

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the quarterly period ended March 31, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the transition period from _____ to _____.

Commission File Number 000-23357

INOTIV, INC.

(Exact name of the registrant as specified in its charter)

INDIANA

(State or other jurisdiction of incorporation or organization)

35-1345024

(I.R.S. Employer Identification No.)

2701 KENT AVENUE
WEST LAFAYETTE, IN

(Address of principal executive offices)

47906
(Zip code)

(765) 463-4527
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares	NOTV	The Nasdaq Stock Market LLC

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

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

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller Reporting Company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

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

As of April 30, 2024, 25,971,450 of the registrant's common shares were outstanding.

TABLE OF CONTENTS

		<u>Page</u>
PART I	FINANCIAL INFORMATION	
Item 1	Condensed Consolidated Financial Statements:	
	Condensed Consolidated Balance Sheets as of March 31, 2024 (Unaudited) and September 30, 2023	5
	Condensed Consolidated Statements of Operations for the Three and Six Months Ended March 31, 2024 and 2023 (Unaudited)	6
	Condensed Consolidated Statements of Comprehensive Income (Loss) for the Three and Six Months Ended March 31, 2024 and 2023 (Unaudited)	7
	Condensed Consolidated Statements of Shareholders' Equity and Noncontrolling Interest for the Three and Six Months Ended March 31, 2024 and 2023 (Unaudited)	8
	Condensed Consolidated Statements of Cash Flows for the Six Months Ended March 31, 2024 and 2023 (Unaudited)	9
	Notes to Condensed Consolidated Financial Statements	10
Item 2	Management's Discussion and Analysis of Financial Condition and Results of Operations	35
Item 3	Quantitative and Qualitative Disclosures about Market Risk	51
Item 4	Controls and Procedures	52
PART II	OTHER INFORMATION	
Item 1	Legal Proceedings	53
Item 1A	Risk Factors	53
Item 2	Unregistered Sales of Equity Securities and Use of Proceeds	62
Item 3	Defaults Upon Senior Securities	62
Item 4	Mine Safety Disclosures	62
Item 5	Other Information	62
Item 6	Exhibits	62
	Signatures	63

Index to Consolidated Financial Statements

	Page
<u>NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS</u>	10
<u>1. DESCRIPTION OF THE BUSINESS AND BASIS OF PRESENTATION</u>	10
<u>2. REVENUE FROM CONTRACTS WITH CUSTOMERS</u>	14
<u>3. SEGMENT AND GEOGRAPHIC INFORMATION</u>	15
<u>4. BUSINESS COMBINATIONS</u>	17
<u>5. INTANGIBLE ASSETS</u>	18
<u>6. DEBT</u>	19
<u>7. SUPPLEMENTAL BALANCE SHEET INFORMATION</u>	25
<u>8. DEFINED BENEFIT PLAN</u>	26
<u>9. OTHER OPERATING EXPENSE</u>	27
<u>10. RESTRUCTURING AND ASSETS HELD FOR SALE</u>	27
<u>11. LEASES</u>	28
<u>12. EQUITY, STOCK-BASED COMPENSATION AND EARNINGS (LOSS) PER SHARE</u>	30
<u>13. INCOME TAXES</u>	31
<u>14. CONTINGENCIES</u>	32
<u>15. SUBSEQUENT EVENTS</u>	34

INOTIV, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share amounts)

	March 31,	September 30,
	2024	2023
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 32,695	\$ 35,492
Trade receivables and contract assets, net of allowances for credit losses of \$ 6,459 and \$7,446, respectively	65,757	87,383
Inventories, net	45,406	56,102
Prepaid expenses and other current assets	36,821	33,408
Assets held for sale	—	1,418
Total current assets	180,679	213,803
Property and equipment, net	191,423	191,068
Operating lease right-of-use assets, net	46,796	38,866
Goodwill	94,286	94,286
Other intangible assets, net	291,331	308,428
Other assets	10,863	10,079
Total assets	<u><u>\$ 815,378</u></u>	<u><u>\$ 856,530</u></u>
Liabilities, shareholders' equity and noncontrolling interest		
Current liabilities:		
Accounts payable	\$ 28,381	\$ 32,564
Accrued expenses and other current liabilities	31,102	25,776
Fees invoiced in advance	41,675	55,622
Current portion of long-term operating lease	11,413	10,282
Current portion of long-term debt	380,358	7,950
Total current liabilities	492,929	132,194
Long-term operating leases, net	37,218	29,614
Long-term debt, less current portion, net of debt issuance costs	275	369,795
Other long-term liabilities	38,055	6,373
Deferred tax liabilities, net	39,739	50,064
Total liabilities	<u><u>608,216</u></u>	<u><u>588,040</u></u>
Contingencies (Note 14)		
Shareholders' equity and noncontrolling interest:		
Common shares, no par value:		
Authorized 74,000,000 shares at March 31, 2024 and September 30, 2023; 25,905,395 issued and outstanding at March 31, 2024 and 25,777,169 at September 30, 2023	6,438	6,406
Additional paid-in capital	717,139	715,696
Accumulated deficit	(517,185)	(453,278)
Accumulated other comprehensive income	770	330
Total equity attributable to common shareholders	207,162	269,154
Noncontrolling interest	—	(664)
Total shareholders' equity and noncontrolling interest	<u><u>207,162</u></u>	<u><u>268,490</u></u>
Total liabilities and shareholders' equity and noncontrolling interest	<u><u>\$ 815,378</u></u>	<u><u>\$ 856,530</u></u>

The accompanying notes are an integral part of the condensed consolidated financial statements.

