Title:

HOLDER:

[HOLDER]

By:_____
Name:
Title:

EXHIBIT Q

EQUITY COMMITMENT AGREEMENT

BY AND AMONG

COLT HOLDING COMPANY LLC

AND

THE COMMITMENT PARTIES

Dated as of December [7], 2015

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This **EQUITY COMMITMENT AGREEMENT** (this "Agreement") is entered into as of December [7], 2015, by and among Colt Holding Company LLC (the "Company"), on the one hand, and on the other hand, the Commitment Parties listed on Schedule 1, which are the Participating Consortium Noteholders (on behalf of their funds and managed accounts), Fidelity Newport Holdings LLC ("Fidelity"), Newport Global Advisors ("Newport") and Sciens Capital Management LLC ("Sciens") (the Company and each Commitment Party are each referred to as a "Party" and collectively as the "Parties"). Certain capitalized terms used herein are defined in **Exhibit A** hereto; all other capitalized terms used but not defined herein shall have the meaning given to them in the Offering Procedures, attached hereto as **Exhibit B** (the "Offering Procedures").

RECITALS

WHEREAS, pursuant to the Plan and this Agreement, the Reorganized Debtors will raise $90 million in new capital from the Offering. The Offering will be allocated amongst to (i) Sciens, which will purchase the Sciens Group Commitment, (ii) Fidelity and Newport, each of which will purchase its allocable portion of the Fidelity/Newport Commitment (iii) Eligible Holders, each of which (other than a Participating Consortium Noteholder) will be offered a Right to purchase up to its Eligible Holder Offering Pro Rata Share pursuant to the procedures described in the Offering Procedures and (iv) Participating Consortium Noteholders, each of which will, severally and not jointly, purchase its Participating Consortium Noteholder Commitment, pursuant to the terms and conditions of the Offering Procedures and this Agreement.

AGREEMENT

NOW THEREFORE, the Company and the Commitment Parties hereby agree as follows:

1. Offering. The Offering shall be conducted and consummated on the terms and conditions of, and in accordance with, the Offering Procedures.

2. Purchases of Commitments by Commitment Parties.

2.1. **Fidelity and Newport.** In accordance with the terms of the Plan and this Agreement, Fidelity and Newport, severally and not jointly, agree to purchase from the Company at the Closing, and the Company agrees to sell to each of Fidelity and Newport at the Closing, its allocable portion of the Fidelity/Newport Commitment, consisting of an aggregate of $15 million of Offering Units and $17,142,857 of the Senior Exit Facility, set forth next to its name on **Schedule 2** for an aggregate purchase price equal to the Fidelity/Newport Commitment Amount of $32,142,857.

2.2. **Sciens.** In accordance with the terms of the Plan and this Agreement, Sciens agrees to purchase from the Company at the Closing, and the Company agrees to sell to Sciens at the Closing, the Sciens Group Commitment, consisting of $15 million of Offering Units for an aggregate purchase price equal to the Sciens Group Commitment Amount of $15 million.

2.3. **Participating Consortium Noteholders.** In accordance with the terms of the Plan and this Agreement, each Participating Consortium Noteholder, severally and not jointly, agrees to purchase at the Closing, and the Company agrees to sell to such Participating Consortium Noteholder at the Closing, its Participating Consortium Noteholder Commitment, consisting of (a) its Participating Consortium Noteholder Offering Pro Rata Share and (b) its Backstop Commitment Percentage of the Remaining Senior Noteholder Offering Amount, for an aggregate purchase price equal to its Participating Holder Commitment Amount (which shall equal the aggregate Senior Noteholder Unit Price of $2,142.86, consisting of $1,000 of Offering Units and $1,142.86 of the Senior Exit Facility, for each $1,000 of Offering Units the Participating Consortium Noteholder purchases pursuant to its Commitment).

3. Purchase Procedures.

3.1. **Commitment Party Notice.** In accordance with the Offering Procedures, no later than December 24, 2015, the Offering Agent shall deliver to each Commitment Party a written notice (the "Commitment Party Notice") setting forth (i) the number of Offering Units (including the number of New Class A LLC Units and the amount of Third Lien Exit Facility) required to be purchased by such Commitment Party based on such Commitment Party's Commitment, (ii) the amount of the Senior Exit Facility required to be funded by such Commitment Party based on such Commitment Party's Commitment, if applicable, (iii) the aggregate Commitment Amount to be paid by such Commitment Party and (iv) the Effective Date.

3.2. **Subscription Form.** Following receipt of the Commitment Party Notice, each Commitment Party shall (i) return to the Offering Agent a duly executed Equity Commitment Subscription Form in substantially the form attached hereto as **Exhibit C** and (ii) deliver and pay its applicable Commitment Amount, as described in this Section 3.2. Each of Fidelity, Newport and Sciens shall pay its applicable Commitment Amount in U.S. dollars, by wire transfer in immediately available funds into the Escrow Account, no later than December 28, 2015. Each Participating Consortium Noteholder, that is a lender under the DIP Senior Loan Facility, may elect to fund all or a portion of its share of the Senior Exit Facility by deferring payment of its portion of the DIP Senior Loan Facility on the Effective Date and rolling it over into the Senior Exit Facility, provided that the Participating Consortium Noteholder shall be required to pay for the Offering Units and Remaining Units ($1,000 for each $1,000 of Offering Units and Remaining Units) that it purchases in the Offering in U.S. dollars, by wire transfer in immediately available funds, into the Escrow Account, no later than December 28, 2015. To the extent a Participating Consortium Holder does not defer payment of its portion of the DIP Senior Loan Facility on the Effective Date and roll such amount over into the Senior Exit Facility, such Participating Consortium Noteholder shall also be required to fund its share of the Senior Exit Facility, in U.S. dollars, by wire transfer in immediately available funds into the Escrow Account, no later than December 28, 2015.

3.3. **Offering Funds.** The Offering Agent shall hold all Offering Funds in the Escrow Account in escrow until the Closing Date. In the event that this Agreement or the Offering is terminated for any reason prior to the Closing, each Commitment Party shall receive from the Escrow Account, without interest, as soon as reasonably practicable following such termination, the amount in cash actually funded to the Escrow Account by such Commitment Party.

3.4. **Designation and Assignment Rights.**

(a) Subject to Section 8, each Commitment Party shall have the right to designate on its Equity Commitment Subscription Form that all or any portion of the New Class A LLC Units issued, the amount of the Third Lien Exit Facility and, if applicable, the Senior Exit Facility funded pursuant to its Commitment be issued in the name of, and delivered to, one or more of its Affiliates or to any other Commitment Party(ies) or Consortium Members (in such capacity, a "Related Purchaser") upon receipt by the Company of payment therefor in accordance with the terms hereof (which designation shall (i) be signed by such Commitment Party and each Related Purchaser, (ii) specify the number of New Class A LLC Units, and/or the amount of the Third Lien Exit Facility and/or the Senior Exit Facility to be delivered to or issued in the name of each Related Purchaser(s) and (iii) contain a confirmation by each Related Purchaser of the accuracy of the representations set forth in Article 7 as applied to such Related Purchaser); provided that no such designation pursuant to this Section 3.4(a) shall relieve such Commitment Party from its obligations under this Agreement. For the avoidance of doubt, any Commitment Party may direct that New Class A LLC Units, and any amounts under the Third Lien Exit Facility and/or the Senior Exit Facility purchased by it pursuant to this Agreement be issued to different Related Purchasers.

(b) Subject to Section 8, prior to December 28, 2015, each Commitment Party shall have the right to sell, transfer and assign all or any portion of its Commitment to a Related Purchaser. For any such sale, transfer or assignment by a Commitment Party of its Commitment under this Section 3.4(b), such Commitment Party must submit to the Company a notice of transfer, which notice shall (i) identify the Related Party that is the transferee, (ii) specify the amount of the Commitment transferred to and to be assumed by each such transferee and (iii) contain a confirmation by each such transferee of the accuracy of the representations set forth in Article 7 as applied to such transferee and an agreement by such transferee to be bound by the terms of this Agreement as a "Commitment Party" with respect to the Commitment transferred to it. Each Related Purchaser which is a transferee under this Section 3.4(b) shall agree to vote any Senior Notes acquired from a Commitment Party in favor of the Plan. For the avoidance of doubt, each Commitment Party may sell, transfer and assign its commitment to purchase New Class A LLC Units and/or fund any amounts under the Third Lien Exit Facility and/or the Senior Exit Facility to different Related Purchasers, provided that each such transfer shall comply with the foregoing sentences of this Section 3.4(b).

4. Closing.

4.1. **Closing.** The closing of the Offering (the "Closing") shall take place at the offices of O'Melveny & Myers LLP, 7 Times Square, New York, New York 10036 at 10:00 a.m., Eastern Standard Time, on the date that the conditions set forth in Section 9.1 have been satisfied or waived by the Requisite Commitment Parties and the conditions set forth in Section 9.2 have been satisfied or waived by the Company. The date on which the Closing actually occurs shall be referred to herein as the "Closing Date".

4.2. **Issuance of New Class A LLC Units; Funding of Third Lien Exit Facility and Senior Exit Facility.**

(a) At the Closing, the Offering Funds held in the Escrow Account shall be released and utilized as set forth herein and in accordance with the Offering Procedures and the Plan.

(b) At the Closing, and against delivery of the applicable Commitment Amount, the Company shall issue (i) to Fidelity and Newport (or to any of i Related Purchasers), an aggregate of [●] New Class A LLC Units, (ii) to Sciens (or to any of its Related Purchasers), an aggregate of [●] New Class A LLC Units, and (iii) to each Participating Consortium Noteholder (or to any of their Related Purchasers), [●] New Class A LLC Units per $1,000 of principal amount of the Third Lien Exit Facility being funded by such Participating Consortium Noteholder (For each $1,000 of Offering Units that a Participating Consortium Noteholder commits to purchase in the Offering, the Participating Consortium Noteholder will receive $1,000 of the Third Lien Exit Facility and [●] New Class A LLC Units. In addition, for each $1,000 of Offering Units that a Participating Consortium Noteholder purchases in the Offering, such Participating Consortium Noteholder will be required to fund $1,142.86 of the Senior Exit Facility). The New Class A LLC Units shall be duly authorized, validly issued, fully paid and non-assessable, and free and clear of any Encumbrances, other than Encumbrances created by Legal Requirements, the Registration Rights Agreement and the Organizational Documents of the Reorganized Parent.

(c) At the Closing, and against delivery of the applicable Commitment Amount, each Commitment Party (and any of their Related Purchasers, as applicable) shall be deemed to become a "Lender" under and pursuant to the Senior Exit Facility and/or the Third Lien Exit Facility, as applicable. At the Closing, the Company (i) shall record the amount of the Senior Exit Facility funded by each applicable Commitment Party and the name of the applicable Commitment Party (or its Related Purchaser, as applicable) on the schedule of Lenders for the Senior Exit Facility and (ii) shall record the amount of the Third Lien Exit Facility funded by each Commitment Party (or such Commitment Party's Related Purchaser(s), as applicable) on the schedule of Lenders for the Third Lien Exit Facility.

5. Commitment Party Default.

5.1. Participating Consortium Noteholder Default.

(a) Upon the occurrence of a Default by a Participating Consortium Noteholder (or any of its Related Purchasers), each Participating Consortium Noteholder (other than any Defaulting Participating Consortium Noteholder) shall have the right, but shall not be obligated to, within five (5) Business Days after receipt of written notice from the Company to each Participating Consortium Noteholder of such Default by the Participating Consortium Noteholder (or any of its Related Purchasers) (which notice shall be given promptly following the occurrence of such Default by the Participating Consortium Noteholder (or any of its Related Purchasers)) (such five (5) Business Day period, the "Participating Consortium Noteholder Replacement Period") to make arrangements to purchase all or any portion of the Available Offering Amounts (such purchase, a "Participating Consortium Noteholder Replacement") on the terms and conditions of this Agreement and in such amounts based upon the applicable Commitment Percentages of any such Participating Consortium Noteholders interested in purchasing the Available Offering Amount, or as may otherwise be agreed upon by all of the

Participating Consortium Noteholders electing to purchase all or any portion of the Available Offering Amounts (such electing Participating Consortium Noteholders, each a "Replacing Participating Consortium Noteholder" and collectively, the "Replacing Participating Consortium Noteholders"). Any such Available Offering Amounts purchased by a Replacing Participating Consortium Noteholder shall be included in the determination of the Commitment Percentage of such Replacing Participating Consortium Noteholder and such Replacing Participating Consortium Noteholder's Commitment and Commitment Amount shall be increased by the amount of the Available Offering Amounts purchased by such Participating Consortium Noteholder pursuant to this Section 5.1(a) for all purposes hereunder.

(b) If the Participating Consortium Noteholder Replacement has not been consummated upon expiration of the Participating Consortium Noteholder Replacement Period, each Commitment Party (other than the Defaulting Commitment Party and a Participating Consortium Noteholder which elected not to become a Replacing Participating Consortium Noteholder pursuant to Section 5.1(a) of this Agreement) shall have the right, but shall not be obligated within five (5) Business Days after receipt of written notice from the Company to each such Commitment Party of such Default by the Participating Consortium Noteholder (or any of its Related Purchasers) (which notice shall be given promptly following the occurrence of such Default by the Participating Consortium Noteholder(or any of its Related Purchasers)) (such five (5) Business Day period, the "Commitment Party Replacement Period") to make arrangements to purchase all or any portion of the Available Offering Amounts (such purchase, a "Commitment Party Replacement") on the terms and conditions of this Agreement and in such amounts based upon the applicable Commitment Percentages of any such Commitment Party interested in purchasing the Available Offering Amount, or as may otherwise be agreed upon by all of the Commitment Parties electing to purchase all or any portion of the Available Offering Amounts (such electing Commitment Parties, each a "Replacing Commitment Party" and collectively, the "Replacing Commitment Parties"). Any such Available Offering Amounts purchased by a Replacing Commitment Party shall be included in the determination of the Commitment Percentage of such Replacing Commitment Party and the Replacing Commitment Party's Commitment and Commitment Amount shall be increased by the amount of the Available Offering Amounts purchased by such Commitment Party pursuant to this Section 5.1(b) for all purposes hereunder.

5.2. **Fidelity or Newport Default.**

(a) Upon the occurrence of a Default by Fidelity or Newport (or any of its Related Purchasers), Fidelity (in the case of a Default by Newport) or Newport (in the case of a Default by Fidelity) shall have the right, but shall not be obligated to, within five (5) Business Days after receipt of written notice from the Company to Fidelity (in the case of a Default by Newport (or any of its Related Purchasers)) or Newport (in the case of a Default by Fidelity (or any of its Related Purchasers)) of such Default by Fidelity or Newport, as applicable (which notice shall be given promptly following the occurrence of such Default by Fidelity or Newport (or any of its Related Purchasers)) (such five (5) Business Day period, the "Fidelity/Newport Replacement Period") to make arrangements to purchase all or any portion of the Available Offering Amounts (such purchase, a "Fidelity/Newport Replacement") during the Fidelity/Newport Replacement Period to make a Fidelity/Newport Replacement on the terms and conditions of this Agreement (such electing Party, a "Replacing Fidelity/Newport Party"). Any

such Available Offering Amounts purchased by a Replacing Fidelity/Newport Party shall be included in the determination of the Commitment Percentage of such Replacing Fidelity/Newport Party and the Replacing Fidelity/Newport Party's Commitment and Commitment Amount shall be increased by the amount of the Available Offering Amounts purchased by such Replacing Fidelity/Newport Party pursuant to this Section 5.2(a) for all purposes hereunder.

(b) If Fidelity (in the case of Default by Newport (or any of its Related Purchasers)) and Newport (in the case of a Default by Fidelity (or any of its Related Purchasers)) does not elect to purchase the Available Offering Amounts pursuant to Section 5.2(a), then the Company shall promptly, upon expiration of the Fidelity Newport Replacement Period, provide written notice to each other Commitment Party (other than any Defaulting Commitment Party) of such Default by Fidelity or Newport (or any of its Related Purchasers), as applicable. Each such Commitment Party shall have the right, but shall not be obligated to, during the Commitment Party Replacement Period to make a Commitment Party Replacement on the terms and conditions of this Agreement and in such amounts based upon the applicable Commitment Percentages of any such Commitment Party interested in purchasing the Available Offering Amount, or as may otherwise be agreed upon by all of the Replacing Commitment Parties. Any such Available Offering Amounts purchased by a Replacing Commitment Party shall be included in the determination of the Commitment Percentage of such Replacing Commitment Party and the Replacing Commitment Party's Commitment and Commitment Amount shall be increased by the amount of the Available Offering Amounts purchased by such Commitment Party pursuant to this Section 5.2(b) for all purposes hereunder.

5.3. **Sciens Default.** Upon the occurrence of a Default by Sciens (or any of its Related Purchasers), the Company shall promptly provide written notice to each other Commitment Party (other than any Defaulting Commitment Party) of such Default by Sciens (or any of its Related Purchasers). Each such Commitment Party (other than any Defaulting Commitment Party) shall have the right, but shall not be obligated to, within ten (10) Business Days after receipt of written notice from the Company (such ten (10) Business Day period, the "Sciens Group Replacement Period") to make a Commitment Party Replacement on the terms and subject to the conditions set forth in this Agreement and in such amounts based upon the applicable Commitment Percentages of any such Commitment Party interested in purchasing the Available Offering Amount, or as may otherwise be agreed upon by all of the Replacing Commitment Parties. Any such Available Offering Amounts purchased by a Replacing Commitment Party shall be included in the determination of the Commitment Percentage of such Replacing Commitment Party and the Replacing Commitment Party's Commitment and Commitment Amount shall be increased by the amount of the Available Offering Amounts purchased by such Commitment Party pursuant to this Section 5.3 for all purposes hereunder.

5.4. **Right to Cure.** During the Participating Consortium Noteholder Replacement Period, any Defaulting Participating Consortium Noteholder shall have the right to cure its Default by delivering the applicable purchase price with respect to its Available Offering Amounts. During the Fidelity/Newport Replacement Period, Fidelity (in the case of a Default by Fidelity) and Newport (in the case of a Default by Newport) shall have the right to cure its Default by delivering the applicable purchase price with respect to the Available Offering Amounts. During the first five (5) Business Days of the Sciens Group Replacement Period,

Sciens shall have the right to cure its Default by delivering the applicable purchase price with respect to its Available Offering Amounts.

6. Representations and Warranties of the Company. Except as contemplated by the Plan or the Disclosure Statement for the Plan, filed with the Bankruptcy Court on October 10, 2015 (as the same may be amended, modified or supplemented from time to time), the Company hereby represents and warrants to the Commitment Parties as set forth below.

6.1. **Organization of the Company and its Subsidiaries.** The Company is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, with full power and authority to conduct its business as it is now being conducted and to own or use the properties and assets that it purports to own or use. The Company is duly qualified to do business in each jurisdiction wherein the nature of the business transacted thereby or ownership or use of the properties owned or used by it makes such qualification necessary, except where the failure to be so qualified would not reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect.

6.2. **Power and Authority; No Conflicts.**

(a) Subject to the entry of the Confirmation Order, the Company and each of its Subsidiaries has the requisite power and authority (i) to enter into, execute and deliver the Transaction Agreements and the Plan and (ii) to consummate the Contemplated Transactions, and has taken all necessary action required for the due authorization, execution and delivery of the Transaction Agreements and the consummation of the Contemplated Transactions. This Agreement has been and the other Transaction Agreements have been or will be duly executed and delivered by the Company and, to the extent applicable, each of its Subsidiaries, and subject to the entry of the Confirmation Order, this Agreement and the other Transaction Agreements constitute the legal, valid and binding obligation of the Company and to the extent applicable each of its Subsidiaries, enforceable against the Company and each of its Subsidiaries in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws), and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and possible judicial action giving effect to governmental actions or foreign laws affecting creditors' rights generally.

(b) Neither the execution and delivery of this Agreement or the other Transaction Agreements nor the consummation or performance of any of the Contemplated Transactions will directly or indirectly (with or without notice or lapse of time): (i) contravene, conflict with, or result in a violation of (1) any provision of the Organizational Documents of the Company or any Subsidiary or (2) any resolution adopted by the board of directors (or similar governing body) of the Company or any Subsidiary; (ii) conflict with or contravene any applicable Legal Requirement binding on or affecting the Company or any Subsidiary or any of their respective assets or properties; (iii) contravene, conflict with, or result in a violation of any Order to which the Company or any Subsidiary, or any of the assets owned or used by the

Company or any Subsidiary, may be subject; (iv) contravene, conflict with or result in a violation or breach of any provision of or give any Person the right to declare a default under or terminate, any Contract; or (v) result in the imposition or creation of any Encumbrance upon or with respect to any of the assets owned or used by the Company or any Subsidiary; except, in the case of clauses (ii), (iv) and (v) above, where such occurrence would not be reasonably likely to have a Material Adverse Effect.

(c) All Consents required in connection with the entry into and performance by the Company and each of its Subsidiaries of the Plan and each of the Transaction Agreements have been obtained and are in full force and effect, except for (i) the entry of the Confirmation Order, (ii) such consents, approvals, authorizations, registrations or qualifications as may be required under Regulation D of the Securities Act and state Blue Sky laws with respect to the Offering and (iii) any other Consent the failure of which to obtain does not constitute a Material Adverse Effect.

6.3. **Capitalization of the Company.** As of the Closing Date, the only equity securities or other securities of the Company that shall be issued and outstanding shall be those that shall have been issued in accordance with the Plan (which includes the Offering). Except as contemplated by the Plan, the Registration Rights Agreement, or the Reorganized Parent Organizational Documents, as of the Effective Date, there are no: (i) options, warrants, securities or rights that are or may become exercisable or exchangeable for, convertible into, or that otherwise give any Person any right to acquire equity securities or other securities of the Company (ii) Contracts relating to the issuance, grant, sale or transfer of any equity securities, options, warrants, convertible securities or other securities of the Company; or (iii) outstanding Contracts of the Company or any to repurchase, redeem or otherwise acquire any equity securities, options, warrants, convertible securities or other securities of the Company and the Company has not granted any registration rights with respect to any of its securities. As of the Effective Date, all of the issued equity securities and other securities of the Company will have been duly authorized and validly issued and are fully paid and non-assessable. As of the Effective Date, none of the outstanding equity securities or other securities of the Company issued pursuant to the Plan will have been issued in violation of any Legal Requirement.

6.4. **Issuance.** The New Class A LLC Units to be issued pursuant to the Plan, will, when issued and delivered on the Closing Date, be duly and validly authorized, issued and delivered and shall be fully paid and non-assessable, and such New Class A LLC Units will be free and clear of all Encumbrances, preemptive rights, subscription and similar rights, other than any rights set forth in the Plan, the Registration Rights Agreement and the Reorganized Parent Organizational Documents.

6.5. **Organization and Capitalization of the Subsidiaries.**

(a) Schedule 6.5(a) sets forth the name, jurisdiction of incorporation or organization (as applicable) of each Subsidiary of the Company. Except as set forth on Schedule 6.5(a), the Company or one or more of its Subsidiaries, as the case may be, beneficially owns all of the outstanding shares of capital stock or other equity securities (or any securities convertible into or exercisable for any such securities) of each of its Subsidiaries. Except for the Company's Subsidiaries, the Company does not have any direct or indirect equity interest constituting at

least 10% of the voting securities of any corporation, partnership, limited liability company or other Person or business. Neither the Company nor any of its Subsidiaries has any Contract to directly or indirectly acquire any equity or other ownership interest in any Person or business.

(b) Each Subsidiary is a corporation, partnership or limited liability company (as applicable), duly organized, validly existing and in good standing under the Legal Requirements of its jurisdiction of incorporation or organization (as applicable), with full corporate, partnership or limited liability company (as applicable) power and authority to conduct its business as it is now being conducted, to own or use the properties and assets that it purports to own or use, except where the failure to do so would not be reasonably likely to have a Material Adverse Effect. Each Subsidiary is duly qualified or registered to do business as a foreign corporation, partnership, limited liability company (as applicable) and is in good standing under the Legal Requirements of each jurisdiction in which either the ownership or use of the properties owned or used by it, or the nature of the activities conducted by it, requires such qualification or registration, except where the failure to do so would not be reasonably likely to have a Material Adverse Effect.[1]

(c) All of the outstanding capital stock or other securities of each Subsidiary directly or indirectly owned by the Company has been duly authorized and validly issued and is fully paid and nonassessable, and the Company has good and marketable title to such capital stock or other equity securities, free and clear of any Encumbrances (other than any Encumbrances arising in connection with the transactions contemplated by the Plan or any Legal Requirement. Except as contemplated by the Plan or the Organizational Documents of the Subsidiary, there are no: (i) options, warrants, securities or rights that are or may become exercisable or exchangeable for, convertible into, or that otherwise give any Person any right to acquire shares of capital stock or other securities of any Subsidiary (ii) Contracts relating to the issuance, grant, sale or transfer of any equity securities, options, warrants, convertible securities or other securities of any Subsidiary; or (iii) outstanding Contracts of the Company or any Subsidiary to repurchase, redeem or otherwise acquire any equity securities, options, warrants, convertible securities or other securities of any Subsidiary and no Subsidiary has granted any registration rights with respect to any of its securities.

6.6. **Legal Proceedings.** Except as set forth in the Disclosure Statement, there are no Proceedings pending or, to the knowledge of the Company, threatened (a) to which the Company or any of its Subsidiaries is a party or to which any property or asset of any of them is subject, except for (i) claims of creditors or other parties in the Chapter 11 Cases, and (ii) Proceedings that if adversely determined to the Company or any of its Subsidiaries would not reasonably be expected to have a Material Adverse Effect, or (b) that challenge the validity or enforcement of the Transaction Agreements or seek to enjoin or prohibit the Contemplated Transactions.

6.7. **Compliance with Legal Requirements; Licenses and Permits.** Except as set forth in the Disclosure Statement, neither the Company nor any of its Subsidiaries (a) is in violation of its Organizational Documents, or (b) is in violation of any Legal Requirement or Order, except for any such violation that has not had and would not reasonably

[1] NTD: OMM – Why delete?

be expected to have, individually or in the aggregate, a Material Adverse Effect. The Company and its Subsidiaries possess all licenses, certificates, permits and other authorizations issued by, have made all declarations and filings with, and have given all notices to, the appropriate Governmental Entity that are necessary or required for the ownership or lease of their respective properties or assets, or the conduct of their respective businesses, except where the failure to possess, make or give the same would not reasonably be expected to have a Material Adverse Effect; none of the Company nor any of its Subsidiaries have received notice of any revocation or modification of any such license, certificate, permit or authorization or has any reason to believe that any such license, certificate, permit or authorization will not be renewed in the ordinary course except to the extent that any of the foregoing would not reasonably be expected to have a Material Adverse Effect.

6.8. **Brokers or Finders.** Except as set forth in the Disclosure Statement, neither the Company, nor any Subsidiary, nor any of their respective agents has incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement or the Contemplated Transactions.

6.9. **Exemption from Registration.** Assuming the accuracy of the Commitment Parties' representations set forth in Section 7, the securities issued pursuant to the Offering by the Company in the manner contemplated by the Transaction Agreements will be exempt from the registration requirements of the Securities Act by reason of Section 4(a)(2) thereof.

6.10. **Absence of Certain Changes.** From December 31, 2014 to the date hereof, no event has occurred or exists that constitutes a Material Adverse Effect.

6.11. **Reorganized Parent.** Schedule 6.11 sets forth the name of each of the directors of the Reorganized Parent and the names of each of the officers of the Reorganized Parent.

7. Representations and Warranties of the Commitment Parties. Each Commitment Party, severally and not jointly, hereby represents and warrants to the Company as set forth below.

7.1. **Organization of such Commitment Party.** In the event such Commitment Party is an entity, such Commitment Party is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization (as applicable).

7.2. **Power and Authority; No Conflict.**

(a) Such Commitment Party has the requisite power and authority (i) to enter into, execute and deliver this Agreement and any other Transaction Agreements to which it is a party and (ii) to consummate the Contemplated Transactions, and has taken all necessary action required for the due authorization, execution and delivery of this Agreement and the Plan and the consummation of the Contemplated Transactions. This Agreement has been duly executed and delivered by such Commitment Party and constitutes the legal, valid and binding

obligation of such Commitment Party, enforceable against such Commitment Party in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws), and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and possible judicial action giving effect to governmental actions or foreign laws affecting creditors' rights generally.

(b) Neither the execution and delivery of this Agreement or the other Transaction Agreements by such Commitment Party nor the consummation or performance of any of the Contemplated Transactions by such Commitment Party will directly or indirectly (with or without notice or lapse of time): (i) contravene, conflict with, or result in a violation of any provision of the Organizational Documents of such Commitment Party; (ii) conflict with or contravene any applicable Legal Requirement binding on or affecting such Commitment Party; (iii) contravene, conflict with, or result in a violation of any Order to which such Commitment Party may be subject; (iv) contravene, conflict with or result in a violation or breach of any provision of or give any Person the right to declare a default under or terminate, any Contract to which such Commitment Party or its assets and properties may be subject; except, in the case of clauses (ii) and (iv) above, where such occurrence would not be reasonably likely to have a Material Adverse Effect.

(c) All Consents required in connection with the entry into and performance by such Commitment Party of this Agreement and the other Transaction Agreements to which it is a party have been obtained and are in full force and effect, except for (i) the entry of the Confirmation Order and (ii) any Consent the failure of which to obtain does not constitute a Material Adverse Effect.

7.3. **Shares Not Registered.** Such Commitment Party understands that the securities offered in the Offering have not been registered under the Securities Act. Such Commitment Party also understands that the securities offered in the Offering are being offered and sold pursuant to an exemption from registration contained in the Securities Act, based in part upon such Commitment Party's representations contained in this Agreement and cannot be sold unless subsequently registered under the Securities Act or an exemption from registration is available.

7.4. **Economic Risk.** Such Commitment Party understands that this is a highly speculative investment with a substantial risk of loss of such Commitment Party's entire investment. Such Commitment Party is in a position to bear the economic risk of holding all such investment for an indefinite period and withstand a complete loss in such investment. Such Commitment Party understands that it has no registration rights with respect to the securities offered in the Offering, except as provided in the Registration Rights Agreement.

7.5. **Acquisition for Own Account.** Such Commitment Party is acquiring the securities offered in the Offering for its own (or its funds or managed accounts) account, for investment (including by its funds and managed accounts) and not with a view toward any distribution, as such term is used in Section 2(a)(11) of the Securities Act. Such

Commitment Party is not purchasing the securities offered in the Offering as a result of any advertisement, article, notice or other communication published in any newspaper, magazine, website, or similar media or broadcast over television or radio, or presented at any seminar or meeting, or any solicitation of a purchase of any of the securities offered in the Offering by a person other than a representative of the Company.

7.6. **Ability to Protect Own Interests.** Such Commitment Party represents that by reason of its business or financial experience in evaluating and investing in companies such as the Company, or the business and financial experience of its management, it has the capacity to protect its own interests in connection with the Contemplated Transactions.

7.7. **Accredited Investor.** Such Commitment Party represents that it is an "accredited investor" as that term is defined in Regulation D promulgated under the Securities Act.

7.8. **Access to Information.** Such Commitment Party has conducted its own independent review and analysis of the Company and has relied solely on its own review and analysis in determining to proceed with the Contemplated Transactions. Such Commitment Party has been given access to all Company documents, records, and other information and has had adequate opportunity to ask questions of, and receive answers from, the Company's officers, employees, agents, accountants, and representatives concerning the Company's business, operations, financial condition, assets, liabilities, and all other matters relevant to its investment in the securities offered in the Offering and the Contemplated Transactions. Such Commitment Party has reviewed the documents, records, and other information made available to such Commitment Party in connection with the Contemplated Transactions with such Commitment Party's own financial, tax and legal advisors, or has had an opportunity to do so but has waived such opportunity, and has relied solely on such advisors for financial, tax and legal advice.

7.9. **Brokers or Finders.** Such Commitment Party has not, and its agents have not, incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement, for which the Company may be liable.

7.10. **Legal Proceedings.** There is no pending Proceeding against such Commitment Party that challenges, or that may have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the Contemplated Transactions, which, if adversely determined, would be reasonably likely to have a material adverse effect on the ability of such Commitment Party to consummate the Contemplated Transactions.

7.11. **Sufficiency of Funds.** On the Effective Date, such Commitment Party will have available funds sufficient to pay the aggregate Commitment Amount.

7.12. **Residence.** The office of such Commitment Party in which its investment decision was made is set forth in **Schedule 1**.

8. Covenants Prior to Effective Date.

8.1. **Covenants of the Company.** Between the date of this Agreement and the Effective Date, the Company agrees, subject to the Company's fiduciary duties, including the Company's fiduciary duties as debtors in possession or under other applicable Legal Requirements, to take all reasonably necessary and appropriate actions in furtherance of the Restructuring and all other actions contemplated under the Plan and the Transaction Agreements. Each Debtor agrees to do all things reasonably necessary and appropriate in furtherance of confirming the Plan and consummating the Restructuring in accordance with, and within the timeframes contemplated by, the Transaction Agreements, to the extent consistent with, upon the advice of counsel, the fiduciary duties of the boards of directors, managers, members or partners, as applicable, of each Debtor; provided that no Debtor be obligated to agree to any modification of any document that is inconsistent with the Plan.

8.2. **Covenants of the Commitment Parties.** Subject to the terms and conditions of this Agreement, and so long as this Agreement has not been terminated, each of the Commitment Parties agrees that it shall support the Plan (including, subject to the limitations set forth in the Restructuring Term Sheet and mutually agreeable documentation relating thereto, the Commitment Party's commitment to purchase its Commitment in the Offering) and shall not object to the Plan or the Disclosure Statement or support any alternative plan or §363 sale which the other Parties do not support.

8.3. **Cooperation.** The Company and each Commitment Party shall cooperate with each other in good faith and shall coordinate their activities (to the extent practicable) in respect of all matters concerning the pursuit, approval, implementation and consummation of the Restructuring. Furthermore, each Party shall take such action (including negotiating, drafting, executing and delivering any documents and any other agreements and making and filing any required regulatory filings) as may be reasonably necessary to carry out the purposes and intent of the Transaction Agreements and the Plan. Furthermore, subject to the terms hereof, each Party shall take such actions as may be reasonably necessary or reasonably requested by the other Parties to carry out the purposes and intent of the Transaction Agreements, and shall refrain from taking any action that would frustrate the purposes or intent of the Transaction Agreements.

9. Conditions to Closing.

9.1. **Commitment Party Conditions Precedent**. The obligations of each Commitment Party to consummate the Contemplated Transactions will be subject to the following conditions precedent (each, a "Commitment Party Condition Precedent"), each of which may be waived in writing by any Commitment Party as to such Commitment Party:

(a) the representations and warranties of the Company contained herein or in the exhibits and schedules hereto shall be true and correct, in all material respects (except that such representations and warranties shall not be further qualified by materiality where, by their respective terms, they are already qualified by reference to materiality, including a Material Adverse Effect), as of the Closing with the same effect as though made on and as of that date.

(b) the Company shall have performed and complied with all of the agreements and conditions in the Transaction Agreements and in the Plan, in all material respects, required to be performed or complied with by the Company at or prior to the Closing and shall not be in breach of any provision of the Transaction Agreements or the Plan, in any material respect;

(c) all material Consents shall have been obtained and shall remain in full force and effect, and, there shall exist no claim, action, suit, investigation, litigation or proceeding, pending or threatened in any court or before any arbitrator or Governmental Entity, which would prohibit the Commitment Parties from consummating the Contemplated Transactions;

(d) all corporate and other proceedings to be taken in connection with the Transaction Agreements and Contemplated Transactions shall be reasonably satisfactory in substance and form to the Commitment Parties and the Commitment Parties and their counsel shall have received all original copies or certified or other copies of documents which they may have reasonably requested;

(e) a final and binding order confirming the Plan (the "Confirmation Order"), in form and substance reasonably satisfactory to the Commitment Parties, shall have been entered by the Bankruptcy Court and shall not be subject to appeal, stay or injunction;

(f) any supplement to the Plan documents shall have been made available in a form reasonably satisfactory to the Commitment Parties;

(g) the Organizational Documents of the Reorganized Parent including the Reorganized Parent LLC Agreement) and the Registration Rights Agreement shall have been entered into by the Company, in form reasonably acceptable to the Commitment Parties;

(h) the Company and its Subsidiaries shall have executed and delivered the Transaction Agreements and any other appropriate legal documentation regarding the Contemplated Transactions in form and substance reasonably satisfactory to the Commitment Parties and the satisfaction of the conditions precedent contained therein, which conditions precedent shall not vary materially from the conditions precedent set forth herein;

(i) the Term Loan Exit Facility, the Senior Loan Exit Facility, and the Third Lien Exit Facility shall each be in form and substance acceptable to the Commitment Parties;

(j) the Debtors shall have entered into a memorandum of understanding with the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) and its Local 376 with respect to certain amendments to be made to that certain Collective Bargaining Agreement dated as of April 1, 2014, which memorandum of understanding shall be reasonably acceptable to the Debtors, the Sciens Group, and the RSA Creditor Parties and shall have been filed with the Plan Supplement.

(j) the Effective Date shall have occurred, provided however, that the Commitment Parties shall have paid their respective Commitment Amounts prior to the Effective Date pursuant to Section 3;

(k) Offering Funds in an aggregate amount of $90 million (less any amounts of the DIP Senior Loan Facility that the Eligible Holders or Participating Consortium Noteholders elect to roll over) shall have been delivered to the Escrow Account by the Eligible Holders and Commitment Parties; and

(l) The Company shall have filed a Form 15 to terminate its registration and reporting obligations under Section 12(g) of the Securities Act.

9.2. **Company Conditions Precedent.** The obligations of the Company to consummate the Contemplated Transactions will be subject to the following conditions precedent (each a "Company Condition Precedent"), each of which may be waived in writing by the Company:

(a) all representations and warranties of the Commitment Parties contained in this Agreement shall be true, complete and accurate, in all material respects (except that such representations and warranties shall not be further qualified by materiality where, by their respective terms, they are already qualified by reference to materiality, including a Material Adverse Effect), as of the Closing with the same effect as though made on and as of that date;

(b) the Commitment Parties shall have performed and complied with all of the agreements and conditions in the Transaction Agreements and in the Plan, in all material respects, required to be performed or complied with by such Commitment Party at or prior to the Closing and shall not be in breach of any provision of the Transaction Agreements or the Plan, in any material respect;

(c) the Confirmation Order, in form and substance satisfactory to Reorganized Debtors shall have been entered by the Bankruptcy Court and shall not be subject to appeal, stay or injunction;

(d) the Commitment Parties shall have executed and delivered the Transaction Agreements and any other appropriate legal documentation regarding the Contemplated Transactions in form and substance satisfactory to the Company and the satisfaction of the conditions precedent contained therein, which conditions precedent shall not vary materially from the conditions precedent set forth herein;

(e) all material Consents shall have been obtained and shall remain in full force and effect, and, there shall exist no claim, action, suit, investigation, litigation or proceeding, pending or threatened in any court or before any arbitrator or Governmental Entity, which would prohibit the Company from consummating the transactions contemplated by this Agreement; and

(f) the Effective Date shall have occurred.

10. Termination.

10.1. **Mutual Termination**. At any time prior to the Closing, this Agreement may be terminated by mutual consent of the Company and the Requisite Commitment Parties.

10.2. **Termination by the Requisite Commitment Parties.** This Agreement may be terminated by any Commitment Party:

(a) upon the breach in any material respect by the Company or any of its Subsidiaries of any undertaking, representation, warranty, or covenant in the Transaction Agreements (or the breach in any respect of any undertaking, representation, warranty or covenant which is, by its respective terms, already qualified by reference to materiality, including a Material Adverse Effect) which remains uncured for a period of five (5) Business Days after the receipt of written notice of such breach from the Requisite Commitment Parties;

(b) on any date that the Debtors withdraw or cease prosecuting the Plan or Disclosure Statement or file any motion or application with the Bankruptcy Court that is materially inconsistent with the Plan;

(c) on the Outside Date, if the Bankruptcy Court fails to enter the Confirmation Order in form and substance reasonably satisfactory to the Requisite Commitment Parties;

(d) on the Outside Date, if the Effective Date for the Plan has not occurred;

(e) on the Outside Date, if the Closing has not occurred;

(f) if the Bankruptcy Court grants relief that is inconsistent with the Plan in any materially adverse respect (with respect to the Commitment Parties);

(g) if any Debtor files, propounds, or otherwise supports any plan of reorganization or liquidation, other than the Plan, makes any change or amendment to the Plan or Disclosure Statement or takes any other action that, individually or in the aggregate (together with all other such changes, amendments, actions and agreements), will, if and when the Plan was to be consummated, materially adversely affect the treatment of, the value of the Commitments to be received by the Commitment Parties upon consummation of the Offering; or

(h) upon the occurrence of an Other Termination Even.

10.3. **Termination by the Company**. This Agreement may be terminated by the Company upon:

(a) the breach in any material respect by the Commitment Parties of any undertaking, representation, warranty, or covenant in the Transaction Agreements (or the breach in any respect of any undertaking, representation, warranty or covenant which is, by its respective terms, already qualified by reference to materiality, including a Material Adverse

Effect) which remains uncured for a period of five (5) Business Days after the receipt of written notice of such breach from the Company;

(b) on the Outside Date, if the Bankruptcy Court fails to enter the Confirmation Order in form and substance reasonably satisfactory to the Company;

(c) on the Outside Date, if the Effective Date for the Plan has not occurred;

(d) on the Outside Date, if the Closing has not occurred;

(e) if the Bankruptcy Court grants relief that is inconsistent with the Plan in any materially adverse respect (with respect to the Company); or

(f) the occurrence of an Other Termination Event.

If this Agreement shall be terminated in accordance with paragraph (a), all obligations of the Parties hereunder shall terminate without liability of any Party to the others. In the event that this Agreement is so terminated, each Party will return all papers, documents, financial statements and other data furnished to it by or with respect to such other Party.

Nothing set forth in this Section 10 will preclude any of the Parties from seeking specific performance of this Agreement as set forth in Section 11.10 of this Agreement.

11. Miscellaneous.

11.1. **Amendments and Waivers.** Any term of this Agreement may be amended or modified and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the prior written consent of the Requisite Commitment Parties and the Company. However, in the event that any such amendment or modification has a disproportionately material adverse effect on a Commitment Party, such Commitment Party may elect to opt out of its obligations to provide its Commitment. In the event that a Commitment Party is not willing to provide its Commitment pursuant to this provision, the remaining Commitment Parties may select an additional Commitment Party or share the additional Commitment necessary to raise such Commitment amongst themselves.

11.2. **Notices, etc.** Except as otherwise provided in this Agreement, notices and other communications under this Agreement shall be in writing and shall be delivered, mailed by first-class mail, postage pre-paid or sent by facsimile or email, addressed, if to a Commitment Party, at the address set forth in Schedule 1 or at such other address as such Commitment Party shall have furnished to the Company in writing, or

(a) If to the Company at:

Colt Holding Company LLC
547 New Park Avenue
West Hartford, Connecticut 06110

Telephone: (860) 232-4489
Email: [●]

with a copy to

O'Melveny & Myers LLP
Times Square Tower
7 Times Square
New York, New York 10036
Attention: [●]
Telephone: (212) 326-2000
Facsimile: (212) 326-2061
Email:

(b) If to the Commitment Parties, at their respective addresses listed on Schedule 1 hereto.

or at such other address, or to the attention of such other officer, as the Company shall have furnished to each Commitment Party in writing. Each such notice, request or other communication shall be effective (i) if given by mail, 72 hours after such communication is deposited in the mails with first class postage prepaid, addressed as aforesaid, (ii) if sent by facsimile or email, when sent and receipt is telephonically confirmed or (iii) if given by any other means (including, without limitation, by air courier), when delivered at the address specified above.

11.3. **Assignments, Successors, and No Third-Party Rights.** No party may assign any of its rights under this Agreement, except as set forth in this Agreement. No assignment shall relieve any Commitment Party of its liability for the full performance of all of the terms, agreements, covenants and conditions of this Agreement. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties to this Agreement and their legal representatives, successors and permitted assigns.

11.4. **Severability.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

11.5. **Entire Agreement.** This Agreement supersedes all prior agreements between the Parties with respect to its subject matter, and constitutes (along with the documents referred to in this Agreement) a complete and exclusive statement of the terms of the agreement between the Parties with respect to its subject matter, and to the extent this Agreement is inconsistent with the obligations of the Commitment Parties in the Restructuring Support Agreement, this Agreement shall control, provided however, that the Company shall pay the

Reimbursable Professional Fees (as defined in the Restructuring Support Agreement), in accordance with the Restructuring Support Agreement.

11.6. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the Parties hereto.

11.7. **Governing Law.** This Agreement shall be construed and enforced in accordance with, and the rights of the Parties shall be governed by, the law of the State of New York, without giving effect to the conflicts of law principles thereof.

11.8. **Submission to Jurisdiction.** Each Party of this Agreement irrevocably consents and agrees that any legal action or proceeding with respect to this Agreement and any action for enforcement of any judgment in respect thereof will be brought, (i) if prior to the Effective Date, in the Bankruptcy Court and (ii) if on or after the Effective Date, in the courts of the State of New York, County of New York or, if it has or can acquire jurisdiction, the United States District Court for the Southern District of New York, and, by execution and delivery of this Agreement, each Party of this Agreement hereby submits to and accepts for itself and in respect of its property, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts and appellate courts from any appeal thereof. Each Party to this Agreement further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the delivery of copies thereof in the manner set forth in Section 11.2. Each Party to this Agreement 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 brought in the courts referred to 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. Nothing in this Section shall be deemed to constitute a submission to jurisdiction, consent or waiver with respect to any matter not specifically referred to herein.

11.9. **Waiver of Trial by Jury.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY MATTER ARISING HEREUNDER.

11.10. **Specific Performance.**. The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions without the necessity of posting a bond to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity. Unless otherwise expressly stated in this Agreement, no right or remedy described or provided in this Agreement is intended to be exclusive or to preclude a Party from pursuing other rights and remedies to the extent available under this Agreement, at law or in equity.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first written above.

COLT HOLDING COMPANY LLC

By: _____
Name: _____
Title: _____

[COMMITMENT PARTY] [(on behalf of one or more of its funds and/or managed accounts)]

By: _____
Name: _____
Title: _____

NAME OF NOMINEE (RECORD HOLDER OF NOTES)	NAME OF BENEFICIAL OWNER (FUND AND/OR MANAGED ACCOUNT)	ACCOUNT INFORMATION	AMOUNT OF RSA SENIOR NOTES	AMOUNT OF NON-CONSORTIUM MEMBER SENIOR NOTES

(ATTACH ADDITIONAL PAGES IF NECESSARY)

SCHEDULE 1

COMMITMENT PARTIES

NAME	ADDRESS

SCHEDULE 2

FIDELITY AND NEWPORT COMMITMENT

COMMITMENT PARTY	NEW CLASS A LLC UNITS	THIRD LIEN EXIT FACILITY	SENIOR EXIT FACILITY
FIDELITY			
NEWPORT			

SCHEDULE 3

LIST OF SUBSIDIARIES

NAME	JURISDICTION

SCHEDULE 4

LIST OF DIRECTORS AND OFFICERS

SCHEDULE 5

BACKSTOP COMMITMENT PERCENTAGES

NAME	BACKSTOP COMMITMENT PERCENTAGE

EXHIBIT A

DEFINITIONS

As used in this Agreement the following terms have the following respective meanings:

"Agreement" has the meaning set forth in the preamble hereto.

"Available Offering Amounts" means any Offering Units that any Commitment Party fails to purchase and any amount of the Senior Exit Facility which a Commitment Party fails to fund as a result of a Default by such Commitment Party.

"Backstop Commitment Percentage" means, with respect to a Participating Consortium Noteholder the percentages set forth on **Schedule 5** to this Agreement.

"Closing" has the meaning set forth in Section 4.1 of this Agreement.

"Closing Date" has the meaning set forth in Section 4.1 of this Agreement.

"Commitment Party Condition Precedent" has the meaning set forth in Section 9.1 of this Agreement.

"Commitment Party Notice" has the meaning set forth in Section 3.1 of this Agreement.

"Commitment Party Replacement" has the meaning set forth in Section 5.1(b) of this Agreement.

"Commitment Party Replacement Period" has the meaning set forth in Section 5.1(b) of this Agreement.

"Commitment Percentage" means, with respect to a Commitment Party, the percentage equal to (i) such Commitment Party's Commitment divided by (ii) the Commitments of all of the Commitment Parties (and, excluding, for the avoidance of doubt, an Eligible Holder's Eligible Holder Pro Rata Share).

"Company" has the meaning set forth in the preamble.

"Company Condition Precedent" has the meaning set forth in Section 9.2 of this Agreement.

"Confirmation Order" has the meaning set forth in Section 9.1(e) of this Agreement.

"Consent" means any approval, consent, ratification, waiver or other authorization.

"Contemplated Transactions" means all of the transactions contemplated by this Agreement, the other Transaction Agreements, the Plan and the Offering Term Sheet.

"Contract" means any agreement, contract, obligation, promise or undertaking that is legally binding.

"Default" means, with respect to any Commitment Party, (a) the failure by such Commitment Party to satisfy in full its Commitment Amount in accordance with the terms ofand conditions of this Agreement; or (b) the breach by such Commitment Party of any representation, warranty, covenant or other agreement made by such Commitment Party in this Agreement or any such representation and warranty shall have become inaccurate after the date of this Agreement, and such breach or inaccuracy is not cured by Commitment Party by the earlier of (A) the tenth (10th) Business Day after the giving of notice thereof to such Commitment Party by the Company and (B) the third (3rd) Business Day prior to the Outside Date.

"Defaulting Commitment Party" means with respect to any Default, at any time, the Commitment Party that caused such Default that is continuing at such time.

"Effective Date" means the first Business Day: (a) on which no stay of the Confirmation Order is in effect; and (b) on which all conditions set forth in the Plan and the Offering Term Sheet have been satisfied or have been waived.

"Encumbrance(s)" means any charge, claim, community property interest, condition, equitable interest, lien, option, pledge, security interest, right of first refusal or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership, except for any Permitted Lien.

"Fidelity/Newport Replacement" has the meaning set forth in Section 5.2(a) of this Agreement.

"Fidelity/Newport Replacement Period" has the meaning set forth in Section 5.2(a) of this Agreement.

"Legal Requirement(s)" means any federal, state, local, municipal, foreign, international, multinational or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute or treaty.

"Material Adverse Effect" means a material adverse effect on the ability of the Person to consummate the Contemplated Transactions.

"Offering Procedures" has the meaning set forth in the Preamble.

"Offering Term Sheet" means that certain term sheet attached as Exhibit C to the Plan, as may be amended, supplemented, or modified from time to time.

"Order" means any award, decision, injunction, judgment, order, ruling, subpoena or verdict entered, issued, made, or rendered by any court, administrative agency or other Governmental Entity or by any arbitrator.

"Organizational Documents" means (a) the articles or certificate of incorporation and the by-laws of a corporation; (b) the partnership agreement and any statement of partnership of a general partnership; (c) the limited partnership agreement and the certificate of limited partnership of a limited partnership; (d) the operating or limited liability company agreement and the certificate of formation of a limited liability company; (e) the operating or limited duration

company agreement and the certificate of formation of a limited duration company, (f) any charter, joint venture agreement or similar document adopted or filed in connection with the creation, formation or organization of a Person; and (g) any amendment to any of the foregoing.

"Outside Date" means January [16], 2015.

"Other Termination Event" means the occurrence of any of the following events:

(a) the issuance by any Governmental Authority, of any Order enjoining the consummation of or rendering illegal this Agreement, the Restructuring or the Plan, which ruling, judgment or order has not been not stayed, reversed or vacated within twenty (20) business days after such issuance;

(b) the date that the Chapter 11 Case for any of the Debtors shall have been converted to a case under chapter 7 of the Bankruptcy Code, or such cases shall have been dismissed by order of the Bankruptcy Court); or

(c) the date that an order is entered by the Bankruptcy Court or a Court of competent jurisdiction denying confirmation of the Plan for any of the Debtors or refusing to approve the Disclosure Statement, provided, that neither the Company nor the Commitment Parties shall have the right to terminate this Agreement pursuant to this clause (iii) if the Bankruptcy Court declines to approve the Disclosure Statement or denies confirmation of the Plan subject only to modifications to the Plan or Disclosure Statement that would not allow the affected Party or Parties to terminate this Agreement or otherwise have a material adverse effect on the recovery or treatment that such affected Party would receive as compared to the recovery they would have otherwise received pursuant to the Offering Term Sheet; or

(d) upon the expiration of the Commitment Party Replacement Period if a Commitment Party Replacement is not consummated within the applicable Commitment Party Replacement Period.

"Participating Consortium Noteholder Replacement" has the meaning set forth in Section 5.1(a) of this Agreement.

"Participating Consortium Noteholder Replacement Period" has the meaning set forth in Section 5.1(a) of this Agreement.

"Parties" or "Party" has the meaning set forth in the preamble hereto.

"Permitted Lien" means (a) liens for taxes and assessments or government charges or levies not at the time due or in respect of which the validity thereof shall currently be contested in good faith by appropriate proceedings conducted with due diligence; (b) liens in respect of carriers', warehousemen's, mechanics', laborers' and materialmen's and similar liens, if the obligations secured by such liens are not then delinquent or are being contested in good faith by appropriate proceedings conducted with due diligence; and (c) statutory liens incidental to the conduct of the business of the Company or any Subsidiary which were not incurred in connection with the borrowing of money or the obtaining of advances or credits and which do

not in the aggregate materially detract from the value of its property of materially impair the use thereof in the operation of its business.

"Proceeding" means any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, investigative or informal) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Entity or arbitrator.

"Related Purchaser" has the meaning set forth in Section 3.4 of this Agreement.

"Replacing Participating Consortium Noteholders" has the meaning set forth in Section 5.1(a) of this Agreement.

"Replacing Fidelity/Newport Party" has the meaning set forth in Section 5.2(a) of this Agreement.

"Replacing Commitment Parties" has the meaning set forth in Section 5.1(b) of this Agreement.

"Restructuring" has the meaning given to it in the Restructuring Support Agreement.

"Restructuring Term Sheet" means that certain term sheet attached as Exhibit A to the Restructuring Support Agreement, as may be amended, supplemented, or modified from time to time in accordance with the Restructuring Support Agreement and the Plan.

"RSA Creditor Parties" has the meaning ascribed to such term in the Restructuring Term Sheet."

"Sciens Group Replacement Period" has the meaning set forth in Section 5.3 of this Agreement.

"Subsidiary(ies)" means, with respect to any Person (the "Owner"), any corporation or other Person of which securities or other interests having the power to elect a majority of that corporation's or other Person's board of directors or similar governing body, or otherwise having the power to direct the business and policies of that corporation or other Person (other than securities or other interests having such power only upon the happening of a contingency that has not occurred), are held by the Owner or one or more of its Subsidiaries.

"Transaction Agreements" means this Agreement, the Registration Rights Agreement, the Third Lien Secured Credit Agreement, the Senior Secured Credit Agreement, the Term Loan Agreement, the Fourth Lien Indenture, the Reorganized Parent LLC Agreement and all other agreements contemplated by this Agreement and the Plan and the Offering Term Sheet.

Any of the above-defined terms may, unless the context otherwise requires, be used in the singular or plural depending on the reference.

Accounting Terms. As used in this Agreement, and in any certificate, report or other document made or delivered pursuant to this Agreement, accounting terms not defined in herein,

shall have the respective meanings given to them under Generally Accepted Accounting Principles.

EXHIBIT B

OFFERING PROCEDURES

[PREVIOUSLY FILED - SEE D.I. 721 EX. F]

EXHIBIT C

EQUITY COMMITMENT SUBSCRIPTION FORM

Commitment Party Notice and Equity Commitment Subscription Form

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Notice is hereby given to [NAME OF COMMITMENT PARTY] that, the Effective Date shall be [_____, 2015]. Pursuant to the Equity Commitment Agreement, the Commitment Parties have agreed to purchase, on a several and not joint basis, their applicable Commitments, for the applicable Commitment Amounts, set forth in the Equity Commitment Agreement and Offering Procedures.

The calculation of the Commitment Party's Commitment and its Commitment Amount are set forth on Exhibit A hereto.

Please complete pages 2-6 of this Equity Commitment Subscription Form and return the completed, signed and dated form to the Offering Agent no later than December 28, 2015.

Please deliver your Commitment Amount to the Escrow Account no later than December 28, 2015.

Name of Account: Computershare Inc. aaf Colt Holdings
Bank Account No.: 4426855314
Bank Name: Bank of America
Bank Location: New York, New York
Routing Number: 026009593
Special Instructions: Reference "Funding for Colt Offering"

[Remainder of Page Intentionally Left Blank]

I acknowledge that, by executing this Equity Commitment Subscription Form, the undersigned Commitment Party confirms the accuracy of the calculation of its Commitment and Commitment Amount set forth on Exhibit A and it agrees that it has committed to purchase such Commitment for an aggregate purchase price equal to the Commitment Amount for and that the undersigned Commitment Party may be liable to the Company to the extent of any nonpayment.

Date: _____

Undersigned Commitment Party: _____

Federal Tax I.D. No. (optional): _____

Signature: _____

Name of Person Signing: _____

Title: _____

Street Address: _____

City, State, Zip Code: _____

Country: _____

Telephone Number: _____

Fax: _____

E-Mail: _____

If you are a Participating Consortium Noteholder, and you are a lender under the DIP Senior Loan Facility, please indicate the amount of the DIP that you hold that you are electing to roll over into the Senior Exit Facility, if any.

$ _____

Please indicate on the lines provided below the name(s) of the Commitment Party and/or any Related Purchasers, as you would like it to be reflected on the Debtors' records for the New Class A LLC Units and the Third Lien Exit Facility and the Senior Exit Facility amounts issued to or funded by you pursuant to your Commitment.

NAME OF COMMITMENT PARTY OR RELATED PURCHASER	NUMBER OF NEW CLASS A LLC UNITS	AMOUNT OF SENIOR EXIT FACILITY	AMOUNT OF THIRD LIEN EXIT FACILITY

Related Purchaser Acknowledgement:

The undersigned agrees to hold the New Class A LLC Units, Third Lien Exit Facility, or Senior Exit Facility, as applicable, set forth next to the undersigned's name in this Equity Commitment Subscription Form, for which the Commitment Party has subscribed and directed to be issued in the name of the undersigned, upon their issuance at the Closing, subject to the terms and conditions of the Reorganized Parent LLC Agreement and the Registration Rights Agreement, the Senior Secured Credit Agreement or the Third Lien Credit Agreement, as applicable.

Date: _____

Name: _____

Federal Tax I.D. No. (optional): _____

Signature: _____

Name of Person Signing: _____

Title: _____

Street Address: _____

City, State, Zip Code: _____

Country: _____

Telephone Number: _____

Fax: _____

E-Mail: _____

SIGNATURE PAGE TO THIRD LIEN CREDIT AGREEMENT.

NOTE: IF YOU HAVE REQUESTED THAT THE PORTION OF THE THIRD LIEN EXIT FACILITY THAT YOU PURCHASED PURSUANT TO YOUR COMMITMENT BE RECORDED IN THE NAME OF ONE OR MORE RELATED PURCHASERS, YOU MUST DELIVER A SIGNATURE PAGE TO THE THIRD LIEN CREDIT AGREEMENT SIGNED BY SUCH RELATED PURCHASER.

_____,
as a Lender

By: _____
Name:
Title:

SIGNATURE PAGE TO SENIOR SECURED CREDIT AGREEMENT.

NOTE: IF YOU HAVE REQUESTED THAT THE PORTION OF THE SENIOR EXIT FACILITY THAT YOU PURCHASED PURSUANT TO YOUR COMMITMENT BE RECORDED IN THE NAME OF ONE OR MORE RELATED PURCHASERS, YOU MUST DELIVER A SIGNATURE PAGE TO THE SENIOR SECURED CREDIT AGREEMENT SIGNED BY SUCH RELATED PURCHASER.

_____,
as a Lender

By: _____
Name:
Title:

EXHIBIT R

COLT HOLDING COMPANY LLC

OFFERING MATERIALS
FOR THE OFFERING
IN CONNECTION WITH DEBTORS'
SECOND AMENDED JOINT PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

Reference is made to (i) the jointly administered chapter 11 bankruptcy cases, In re Colt Holding Company LLC, et al., case no. 15-11296 (LSS) (the "Chapter 11 Cases"), currently pending before the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") in which Colt Holding Company LLC (the "Company"), Colt Security LLC, Colt Defense LLC, Colt Finance Corp., New Colt Holding Corp., Colt's Manufacturing Company LLC, Colt Defense Technical Services LLC, Colt Canada Corporation, Colt International Coöperatief U.A., and CDH II Holdco Inc. are debtors (collectively, the "Debtors").

This summary (the "Offering Materials") highlights certain information relating to the Offering contemplated by the Debtors' Second Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code (as it may be further modified, amended or supplemented from time to time, the "Plan") filed with the Bankruptcy Court on November 10, 2015. To understand these Offering Materials fully, you should read the following documents carefully, as well as the information, risk factors and financial statements and information included or incorporated by reference therein and herein, as well as the attachments thereto and hereto:

1. The Plan;

2. The Offering Procedures attached hereto;

3. The Offering Disclosure attached hereto;

4. The Subscription Form Instructions attached hereto;

5. The Reorganized Parent LLC Agreement attached hereto;

6. The Registration Rights Agreement attached hereto;

7. The Senior Secured Credit Agreement attached hereto;

8. The Third Lien Credit Agreement attached hereto; and

9. The Fourth Lien Indenture attached hereto.

All investors in the Offering are advised to consult their own tax advisors regarding the federal, state, local and foreign tax consequences of the purchase, ownership or conversion, as the case may be, and disposition of the shares of the New Class A LLC Units and the ownership and disposition of the indebtedness of the Senior Exit Facility and the Third Lien Exit Facility in their particular situations. All capitalized terms used but not defined herein shall have the meanings given to them in the Offering Procedures.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information contained in the Offering Materials and the information included or incorporated by reference herein contains "forward-looking statements." Any statements about the Debtors' expectations, beliefs, plans, objectives, assumptions or future events or the Debtors' future financial performance and/or operating performance are not statements of historical fact and reflect only the Debtors' current expectations regarding these matters. These statements are often, but not always, made through the use of words such as "may," "will," "expect," "anticipate," "believe," "intend," "predict," "potential," "estimate," "plan" or variations of these words or similar expressions. These statements inherently involve a wide range of known and unknown uncertainties. The Debtors' actual actions and results may differ materially from what is expressed or implied by these statements or due to a variety of factors. These factors include those discussed below as well as inaccurate assumptions. Because these forward-looking statements involve risks and uncertainties, you should be aware that there are important factors that could cause the Debtors' actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by these forward-looking statements including, but not limited to:

- the Debtors' ability to consummate the Offering and effect the Plan;
- the Debtors' ability to continue as a going concern;
- the Debtors' ability to obtain significant capital investment;
- the Debtors' dependence on sales to the U.S. government and the Canadian government;
- changes to U.S. government and Canadian government spending priorities;
- the Debtors' continued eligibility to contract with the U.S. government and the Canadian government;
- the selection by the U.S. military of other arms manufacturers to manufacture the M4 carbine or any successor weapons;
- the Debtors' inability to compete successfully for contracts that are the subject of competitive solicitations;
- the loss of any of Debtors' top international customers;
- the potential for a strike, other work stoppages or labor unrest at Debtors' manufacturing facilities;
- Debtors' ability to comply with complex procurement laws and regulations;
- Debtors' ability to implement effective business plans in the industries in which they operate;

- Debtors' ability to adapt to technological change;
- Debtors' ability to compete in the industries in which they operate;
- the potential for Debtors' backlog to be reduced or cancelled;
- the risks of doing business internationally, including conditions that may cause customers to delay placing orders;
- Debtors' ability to implement its acquisition strategy and integrate its acquired companies successfully;
- the availability and timely delivery of materials to the Debtors by its suppliers;
- the Debtors' ability to manage costs under its fixed-price contracts effectively;
- the Debtors' ability to attract and retain qualified personnel;
- the ability to protect the Debtors' intellectual property rights;
- the Debtors' ability to maintain and extend the lease governing its facility in West Hartford, Connecticut;
- fluctuations in workers' compensation and health care costs for the Debtors' employees;
- the Debtors' ability to comply with environmental, health and safety laws and regulations;
- new federal or state laws and regulations that may restrict the Debtors' ability to sell its products;
- the Debtors' ability to maintain and upgrade our manufacturing capabilities to stay competitive;
- the Debtors' ability to comply with covenants under its debt agreements; and
- the potential for a fire or other significant casualty to occur at either of the Debtors' manufacturing facilities.

The forward-looking statements in the Offering Materials and the information included or incorporated by reference herein, as well as subsequent written and oral forward-looking statements attributable to the Debtors or persons acting on the Debtors' behalf apply only as of the date of such document and are hereby expressly qualified in their entirety by the above cautionary statements. Forward-looking statements speak only as of the date on which they are made and the Debtors undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

RISK FACTORS

Participation in the Offering involves a high degree of risk. You should carefully consider the risks described below as well as the other information contained in, or incorporated by reference into, the Offering Materials, including the certain factors to be considered discussed in Section 7 of the Disclosure Statement, before deciding whether to participate in the Offering. These risks and other factors may affect forward-looking statements, including those we make in the Offering Materials. The risks and uncertainties described below are not the only ones related to the Debtors' business, the New Class A LLC Units, the Third Lien Exit Facility or the Senior Exit Facility or the Offering. Any of the following risks could materially and adversely affect the Debtors' business, financial condition or results of operations. Additional risks and uncertainties not presently known to the Debtors or that the Debtors currently deem immaterial may also materially and adversely affect the Debtors' business operations, results of operations, financial condition or prospects. If any of the following risks and uncertainties develop into actual events, it could affect our ability to pay interest on the Third Lien Exit Facility, the Senior Exit Facility or to repay the principal when due. In such cases, you may lose all or part of your investment.

Certain Risks Relating to the New Class A LLC Units

Holders of New Class A LLC Units will be subject to transfer restrictions.

No transfers of New Class A LLC Units may be made (i) to any competitor of the Reorganized Parent or its affiliates or (ii) if it would result in the Reorganized Parent's being required to become a public filer under applicable securities laws. In addition, certain holders of New Class A LLC Units will have a right of first refusal over transfers of New Class A LLC Units which may deter prospective holders from acquiring such units. See Section V.C.5.a to the Disclosure Statement (*New Class A LLC Units*) for a description of the right of first refusal of holders of New Class A LLC Units.

It is unlikely that the New Class A LLC Units will be registered pursuant to the Securities Act of 1933 or listed on any securities exchange, and the ability to transfer the New Class A LLC Units may be limited by the absence of an active trading market.

It is unlikely that the New Class A LLC Units will be registered pursuant to the Securities Act of 1933 or listed on any securities exchange. Holders of a majority of the registrable securities, including the New Class A LLC Units, may cause the Reorganized Parent to commence an initial public offering in the event that the Reorganized Parent has not commenced an initial public offering on or before the fifth (5th) anniversary of the Effective Date. However, the Debtors cannot predict whether the securities exchange will approve such securities for listing or when any such listing will occur if ever.

There is no established trading market for the New Class A LLC Units and an active trading market for the New Class A LLC Units may not be developed or maintained in the future. Future trading prices of the New Class A LLC Units will depend on many factors, including, among other things, prevailing interest rates, the Debtors' operating results and the market for similar securities. If an active trading market for the New Class A LLC Units does develop, the trading market may not be liquid. The liquidity of any market for the New Class A LLC Units will

depend on various factors, including the restrictions on transfers and other encumbrances described in the Disclosure Statement, the number of holders of the securities and the interest of security dealers in making a market for the New Class A LLC Units. If an active trading market is not developed and maintained or such trading market is not liquid, holders of the New Class A LLC Units may be unable to sell their units at their fair market value or at all.

In addition, no transfer of any units of the New Class A LLC Units shall be made to any competitor of the Reorganized Parent or its affiliates or shall be permitted if it would result in the Reorganized Parent being required to become a public filer under applicable securities laws. See "—Holders of New Class A LLC will be subject to transfer restrictions."

Holders of New Class A LLC Units may be subject to drag-along rights.

Pursuant to the Reorganized Parent LLC Agreement, holders of more than an aggregate of 50% in voting power of the Reorganized Parent will have the right to drag-along the other holders of New Class A LLC Units and New Class B LLC Units in any sale transaction to a third party who is not an affiliate and all other holders of New Class A LLC Units and New Class B LLC Units will be required to, subject to certain exceptions, consent to, and raise no objection against, such sale and take all actions reasonably requested in order to consummate such sale. As a result, a holder of less than 50% in voting power of the Reorganized Parent may be required to consent to and participate in a sale of its units even though it objects to such sale.

The Reorganized Parent is under no obligation to make any distribution.

The Reorganized Parent is under no obligation to make any distribution on its equity securities. Any future determination relating to the Reorganized Parent's payment of dividends or other distributions will be made by its Board of Directors and will depend on a number of factors, including the Debtors' financial condition and results of operation, capital levels and needs, statutory and regulatory prohibitions and contractual obligations, general economic conditions and other factors deemed relevant by the Board of Directors. The Reorganized Parent is not obligated to, and may not make, future distributions on the units and, consequently, the holder's only ability to recognize a return on its investment may be through the sale of the units. Holders of the New Class A LLC Units may not realize a return on the value of the New Class A LLC Units unless the trading price of the New Class A LLC Units appreciates, which the Debtors cannot assure.

The Debtors' operations may not be profitable after the Effective Date, which could have an adverse impact on the value of the New Class A LLC Units.

The Debtors' operating performance may be affected by, among other things, government contracts, demand for MSRs and other handgun models of the Debtors, and strategic market positioning. Any one of these factors, and the risks and other factors described in Section VII.C to the Disclosure Statement (*Risks Associated with the Debtors' Businesses*) could have a material adverse impact on the Debtors' business, financial condition, cash flows and results of operations, which could have an adverse impact on the value of the New Class A LLC Units. Many of the above-referenced factors and risks may be affected by circumstances outside the Debtors' control.

The Financial Projections included in the Disclosure Statement and other assumed results represent management's current view of the Debtors' future operations based on currently known facts and various hypothetical assumptions. The Financial Projections and other assumed results may not, however, be representative of the Debtors' future financial performance. The Debtors may not be able to meet the Financial Projections or other results that the Debtors have assumed in projecting their future business prospects. If the Debtors do not achieve the Financial Projections or other assumed results, the Debtors may lack sufficient liquidity to continue operating and meeting its obligations as planned after the Effective Date. See "—Holders of New Class A LLC Units may not be able to recover in future cases of bankruptcy, liquidation, insolvency, or reorganization."

Future issuances of New Class A LLC Units and New Class B LLC Units may cause holders to incur substantial dilution, and only NPA and holders that are "accredited investors" and holding more than 1% of the voting power of the Reorganized Parent will have preemptive rights.

New Class A LLC Units and New Class B LLC Units are subject to dilution as a result of the issuance of new equity securities after the effectiveness of the Plan. In addition, as part of the Plan, the Reorganized Parent intends to adopt the New Management Incentive Plan to be effective following the Effective Date, which provides for up to 10% of New Class A LLC Units to be issued to the management of the Reorganized Parent and the Debtors. Following the occurrence of a Liquidity Event, New Class A LLC Units will be automatically converted into New Class B LLC Units with the conversion ratio reflecting the Participation Ratio (as adjusted pursuant to the terms set forth in the Offering Term Sheet), and New Class B LLC Units will be diluted by such conversions of New Class A LLC Units. See Section V.C.5.a to the Disclosure Statement (*New Class A LLC Units*) for a description of the conversion provisions of New Class A LLC Units to New Class B LLC Units, Section V.C.5.a to the Disclosure Statement (*New Class B LLC Units*) for a description of the New Class B LLC Units and Section VII.E to the Disclosure Statement (*Certain Risks Relating to the New Class B LLC Units Issued Under the Plan*) for a description of certain risks relating to the New Class B LLC Units. Only NPA and holders that are "accredited investors" and holding 1% or more of the voting power of the Reorganized Parent will be granted preemptive rights, subject to customary exclusions (such as the issuance of the management incentive awards and the conversion of the New Class A LLC Units).

The price of New Class A LLC Units may be volatile, which could cause investors to incur trading losses and lose all or a portion of their investments.

To the extent a public market for New Class A LLC Units develops following the consummation of the Plan, the market price of New Class A LLC Units may decline below the consideration paid by investors in the Offering, which could result in trading losses or the loss of all or a portion of your investment in New Class A LLC Units. Some companies that have had volatile market prices for their securities have been subject to securities class action suits filed against them. If a suit were to be filed against the Reorganized Parent or any of its subsidiaries, regardless of the outcome, it could result in substantial costs and a diversion of management's attention and resources.

The Reorganized Parent will be a holding company and its obligations are, or will be, structurally subordinated to existing and future liabilities and preferred stock of its subsidiaries.

The Reorganized Parent's principal assets consist of the shares of capital stock or other equity instruments of its subsidiaries and, accordingly, its cash flows and ability to meet its obligations are (or will be) largely dependent upon the earnings of its subsidiaries and the payment of such earnings to the Reorganized Parent in the form of dividends, distributions, loans, or otherwise, and repayment of loans or advances from the Reorganized Parent. These subsidiaries are (or will be) separate and distinct legal entities and have (or will have) no obligation (other than any existing contractual obligations, which may be suspended or altered in the Chapter 11 Cases) to provide the Reorganized Parent with funds for its payment obligations, including the payment of dividends to holders of equity securities of the Reorganized Parent. Any decision by a subsidiary to provide the Reorganized Parent, as its direct or indirect parent, as applicable, with funds for its payment obligations, whether by dividends, distributions, loans, or otherwise, will depend on, among other things, the subsidiary's results of operations, financial condition, cash requirements, contractual restrictions, and other factors. In addition, a subsidiary's ability to pay dividends may be limited by covenants in its existing and future debt agreements, applicable law and the Chapter 11 Cases. Because the Reorganized Parent is a holding company, its obligations to its creditors and its security holders are (or will be) structurally subordinated to all existing and future liabilities and existing and future preferred stock of its subsidiaries that do not guarantee such obligations. Therefore, with respect to subsidiaries which do not guarantee the Reorganized Parent's obligations, the Reorganized Parent's rights and the rights of its creditors and its equity security holders to participate in the assets of any subsidiary in the event that such a subsidiary is liquidated or reorganized are subject to the prior claims of such subsidiary's creditors and holders of such subsidiary's preferred stock. To the extent the Reorganized Parent may be a creditor with recognized claims against any of its subsidiaries, the Reorganized Parent's claims would still be subject to the prior claims of such subsidiary's creditors to the extent that they are secured or senior to those held by the Reorganized Parent. Further, the rights of holders of the equity securities of the Reorganized Parent, including holders of New Class A LLC Units, are structurally subordinated to the rights of the Reorganized Parent's creditors. See "The Debtors have a substantial amount of indebtedness, which could have a material adverse effect on their financial health and their ability to obtain financing in the future and to react to changes in their business" under Section VII.C to the Disclosure Statement (*Risks Associated with the Debtors' Business*).

Holders of New Class A LLC Units may not be able to recover in future cases of bankruptcy, liquidation, insolvency, or reorganization.

The rights of each holder of New Class A LLC Units will be subordinated to all liabilities of the Reorganized Parent's subsidiaries and any creditors of the Reorganized Parent. Therefore, the assets of the subsidiaries of the Reorganized Parent or the Reorganized Parent would not be available for distribution to any holder of New Class A LLC Units in any bankruptcy, liquidation, insolvency, or reorganization of the Reorganized Parent unless and until all indebtedness of the Reorganized Parent and its subsidiaries has been paid, obligations of holders of preferred stock of the Reorganized Parent's subsidiaries have been satisfied. The remaining

assets of the Reorganized Parent and its subsidiaries may not be sufficient to satisfy the outstanding claims of its equity holders, including the holders of New Class A LLC Units.

The Reorganized Parent will be exempt from the corporate governance requirements of the national securities exchanges.

Because the Reorganized Parent is not a "listed issuer" as defined under Section 10A-3 of the Securities Exchange Act of 1934, as amended, and it will not be one until its equity securities are listed on a national security exchange, among other actions, it is not required to maintain a board consisting of a majority of independent directors. Upon the effectiveness of the Plan, the Reorganized Parent's Board of Directors will initially consist of seven (7) members—the Chief Executive Officer of the Reorganized Debtors, two directors designated by Fidelity/Newport, two independent directors, and two directors designated by the Sciens Group. As a result, the independent directors do not have as much influence over the Reorganized Parent's corporate policy as they would if the independent directors comprised a majority of the Reorganized Parent's Board of Directors. Further, subject to certain exceptions, the Participating Consortium Holders will have the right to designate one of the independent directors and Fidelity/Newport and the Sciens Group will collectively have the right to designate the other independent director. The Reorganized Parent is also not required to maintain an audit committee, nominating committee, or compensation committee consisting solely of independent directors because it is not a "listed issuer." The Reorganized Parent does not have a standing audit committee, nominating committee, or compensation committee. Therefore, holders of New Class A LLC Units will not have the protection afforded to equity holders of listed issuers with respect to the selection of director nominees because the Reorganized Parent's director nominees do not have to be selected or recommended by a majority of the independent directors or a nomination committee comprised solely of independent directors. Additionally, holders of New Class A LLC Units will not be afforded the protection of oversight of the Reorganized Parent's executive officers' compensation by independent directors that they would otherwise receive if the Reorganized Parent were a listed issuer.

A separate vote by only holders of New Class B LLC Units will be required for certain matters disproportionately and adversely affecting the New Class B LLC Units.

Holders of the New Class A LLC Units and holders of the New Class B LLC Units vote generally together as a single class. Holders of the New Class A LLC Units are entitled to 100 votes per one New Class A LLC Unit and holders of the New Class B LLC Units are entitled to one vote per one New Class B LLC Unit. However, a separate vote by only holders of New Class B LLC Units will be required for certain matters disproportionately and adversely affecting the New Class B LLC Units, including future disproportionate issuance of New Class B LLC Units other than in connection with certain conversions of New Class A LLC Units to New Class B LLC Units. In such circumstances, irrespective of the voting power held by holders of the New Class A LLC Units, holders of New Class B LLC Units will be able to control the Reorganized Parent's actions.

The Reorganized Debtors will no longer be required to file periodic and other reports with the SEC and their financial information will not be available to all holders of New Class A LLC Units, if at all.

The current indenture governing the Senior Notes requires the Debtors to file with the SEC on a voluntary basis all quarterly and annual financial information and current reports that would be required to be filed with the SEC on Forms 10-Q, 10-K and 8-K if the Debtors were required to file such reports. None of the agreements governing the Debtors' other securities require them to file information with the SEC. Upon the effectiveness of the Plan, the Reorganized Debtors will no longer be required to file these reports with the SEC. Instead, the Reorganized Debtors will only provide annual and quarterly financial statements and an annual budget to, and conduct quarterly management calls for, creditors under the Senior Loan Exit Facility, the Third Lien Exit Facility, holders of more than 3% of the voting power of the Reorganized Parent, and holders of more than 1% of the voting power of the Reorganized Parent that are Backstop Parties, while other holders of the Reorganized Parent's securities, including holders of the New Class A LLC Units, who are not creditors under the Senior Loan Exit Facility, the Third Lien Exit Facility, holders of more than 3% of the voting power of the Reorganized Parent, or holders of more than 1% of the voting power of the Reorganized Parent that are Backstop Parties will not be provided such information. As a result, only certain holders of New Class A LLC Units will receive such information and such information will be less than the information the Debtors currently file with the SEC and some holders of New Class A LLC Units will not receive any information regarding the Reorganized Parent or its subsidiaries. Consequently, at the time a holder the New Class A LLC Units chooses to sell its units, it may not have current information regarding the Reorganized Parent's or its subsidiaries' results of operations or financial condition.

Certain Risks Relating to the Senior Loan Exit Facility and the Third Lien Exit Facility

The Debtors may not be able to generate sufficient cash to service all of their indebtedness and may be forced to take other actions to satisfy their obligations under their outstanding debt instruments, which may not be successful.

The Debtors' ability to make scheduled payments on or refinance their debt obligations, including the Senior Loan Exit Facility and the Third Lien Exit Facility, depends on the Debtors' financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond the Debtors' control. The Debtors may be unable to maintain a level of cash flows from operating activities sufficient to permit them to pay the principal, premium, if any, and interest on their indebtedness, including the Senior Loan Exit Facility and the Third Lien Exit Facility. The Debtors' inability to generate sufficient cash flows to satisfy their debt obligations, or to refinance their indebtedness on commercially reasonable terms or at all, would materially and adversely affect their financial position and results of operations. The Debtors could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance their indebtedness. In addition, the terms of the Debtors' existing or future debt agreements may restrict the Debtors from adopting some of these alternatives. If the Debtors cannot make scheduled payments on their debt, the

Debtors will be in default and the lenders under the Senior Loan Exit Facility, Term Loan Exit Facility, and the Third Lien Exit Facility or holders of the Fourth Lien Notes, subject to the Exit Intercreditor Agreements, could declare all outstanding principal and interest to be due and payable and foreclose against the assets securing their borrowings, and the lenders under the Senior Loan Exit Facility, Term Loan Exit Facility, and the Third Lien Exit Facility could terminate their commitments, and the Debtors could be forced into a future case of bankruptcy or liquidation.

Despite the expected level of the Debtors' indebtedness following the effectiveness of the Plan, the Debtors may still incur substantially more debt subsequent to the effectiveness of the Plan. This could further exacerbate the risks to the Debtors' financial condition described above.

The Debtors may incur significant additional indebtedness in the future. Although the Exit Credit Agreements and the Debtors' other debt agreements will contain restrictions on the incurrence of additional indebtedness, these restrictions will be subject to a number of qualifications and exceptions and, under certain circumstances, the additional indebtedness incurred in compliance with these restrictions could be substantial. If the Debtors incur any additional indebtedness that ranks equally with the Senior Loan Exit Facility or the Third Lien Exit Facility, respectively, subject to collateral arrangements, the holders of that debt will be entitled to share ratably with holders of the Senior Loan Exit Facility or the Third Lien Exit Facility, respectively, in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding up of the Debtors. This could reduce the amount of proceeds paid to holders of the Senior Loan Exit Facility or the Third Lien Exit Facility, respectively. These restrictions also will not prevent the Debtors from incurring obligations that do not constitute indebtedness. If new debt is added to the Debtors' current debt levels, the related risks that the Debtors now face could intensify.

Failure to comply with covenants in the Senior Loan Exit Facility, the Term Loan Exit Facility, the Third Lien Exit Facility, the Fourth Lien Notes Indenture, the Debtors' other debt agreements or in any future financing agreements could result in cross-defaults, which cross-defaults could jeopardize the Debtors' ability to satisfy their obligations under the notes.

Various risks, uncertainties and events beyond the Debtors control could affect their ability to comply with the covenants, financial tests and ratios that will be required by the Senior Loan Exit Facility, the Term Loan Exit Facility, the Third Lien Exit Facility, the Fourth Lien Notes Indenture, the Debtors' other debt agreements or in any future financing agreements the Debtors may enter into. Failure to comply with any of the covenants in such agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default may permit lenders under the Senior Loan Exit Facility, the Term Loan Exit Facility, and the Third Lien Exit Facility to cease to make further extensions of credit, and, subject to the Exit Intercreditor Agreements, may allow holders of the Debtors' debt to accelerate the maturity of the debt under these agreements and foreclose upon any collateral securing that debt. Under these circumstances, the Debtors may not have sufficient funds or other resources to satisfy all of the Debtors' obligations, including the Debtors' ability to repay the Senior Loan Exit Facility, the Term Loan Exit Facility or the Third Lien Exit Facility,

their other indebtedness or their obligations under the Fourth Lien Notes. In addition, limitations imposed by any future financing agreements on the Debtors' ability to incur additional debt and to take other actions could significantly impair the Debtors' ability to obtain other financing.

Under the Third Lien Exit Facility, interest accrues on a paid in kind interest basis.

For the first two years of the term of the Third Lien Exit Facility, the interest obligations on the Third Lien Exit Facility will be paid in the form of additional principal of the Third Lien Exit Facility. The payment of interest through an increase in the principal amount of the outstanding amount under the Third Lien Exit Facility would increase the amount of Reorganized Debtors' indebtedness and would increase the risks associated with Reorganized Debtors' level of indebtedness.

The rights of holders of Senior Exit Facility and holders of the Third Lien Exit Facility to the collateral will be governed, and materially limited, by the Exit Intercreditor Agreements.

The rights of holders of Senior Exit Facility and holders of the Third Lien Exit Facility to the collateral will be governed, and materially limited, by the Exit Intercreditor Agreements that the Debtors intend to enter into with the collateral trustee under the Exit Facilities. Pursuant to the terms of the Exit Intercreditor Agreements, the holders of indebtedness under the Senior Exit Facility and any other future indebtedness sharing priority with the Senior Exit Facility are secured on a first-priority basis other than with respect to the Term Loan Priority Collateral. The holders of the Exit Term Loan Facility will control substantially all matters related to the Term Loan Priority Collateral. Pursuant to the terms of the Exit Intercreditor Agreements, the holders of indebtedness under the Third Lien Exit Facility and any other future indebtedness sharing priority with the Third Lien Exit Facility are secured on a third-priority basis. Holders of indebtedness of the Senior Exit Facility and the Exit Term Loan Facility and any other future indebtedness sharing priority with the those two facilities, which are secured on a first through second-priority basis, will control substantially all matters related to the collateral. Under the Exit Intercreditor Agreements, at any time that the indebtedness secured on a first-priority basis remains outstanding, any actions that may be taken in respect of the collateral (including the ability to commence enforcement proceedings against the collateral and to control the conduct of such proceedings) will be at the direction of the holders of such indebtedness. Under the Exit Intercreditor Agreements, to the extent no indebtedness secured on a first-priority basis remains outstanding, at any time that the indebtedness secured on the next priority basis remains outstanding, any actions that may be taken in respect of the collateral (including the ability to commence enforcement proceedings against the collateral and to control the conduct of such proceedings) will be at the direction of the holders of such indebtedness. Under such circumstances, the trustee and the collateral agent on behalf of the holders of the indebtedness under the Senior Exit Facility, with respect to the Term Loan Priority Collateral, and under the Third Lien Exit Facility, with respect to the collateral secured on a first and second priority basis, will not have the ability to control or direct such actions, even if the rights of the holders of the indebtedness under the Senior Exit Facility or the Third Lien Exit Facility are adversely affected.

Furthermore, with respect to the Senior Exit Facility, because the lenders under the Exit Term Loan Facility control the disposition of the Term Loan Priority Collateral, which secure the Senior

Exit Facility on a second-priority basis and, with respect to the Third Lien Exit Facility, because the lenders under the Senior Exit Facility and the Exit Term Loan Facility control the disposition of the collateral securing such facilities and the Third Lien Exit Facility, if there were an event of default under the Senior Exit Facility, the lenders under the Exit Term Loan Facility could decide not to proceed against the Term Loan Priority Collateral regardless of whether or not there is a default under the Exit Term Loan Facility or if there was an event of default under the Third Lien Exit Facility, the lenders under the Senior Exit Facility and the Exit Term Loan Facility could decide not to proceed against the collateral, regardless of whether or not there is a default under the Senior Exit Facility or the Exit Term Loan Facility.

The rights of holders of the indebtedness of the Senior Exit Facility and the Third Lien Exit Facility to the collateral securing the respective facilities may be adversely affected by the failure to perfect security interests in the collateral and other issues generally associated with the realization of security interests in collateral.

Applicable law requires that a security interest in certain tangible and intangible assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party. The liens in the collateral securing the Senior Exit Facility or the Third Lien Exit Facility, as applicable, may not be perfected with respect to the claims of the Senior Exit Facility or the Third Lien Exit Facility if the collateral agents are not able to take the actions necessary to perfect any of these liens on or prior to the date of the funding of the Senior Exit Facility or the Third Lien Exit Facility, as applicable. In addition, applicable law requires that certain property and rights acquired after the grant of a general security interest, such as real property, can only be perfected at the time such property and rights are acquired and identified and additional steps to perfect in such property and rights are taken. The Debtors will have limited obligations to perfect the security interest of the holders of indebtedness under the Senior Exit Facility or the Third Lien Exit Facility in specified collateral. There can be no assurance that the trustee or the collateral agent for either the Senior Exit Facility or the Third Lien Exit Facility will monitor, or that the Debtors will inform such trustee or collateral agent of, the future acquisition of property and rights that constitute collateral, and that the necessary action will be taken to properly perfect the security interest in such after-acquired collateral. The collateral agents for the Senior Exit Facility and the Third Lien Exit Facility have no obligation to monitor the acquisition of additional property or rights that constitute collateral or the perfection of any security interest. Such failure may result in the loss of the security interest in the collateral or the priority of the security interest in favor of the Senior Exit Facility or the Third Lien Exit Facility, as applicable, against third parties.

In addition, the security interests of the collateral agents for the Senior Exit Facility and the Third Lien Exit Facility will be subject to practical challenges generally associated with the realization of security interests in collateral. For example, the collateral agents may need to obtain the consent of third parties and make additional filings. If the Debtors are unable to obtain these consents or make these filings, the security interests may be invalid and the holders will not be entitled to the collateral or any recovery with respect thereto. The Debtors cannot assure you that the collateral agents will be able to obtain any such consent.

Certain collateral securing the Senior Exit Facility and/or the Third Lien Exit Facility may not be in place at the time of the consummation of the facilities, and any unresolved issues in connection with the pledging of such collateral may impact the value of the collateral.

Certain collateral intended to secure the Senior Exit Facility and/or the Third Lien Exit Facility may not be in place on the date the respective facilities are issued. If the Debtors are unable to execute any mortgages or security agreements to put such collateral in place, the overall value of the collateral securing the Senior Exit Facility and the Third Lien Exit Facility will be reduced. Delivery of mortgages and other security documents after the consummation of the Senior Exit Facility and the Third Lien Exit Facility increases the risk that the liens on such collateral in favor of the trustees under the Senior Exit Facility and the Third Lien Exit Facility and the holders of the indebtedness under such facilities could be avoidable in bankruptcy.

Remedies available to the collateral agents under the Senior Exit Facility or the Third Lien Exit Facility may be limited by state law.

Several states have laws that prohibit more than one "judicial action" or "one form of action" to enforce a mortgage obligation, and some courts have construed the term "judicial action" broadly. In addition, the collateral agents under the Exit Facilities and the Fourth Lien Notes may be required to foreclose first on real property located in states where such "one action" rules apply (and where non-judicial foreclosure is permitted) before foreclosing on properties located in states where judicial foreclosure is the only permitted method of foreclosure. As a result of the foregoing considerations, among others, the ability of the collateral agents to realize upon the mortgages may be limited by the application of state laws.

In the event of the Debtors' bankruptcy following the effectiveness of the Plan, the ability of the holders of the indebtedness of the Senior Exit Facility and the Third Lien Exit Facility to realize upon the collateral will be subject to certain bankruptcy law limitations and limitations under the Exit Intercreditor Agreements.

The ability of holders of the Senior Exit Facility and the Third Lien Exit Facility to realize upon the collateral securing their respective facilities will be subject to certain bankruptcy law limitations in the event of the Debtors' bankruptcy following the effectiveness of the Plan. Under federal bankruptcy law, secured creditors are prohibited from repossessing their security from a debtor in a bankruptcy case, or from disposing of security repossessed from such a debtor, without bankruptcy court approval, which may not be given. Moreover, applicable federal bankruptcy laws generally permit the debtor to continue to use and expend collateral, including cash collateral, and to provide liens senior to the collateral agents for the Senior Exit Facility liens and the Third Lien Exit Facility liens to secure indebtedness incurred after the commencement of a bankruptcy case, provided that the secured creditor either consents or is given "adequate protection." "Adequate protection" could include cash payments or the granting of additional security, if and at such times as the presiding court in its discretion determines, for any diminution in the value of the collateral as a result of the stay of repossession or disposition of the collateral during the pendency of the bankruptcy case, the use of collateral (including cash collateral) and the incurrence of such senior indebtedness.

The value of the collateral securing the Debtors' secured indebtedness, including the Senior Exit Facility and the Third Lien Exit Facility, may not be sufficient to entitle holders to payment of post-petition interest.

In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding against the Debtors following the effectiveness of the Plan, holders of the indebtedness of the Senior Exit Facility and the Third Lien Exit Facility may not be entitled to post-petition interest under the U.S. Bankruptcy Code. The Exit Intercreditor Agreements will require that any proceeds from the collateral securing the facilities secured on a higher priority basis than the Senior Exit Facility and the Third Lien Exit Facility, as applicable, be applied first to obligations owed to lenders under such facilities that are secured on a higher priority basis and any debtor-in-possession financing until they have been discharged in full. After those obligations have been paid in full, such proceeds can be distributed to holders of the indebtedness of the Senior Exit Facility and the Third Lien Exit Facility and holders of indebtedness that is *pari passu* with the Senior Exit Facility and the Third Lien Exit Facility.

Accordingly, holders of the Senior Exit Facility and the Third Lien Exit Facility will be entitled to post-petition interest under the U.S. Bankruptcy Code only if and to the extent that the value of the collateral securing the Senior Exit Facility and the Third Lien Exit Facility, respectively, and any other indebtedness that is secured by equal and ratable liens on such collateral is greater than the aggregate pre-bankruptcy claims of such secured parties plus the claims of the lenders under the Debtors' debt agreements that are secured on a higher priority basis than the Senior Exit Facility and the Third Lien Exit Facility, respectively, and any debtor-in-possession financing y. Holders of the indebtedness of the Senior Exit Facility and the Third Lien Exit Facility will be entitled to post-petition interest under the U.S. Bankruptcy Code only if and to the extent that the value of the collateral securing such indebtedness and any other indebtedness that is secured by equal and ratable liens on such collateral is greater than the aggregate pre-bankruptcy claims of such secured parties plus the claims of the lenders under the Debtors' debt agreements that are secured on a higher priority basis than the Senior Exit Facility and the Third Lien Exit Facility, respectively, other indebtedness that is *pari passu* with such facilities that are secured on a higher priority basis, and any debtor-in-possession financing.

In addition, holders of the indebtedness of the Senior Exit Facility and the Third Lien Exit Facility may be deemed to have unsecured claims if the Debtors' obligations in respect of the Senior Exit Facility and the Third Lien Exit Facility, as applicable, exceed the value of the shared collateral as determined under the Bankruptcy Code after satisfaction of the Debtors' indebtedness in order of priority.

If any payments of post-petition interest were made at the time of such a finding of undercollateralization, such payments could be re-characterized by the bankruptcy court as a reduction of the principal amount of the secured claim with respect to the Senior Exit Facility or the Third Lien Exit Facility, as applicable, (or could result in disgorgement). No appraisals of the collateral have been prepared and the value of the interest of the collateral trustees under the Senior Exit Facility or the Third Lien Exit Facility in the collateral may not equal or exceed the principal amount of the total indebtedness secured by such shared collateral. The Debtors cannot assure you that there will be sufficient collateral to satisfy the Debtors' obligations under the

Senior Exit Facility or the Third Lien Exit Facility (or that post-petition interest will accrue on such claims).

The collateral securing the Senior Exit Facility liens and/or the Third Lien Exit Facility liens may be diluted under certain circumstances.

The collateral that will secure the Senior Exit Facility liens and/or the Third Lien Exit Facility liens also secures the Debtors' obligations under the Exit Term Loan Facility and the Fourth Lien Notes. This collateral may secure additional senior indebtedness that the Debtors incur in the future, subject to restrictions on their ability to incur debt and liens under the Exit Facilities and the Fourth Lien Notes. Your rights to the collateral would be diluted by any increase in the indebtedness secured by this collateral.

Holders of indebtedness of the Senior Exit Facility and the Third Lien Exit Facility may not be able to recover in future cases of bankruptcy, liquidation, insolvency, or reorganization.

The Senior Exit Facility and the Third Lien Exit Facility will be junior in priority to certain of the Debtors' other secured indebtedness. Holders of the Debtors' other secured indebtedness, including the lenders under the Term Loan Exit Facility and, with respect to the Third Lien Exit Facility, the lenders under the Senior Exit Facility, will have claims that are senior to claims of a holder of the Senior Exit Facility and the Third Lien Exit Facility, respectively, to the extent of the value of the assets securing such other indebtedness. As a result, in the event of any distribution or payment of assets of the Debtors in any bankruptcy, liquidation, insolvency or reorganization, holders of such secured indebtedness will have a prior claim to those assets that constitute their collateral. In any of the foregoing events, there may not be sufficient assets to pay all amounts due on the Senior Exit Facility and the Third Lien Exit Facility.

Because each guarantor's liability under its guarantees may be reduced to zero, avoided or released under certain circumstances, you may not receive any payments from some or all of the guarantors.

You will have the benefit of any guarantees of the guarantors of the Senior Exit Facility and the Third Lien Exit Facility, as applicable. However, any such guarantees by the guarantors will be limited to the maximum amount that the guarantors are permitted to guarantee under applicable law. As a result, a guarantor's liability under its guarantee could be reduced to zero, depending upon the amount of other obligations of such guarantor.

The Third Lien Exit Facility will be issued with original issue discount for U.S. federal income tax purposes.

Under the Treasury Regulations governing the taxation of original issue discount ("OID"), the Third Lien Exit Facility will be issued with OID. Such OID will include all stated interest (including PIK interest) under the Third Lien Exit Facility, and will also include the difference, if any, between the issue price of the Third Lien Exit Facility (as determined for U.S. federal income tax purposes) and its principal amount. The amount of OID will be required to be accrued as interest income by a holder over the term of the Third Lien Exit Facility in accordance with a constant yield-to-maturity method, regardless of whether the holder is a cash

or accrual method taxpayer, and regardless of whether and when the Holder receives cash payments of interest on such debt. Accordingly, a holder will be treated as receiving interest income for tax purposes in advance of a corresponding receipt of cash.

The administrative agent under the Senior Exit Facility and the Third Lien Exit Facility may agree to certain requests by the Debtors' or other holders indebtedness of such facilities of which you do not agree.

Under the Senior Exit Facility and the Third Lien Exit Facility, the administrative agents of such facilities may [ ] without the consent of [ ] lenders. If you hold less than a [ ] of the indebtedness under such facilities, you will not be able to [ ].

The Debtors' operations may not be profitable after the Effective Date, which could have an adverse impact on the value of the Senior Exit Facility and the Third Lien Exit Facility.

The Debtors' operating performance may be affected by, among other things, government contracts, demand for MSRs and other handgun models of the Debtors, and strategic market positioning. Any one of these factors, and the risks and other factors described in Section VII.C to the Disclosure Statement (*Risks Associated with the Debtors' Businesses*) could have a material adverse impact on the Debtors' business, financial condition, cash flows and results of operations, which could have an adverse impact on the value of the Senior Exit Facility and the Third Lien Exit Facility. Many of the above-referenced factors and risks may be affected by circumstances outside the Debtors' control.

The Financial Projections and other assumed results represent management's current view of the Debtors' future operations based on currently known facts and various hypothetical assumptions. The Financial Projections and other assumed results may not, however, be representative of the Debtors' future financial performance. The Debtors may not be able to meet the Financial Projections or other results that the Debtors have assumed in projecting their future business prospects. If the Debtors do not achieve the Financial Projections or other assumed results, the Debtors may lack sufficient liquidity to continue operating and meeting its obligations as planned after the Effective Date. See "*—Holders the Senior Exit Facility and the Third Lien Exit Facility may not be able to recover in future cases of bankruptcy, liquidation, insolvency, or reorganization.*"

There is no established trading market for the indebtedness of the Senior Exit Facility or the Third Lien Exit Facility and an active trading market may not develop for such debt.

There is no established trading market for the indebtedness of the Senior Exit Facility or the Third Lien Exit Facility and an active trading market for such indebtedness may not be developed or maintained in the future. Such indebtedness will not be listed on any securities exchange. As a result, there may be limited liquidity in any trading market that does develop for such indebtedness. In addition, future trading prices of such indebtedness will depend on many factors, including, among other things, prevailing interest rates, the Debtors' operating results and the market for similar securities. If an active trading market is not

developed and maintained or such trading market is not liquid, holders of such indebtedness may be unable to sell their portion of such indebtedness at their fair market value or at all.

COLT HOLDING COMPANY LLC

INSTRUCTIONS TO SUBSCRIPTION FORM FOR OFFERING IN CONNECTION WITH DEBTORS' SECOND AMENDED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

PLEASE READ THE ENCLOSED INSTRUCTIONS CAREFULLY BEFORE COMPLETING THIS SUBSCRIPTION FORM

As described in the Offering Procedures, the Reorganized Debtors will raise $90 million in new capital from a private offering (the "Offering"). The Offering will consist of (a) $50 million of units (the "Offering Units"), consisting of (i) $ 50 million of third lien secured debt to be issued pursuant to a third lien credit agreement (the "Third Lien Exit Facility") and (ii) priority equity interests of the Reorganized Parent (the "New Class A LLC Units") and (b) a new $40 million senior secured loan (the "Senior Exit Facility").

The Offering will be allocated amongst the Sciens Group, Fidelity/Newport, Eligible Holders of the Senior Notes, and Participating Consortium Noteholders as follows:

i. Sciens Capital Management LLC ("Sciens") (or one or more of its Related Purchasers (as such term is defined in the Equity Commitment Agreement) will subscribe for $15 million of the Offering Units;

ii. Fidelity Newport Holdings LLC ("Fidelity") and Newport Global Advisors ("Newport") (or one or more of their respective Related Purchasers) will, severally and not jointly, subscribe its allocable portion of a total of $15 million of the Offering Units and $17,142,857 of the Senior Exit Facility;

iii. Each Eligible Holder will be entitled to subscribe to up to its pro rata portion, as described in the Offering Procedures and herein, of (i) the remaining $20 million of the Offering Units (the "Noteholder Offering Allocation") and (ii) $22,857,143 of the Senior Exit Facility (the "Senior Exit Facility Participating Holder Allocation", and, together with the Noteholder Offering Allocation, the "Senior Noteholder Offering"); and

iv. Each Participating Consortium Noteholder (or one or more of its Related Purchasers) shall, severally and not jointly, commit to purchase its pro rata portion, as described in the Offering Procedures, of (i) the Noteholder Offering Allocation and (ii) the Senior Exit Facility Participating Holder Allocation.

The Senior Noteholder Offering will be fully backstopped by the Participating Consortium Noteholders pursuant to the terms and conditions of an Equity Commitment Agreement, as described in the Offering Procedures.

As further described in the Offering Procedures, each Eligible Holder (other than other than a Participating Consortium Noteholder), will be offered an opportunity to subscribe to its pro rata portion of the Senior Noteholder Offering. Each Eligible Holder (other than a Participating Consortium Noteholder) will be offered the opportunity (a "Right") to (i) purchase up to a dollar amount of Offering Units equal to 80% of the product of (a) $20 million times (b) the fraction equal to the principal amount of the Senior Notes held by such Eligible Holder on the Offering Record Date divided by the Offering Denominator (the dollar amount of Offering Units, the "Eligible Holder Pro Rata Share") and (ii) fund the amount of the Senior Exit Facility Participating Holder Allocation equal to (a) the Senior Exit Facility Participating Holder Allocation times (b) the dollar amount of the Offering Units purchased by such Eligible Holder with respect to its Senior Notes divided by the aggregate $20 million Noteholder Offering Allocation (the "Eligible Holder Senior Exit Facility Pro Rata Share" and together with the Eligible Holder Pro Rata Share, the "Eligible Holder Offering Pro Rata Share"). As of the RSA Record Date, Fidelity/Newport held $20.086 million in aggregate principal amount of the Senior Notes, and the Offering Denominator is $229.914 million. For the avoidance of doubt, if an Eligible Holder purchases Offering Units in the Senior Noteholder Offering, such Eligible Holder shall be required to fund a proportionate share of the Senior Exit Facility Participating Holder Allocation (For example, if an Eligible Holder subscribes for $10,000 of the Senior Noteholder Offering, approximately $4,666 of such subscription amount shall be allocated to purchase Offering Units and approximately $5,334 of such subscription amount shall be allocated to fund the Senior Exit Facility.).

Each Eligible Holder (other than a Participating Consortium Noteholder) may subscribe for a dollar amount of the Offering Units up to its Eligible Holder Pro Rata Share in a minimum denomination of $1,000. For each $1,000 of Offering Units that an Eligible Holder subscribes for in the Offering, the Eligible Holder will receive $1,000 of the Third Lien Exit Facility and [●] New Class A LLC Units. In addition, for each $1,000 of Offering Units subscribed for by an Eligible Holder (other than a Participating Consortium Noteholder), such Eligible Holder will be required to fund $1,142.86 of the Senior Exit Facility.

As a result, for an aggregate subscription price equal to $2,142.86, an Eligible Holder will receive (a) $1,000 of the Third Lien Exit Facility, (b) [●] New Class A LLC Units and (c) $1,142.86 of the Senior Exit Facility (the "Senior Noteholder Unit Price").

Each Eligible Holder will be required to pay the aggregate Senior Noteholder Unit Price for each $1,000 of Offering Units the Eligible Holder purchases pursuant to its Eligible Holder Pro Rata Share (the "Eligible Holder Subscription Amount"), at the time it elects to exercise such Rights and in any event on or before the Expiration Time.

Each Eligible Holder, who is a lender under the DIP Senior Loan Facility, may elect to fund all or a portion of its share of the Senior Exit Facility by deferring payment of its portion of the DIP Senior Loan on the Effective Date and rolling it over into the Senior Exit Facility, provided that such Eligible Holder shall be required to pay the Offering Unit Purchase Price for the Offering Units that it purchases in the Offering in cash, by wire transfer of immediately available funds. Each Eligible Holder shall also be required to pay its portion of the Senior Exit Facility, in cash, by wire transfer of immediately available funds, to the extent it does not defer

payment of its portion of the DIP Senior Loan on the Effective Date and does not roll such amount over into the Senior Exit Facility.

The record date for the Senior Noteholder Offering will be December 7, 2015 (the "Offering Record Date"). Only Eligible Holders holding Senior Notes as of the Offering Record Date will be eligible to participate in the Senior Noteholder Offering as Eligible Holders. The Offering will commence on December 8, 2015 (the "Commencement Date"). The Offering will expire at the later of 4:00 p.m. Eastern Standard Time on December 22, 2015 or such other time and date as may be determined by the Company and the Requisite Commitment Parties (as defined in the Equity Commitment Agreement) (the "Expiration Time"). The period beginning on the Commencement Date and ending at the Expiration Time is referred to as the "Offering Period".

Each Eligible Holder (other than a Participating Consortium Noteholder) that is the Beneficial Owner of Senior Notes as of the Offering Record Date will have the Right to purchase up to its Eligible Holder Offering Pro Rata Share. In order to elect to exercise its Rights, the Eligible Holder must (i) properly complete the Subscription Form; (ii) return the properly completed Subscription Form to its Nominee at least one Business Day prior to the Expiration Time; (iii) deliver the applicable Eligible Holder Subscription Amount to the Escrow Account prior to the Expiration Time. The duly completed and executed Subscription Form must be certified by the Nominee and received by the Offering Agent prior to the Expiration Time. The Eligible Holder Subscription Amount also must be delivered to the Escrow Account prior to the Expiration Time.

The duly completed and executed Subscription Form must be certified by the Nominee and received by the Offering Agent prior to the Expiration Time. The Eligible Holder Subscription Amount also must be delivered to the Escrow Account prior to the Expiration Time.

The method of delivery of the Subscription Form and any other required documents by each Eligible Holder is at such Eligible Holder's option and sole risk, and delivery will be considered made only when such Subscription Form and other documentation are actually received by the Offering Agent. If delivery is by mail, the use of registered mail with return receipt requested, properly insured, is encouraged and strongly recommended. In all cases, you should allow sufficient time to ensure timely delivery prior to the Expiration Time.

All funds (the "Offering Funds") paid in connection with an Eligible Holder's subscription or a Commitment Holder's commitment pursuant to these Offering Procedures, other than amounts of the DIP Senior Loan Facility which are rolled over in accordance with the Offering Procedures, will be deposited when transferred and held in escrow by the Offering Agent in the Escrow Account pending the Closing. In the event that the Equity Commitment Agreement or the Offering is terminated for any reason, the Offering Agent will return from the Escrow Account, as soon as reasonably practicable following such termination, to each Eligible Holder and Commitment Party, without interest, the amount in cash actually funded to the Escrow Account by such Eligible Holder or Commitment Party. At the Closing, the amounts in the Escrow Account will be released to the Company.

At the Closing, the Company will issue an aggregate of [●] New Class A LLC Units. The New Class A LLC Units issued to the Eligible Holders that validly exercised their Rights in the Offering will be issued in the name of each Eligible Holder's Nominee. The New Class A LLC Units issued at the Closing will be issued in book entry form and will not be certificated.

At the Closing, the Company will record the names of such Beneficial Owners and the amounts of the Third Lien Exit Facility and the Senior Exit Facility funded by each such beneficial owner will be recorded on the Schedule of Lenders for the Third Lien Exit Facility and the Senior Exit Facility, respectively.

Upon the Closing of the Offering, (i) each holder of New Class A LLC Units will automatically be deemed to be party to, and will be subject to the terms and conditions of the Reorganized Parent LLC Agreement and (ii) each Holder (as defined in the Registration Rights Agreement) will automatically be deemed to be party to, and will be subject to the terms and conditions of the Registration Rights Agreement. The terms and conditions of the Reorganized Parent LLC Agreement and the Registration Rights Agreement are further described in the Plan.

Further, upon the Closing of the Offering, each Beneficial Owner Senior Notes that exercises its Right to participate in the Offering, will become a "Lender" under the Senior Exit Facility and the Third Lien Exit Facility and will be party to, and subject to the terms and conditions of the Senior Secured Credit Agreement, and the Third Lien Credit Agreement. The terms and conditions of the Senior Secured Credit Agreement and the Third Lien Credit Agreement are further described in the Plan.

Any and all disputes concerning the timeliness, viability, eligibility, form or completeness of any exercise of Rights, or the eligibility of any Holder of Senior Notes to be treated as an Eligible Holder and/or a Participating Consortium Noteholder, or of any Senior Notes to be treated as RSA Senior Notes will be addressed in good faith by the Debtors, in consultation with the Commitment Parties.

The securities to be issued by Reorganized Parent and distributed to the Participating Holders upon valid exercise of the Rights or pursuant to the Equity Commitment Agreement will be offered, sold, issued and distributed without registration under the Securities Act, in reliance on the exemption provided in Section 4(a)(2) of the Securities Act or the exemption provided in Regulation D under the Securities Act. As a result, such securities will be "restricted securities" within the meaning of Rule 144 under the Securities Act ("Rule 144") and subject to volume and other limitations thereunder. The securities to be issued by Reorganized Parent and distributed to the Participating Holders upon the valid exercise of the Rights or pursuant to the Equity Commitment Agreement will be subject to restrictions on transfer, and if issued in certificated form will bear the following legend (and may, if issued in non-certificated form, be electronically coded to the following effect):

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS, AND ACCORDINGLY THE SECURITIES

REPRESENTED BY THIS CERTIFICATE MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED EXCEPT (I) TO A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION NOT INVOLVING A PUBLIC OFFERING EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, (II) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 UNDER THE SECURITIES ACT, (III) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (V) TO THE REORGANIZED DEBTORS OR (VI) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (VI) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS IN ANY STATE OF THE UNITED STATES, AND PROVIDED THAT, IN THE CASE OF ANY TRANSFER PURSUANT TO (I) - (III) AND (VI) ABOVE, THE COMPANY MAY REQUIRE THE DELIVERY OF A WRITTEN OPINION OF COUNSEL, CERTIFICATIONS AND/OR ANY OTHER INFORMATION IT REASONABLY REQUIRES TO CONFIRM THE SECURITIES ACT EXEMPTION FOR SUCH TRANSACTION. FURTHER, NO TRANSFERS OF ANY SECURITIES SHALL BE MADE: (I) TO ANY COMPETITOR OF THE REORGANIZED DEBTORS OR ANY OF SUCH COMPETITOR'S AFFILIATES; OR (II) IF SUCH TRANSFERS WOULD RESULT IN THE REORGANIZED PARENT (OR ANY OTHER OF THE REORGANIZED DEBTORS) BEING TREATED AS A PUBLICLY TRADED COMPANY AND THEREFORE BEING REQUIRED BY THE SECURITIES ACT OR THE EXCHANGE ACT OR ANY OTHER SIMILAR REGULATORY AUTHORITY TO FILE PERIODIC RECORDS UNDER SECTION 13 OR SECTION 15(D) OF THE EXCHANGE ACT."

In addition, the New Class A LLC Units and the New Class B LLC Units issued in connection with the Offering, as described above, will be subject to restrictions on transfer pursuant to the LLC Agreement of the Reorganized Parent, and if issued in certificated form will bear the following legend (and may, if issued in non-certificated form, be electronically coded to the following effect):

"THE UNITS REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (THE "LLC AGREEMENT") AMONG THE COMPANY AND ITS MEMBERS, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICE OF THE COMPANY. NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE UNITS REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH LLC AGREEMENT."

YOU ARE ENCOURAGED TO CAREFULLY READ THESE RIGHTS OFFERING MATERIALS BEFORE DECIDING WHEHER TO EXERCISE YOUR RIGHTS.

IF YOU HAVE ANY QUESTIONS ABOUT THIS SUBSCRIPTION FORM OR THE EXERCISE PROCEDURES DESCRIBED HEREIN, PLEASE CONTACT THE OFFERING AGENT, KCC AT 917-281-4800.

Instructions for Completing Subscription Form

Eligible Holders

1. **Review** the Eligible Holder Certification in Item 1.

2. **Complete** the calculations in Items 2(a), which calculates your Eligible Holder Pro Rata Share (i.e., the maximum amount of the Offering Units that you are entitled to purchase pursuant to the Offering) and 2(b), which calculates your Eligible Holder First Lien Pro Rata Share (i.e., the maximum amount of Senior Exit Facility Participating Holder Allocation that you are entitled to purchase pursuant to the Offering).

3. **Complete** Item 3(a), indicating the amount of the Offering Units that you wish to purchase in the Offering. Please note that the amount of the Offering Units that you may purchase must be equal to the amounts calculated pursuant to Item 2(a). Complete Item 3(b), indicating the amount of the Senior Exit Facility that you wish to purchase in the Offering. Please note that the amount of the Senior Exit Facility that you may purchase must be equal to the amounts calculated pursuant to Item 2(b).

4. **Complete** Item 4(a), which calculates your Eligible Holder Subscription Amount. Complete Item 4(b), which indicates the amount, if any, of the DIP Senior Loan that you will roll over as of the Effective Date to fund the portion of the Senior Exit Facility that you elect to purchase pursuant to Item 3(b).

5. **Review** the certification in Item 5.

6. **Complete and Sign** the signature page to the Third Lien Credit Agreement in Item 6.

7. **Complete and Sign** the signature page to the Senior Secured Credit Agreement in Item 7.

8. **Sign and Date** the Subscription Form and include the registration information as requested.

9. **Return the Subscription Form to your Nominee** either (i) by certified mail or (ii) in portable document format (a "pdf" file) by electronic mail (which pdf file shall be treated in all manner and respects as an original instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof) in sufficient time for your instructions to be processed and delivered to the Offering Agent by the Expiration Time.

10. **Deliver (or arrange for your Nominee to deliver) the Eligible Holder Subscription Amount to the Escrow Account** by the Expiration Time.

Name of Account: Computershare Inc. aaf Colt Holdings
Bank Account No.: 4426855314
Bank Name: Bank of America
Bank Location: New York, New York
Routing Number: 026009593
Special Instructions: Reference "Funding for Colt Offering"

Nominees

Upon receipt of the duly completed Subscription Form from the Eligible Holder:

1. **Read and complete** Item 8.

2. **Deliver the Subscription Form to the Offering Agent** at or prior to the Expiration Time.

COLT HOLDING COMPANY LLC

SUBSCRIPTION FORM

FOR OFFERING
IN CONNECTION WITH DEBTORS'
SECOND AMENDED JOINT PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

PLEASE READ THE ENCLOSED INSTRUCTIONS CAREFULLY
BEFORE COMPLETING THIS BENEFICIAL OWNER SUBSCRIPTION FORM

EXPIRATION TIME

The Expiration Time is 4:00 p.m. (prevailing Eastern Standard Time) on December 22, 2015, unless extended by the Debtors in writing. Please leave sufficient time for your Subscription Form to reach your Nominee and be processed.

Please consult the Plan (as it may be modified, amended or supplemented from time) and the Offering Procedures for additional information with respect to this Subscription Form.

Beneficial Owner Name and/or Account information: _____

Face amount of Senior Notes: **$** _____

Nominee (Record Holder) Name: _____

NOTE: If you hold Senior Notes through more than one Nominee, you will receive a separate Subscription Form for each Nominee through which you hold your Senior Notes.

ITEM 1. ELIGIBLE HOLDER CERTIFICATION.

I certify, as authorized signatory of the undersigned holder, that:

- The information set forth on the cover page to this Subscription Form, including the Beneficial Owner Name and/or Account Information, the Face Amount of Senior Notes, and the Name of my Nominee is true and correct as of the Offering Record Date;

- On or prior to the Voting Deadline, the undersigned completed a Ballot and submitted the Ballot to its Nominee;

- On or prior to the Voting Deadline, the undersigned voted to accept the Plan;

- As of the Offering Record Date, the undersigned is an Accredited Investor

- The undersigned (i) is an Accredited Investor holding $100,000 or more in principal amount of Allowed Senior Notes Claims or (ii) is a Consortium Party;

- On or prior to the Voting Deadline, the undersigned elected Class 4-A Treatment with respect to its Senior Notes; and

- On or prior to the Voting Deadline, the undersigned's Senior Notes were tendered the Senior Notes into a Class 4-A Election Account established at DTC.

ITEM 2. (a) CALCULATION OF ELIGIBLE HOLDER PRO RATA SHARE.

The maximum amount of Offering Units for which the undersigned holder may subscribe for in the Offering is calculated as follows:

.80	x	$20,000,000	x	$ _____	/	$229,914,000 million	=	$ _____
				Amount of Senior Notes held by the undersigned holder through its Nominee, as set forth on the Cover Page to the Subscription Form.				

(b) CALCULATION OF ELIGIBLE HOLDER FIRST LIEN PRO RATA SHARE.

The maximum amount of the Senior Exit Facility for which the undersigned holder may subscribe for in the Offering is calculated as follows:

$ 22,857,143	x	$ _____			/	$20,000,000	=	$ _____
		Dollar amount of Offering Units that the undersigned holder may subscribe for in the Offering pursuant to Item 2(a).						

ITEM 3. EXERCISE AMOUNT.

(a) OFFERING UNITS.

By completing this Item 3(a), you are indicating that the undersigned holder is electing to purchase the amount of Offering Units specified below (specify an amount of Offering Units not greater than the maximum amount of Offering Units calculated in Item 2(a) above), on the terms of and subject to the conditions set forth in the Offering Procedures.

$_____ of Offering Units

(b) SENIOR EXIT FACILITY.

By electing to purchase the amount of Offering Units specified above, you are also agreeing to fund an amount of the Senior Exit Facility calculated below, on the terms of and subject to the conditions set forth in the Offering Procedures.

$ 22,857,143 x $ _____ / $20,000,000 = $ _____

Dollar amount of Offering Units that the undersigned holder has elected to purchase pursuant to Item 3(a).

ITEM 4. (a) CALCULATION OF ELIGIBLE HOLDER SUBSCRIPTION AMOUNT.

$ _____ + $_____ = $_____

(1) Dollar amount of Offering Units that the undersigned holder has elected to purchase pursuant to Item 3(a).

(2) Dollar amount of the Senior Exit Facility that the undersigned holder has agreed to fund pursuant to Item 3(b).

(b) CALCULATION OF DIP SENIOR LOAN ROLL-OVER.

I certify, as authorized signatory of the undersigned holder, that as of the date hereof, the undersigned holder's aggregate principal amount and accrued and unpaid interest of the DIP Senior Loan is:

$ _____ (the "DIP Amount")

The undersigned holder is electing to defer payment of the DIP Amount and to roll the DIP Amount over to the Senior Exit Facility **up to the dollar amount of the Senior Exit Facility** set forth in Item 4(a)(2).

☐ **YES** ☐ **NO**

The amount of the Eligible Holder Subscription Amount that the undersigned holder will pay in cash, in immediately available funds, by wire of such amount to the Escrow Account is:

$ _____ + $_____ = $_____

(1) Dollar amount of Offering Units set forth in Item 4(a)(1) .

(2) Dollar amount of the Senior Exit Facility set forth in Item 4(a)(2) LESS the DIP Amount set forth above in Item 4(b).

NOTE: The number set forth in Item 4(b)(2) must be greater than or equal to zero. If the dollar amount of the Senior Exit Facility set forth in Item 4(a)(2) is less than the DIP Amount, then the maximum amount of the DIP Amount that the undersigned holder can roll over to the Senior Exit Facility is the dollar amount of the Senior Exit Facility Set forth in Item 4(a)(2). The remaining portion of the DIP Amount will be treated in accordance with the Plan.

ITEM 5. CERTIFICATION

I certify that:

- The undersigned has received a copy of the Offering Materials, including the Plan and the Offering Procedures; and

- The undersigned acknowledges that the exercise of Rights is subject to the terms and conditions of the Plan, the Offering Procedures, and the Subscription Form Instructions.

ITEM 6. SIGNATURE PAGE TO THIRD LIEN CREDIT AGREEMENT.

_____,
as a Lender

By: _____
Name:
Title:

ITEM 7. SIGNATURE PAGE TO SENIOR SECURED CREDIT AGREEMENT.

_____,
as a Lender

By: _____
Name:
Title:

Beneficial Owner Signature Page

I acknowledge that, by executing this Subscription Form, the undersigned holder will be bound to pay the Eligible Holder Subscription Amount for the Offering Units and the portion of the Senior Exit Facility that it has subscribed for and that it may be liable to the Company to the extent of any nonpayment.

Date: _____, 2015

Name of Eligible Holder/Beneficial Owner: _____

Social Security or Federal Tax I.D. No. (optional): _____

Signature: _____

Name of Person Signing: _____

Title: _____

Street Address: _____

City, State, Zip Code: _____

Country: _____

Telephone Number: _____

Fax: _____

E-Mail: _____

Please indicate on the lines provided below the Eligible Holder's name and address as you would like it to be reflected on the Debtors' records for the Third Lien Exit Facility and Senior Exit Facility

Registration Line 1:_____

Registration Line 2:_____
(if needed)

Address 1:_____

Address 2:_____

Address 3:_____

Address 4:_____

Telephone:_____

Email:_____

ITEM 8. RECORD HOLDER CERTIFICATION.

I certify, as authorized signatory of the undersigned holder, that:

- The information set forth on the cover page to this Subscription Form, including the Beneficial Owner Name and/or Account Information, the Face Amount of Senior Notes, and the Name of the Nominee is true and correct as of the Offering Record Date;

- The undersigned agrees to hold, as record holder, the New Class A LLC Units for which the Eligible Holder has subscribed upon their issuance at the Closing, subject to the terms and conditions of the Reorganized Parent LLC Agreement and the Registration Rights Agreement.

Date: _____, 2015

Name of Nominee/Record Holder: _____

Social Security or Federal Tax I.D. No. (optional): _____

Signature: _____

Name of Person Signing: _____

Title: _____

Street Address: _____

City, State, Zip Code: _____

Country: _____

Telephone Number: _____

Fax: _____

E-Mail: _____

Please indicate on the lines provided below your registration information, as Nominee, as you would like it to be reflected on the Debtors' records for the New Class A LLC Units held by you on behalf of such Eligible Holders

Registration Line 1:_____

Registration Line 2:_____

(if needed)

Address 1:_____

Address 2:_____

Address 3:_____

Address 4:_____

Telephone:_____

Email:_____