INOTIV, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (In thousands, except per share amounts)
 (Unaudited)

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2024	2023	2024	2023
Service revenue	\$ 56,961	\$ 58,752	\$ 110,824	\$ 108,800
Product revenue	62,074	92,711	143,712	165,417
Total revenue	\$ 119,035	\$ 151,463	\$ 254,536	\$ 274,217
Costs and expenses:				
Cost of services provided (excluding depreciation and amortization of intangible assets)	38,663	36,803	77,740	70,804
Cost of products sold (excluding depreciation and amortization of intangible assets)	53,694	65,926	116,645	129,189
Selling	5,403	4,764	10,751	9,265
General and administrative	19,796	28,293	39,723	56,591
Depreciation and amortization of intangible assets	14,155	12,990	28,405	26,253
Other operating expense	30,440	4,812	33,759	8,451
Goodwill impairment loss	—	—	—	66,367
Operating loss	\$ (43,116)	\$ (2,125)	\$ (52,487)	\$ (92,703)
Other (expense) income:				
Interest expense	(11,088)	(10,515)	(22,452)	(20,965)
Other (expense) income	(239)	545	1,174	(1,333)
Loss before income taxes	\$ (54,443)	\$ (12,095)	\$ (73,765)	\$ (115,001)
Income tax benefit	6,364	2,466	9,858	18,440
Consolidated net loss	\$ (48,079)	\$ (9,629)	\$ (63,907)	\$ (96,561)
Less: Net income (loss) attributable to noncontrolling interests	—	365	(440)	756
Net loss attributable to common shareholders	<u>\$ (48,079)</u>	<u>\$ (9,994)</u>	<u>\$ (63,467)</u>	<u>\$ (97,317)</u>
Loss per common share				
Net loss attributable to common shareholders:				
Basic	\$ (1.86)	\$ (0.39)	\$ (2.46)	\$ (3.79)
Diluted	\$ (1.86)	\$ (0.39)	\$ (2.46)	\$ (3.79)
Weighted-average number of common shares outstanding:				
Basic	25,831	25,687	25,797	25,645
Diluted	25,831	25,687	25,797	25,645

The accompanying notes are an integral part of the condensed consolidated financial statements.

INOTIV, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2024	2023	2024	2023
Consolidated net loss	\$ (48,079)	\$ (9,629)	\$ (63,907)	\$ (96,561)
Foreign currency translation	(747)	936	417	6,043
Defined benefit plan:				
Pension cost amortization	47	(54)	93	(108)
Foreign currency translation	(107)	26	(70)	267
Other comprehensive (loss) income, net of tax	(807)	908	440	6,202
Consolidated comprehensive loss	(48,886)	(8,721)	(63,467)	(90,359)
Less: Comprehensive income (loss) attributable to non-controlling interests	—	365	(440)	756
Comprehensive loss attributable to common stockholders	\$ (48,886)	\$ (9,086)	\$ (63,027)	\$ (91,115)

The accompanying notes are an integral part of the condensed consolidated financial statements.

INOTIV, INC.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND NONCONTROLLING INTEREST
(In thousands, except number of shares)
(Uaudited)

	Common Shares		Additional paid-in capital	Accumulated deficit	Other Comprehensive Income (Loss)	Non- Controlling Interests	Total shareholders' equity
	Number	Amount					
Balance at September 30, 2023	25,777,169	\$ 6,406	\$ 715,696	\$ (453,278)	\$ 330	\$ (664)	\$ 268,490
Consolidated net (loss) income	—	—	—	(15,828)	—	440	(15,388)
Change in noncontrolling interest			(2,309)			224	(2,085)
Issuance of stock under employee stock plans	13,511	3	(2)	—	—	—	1
Stock-based compensation	—	—	1,897	—	—	—	1,897
Pension cost amortization	—	—	—	—	46	—	46
Foreign currency translation adjustment	—	—	—	—	1,201	—	1,201
Balance at December 31, 2023	25,790,680	\$ 6,409	\$ 715,282	\$ (469,106)	\$ 1,577	\$ —	\$ 254,162
Consolidated net loss	—	—	—	(48,079)	—	—	(48,079)
Issuance of stock under employee stock plans	114,715	29	(27)	—	—	—	2
Stock-based compensation	—	—	1,884	—	—	—	1,884
Pension cost amortization	—	—	—	—	47	—	47
Foreign currency translation adjustment	—	—	—	—	(854)	—	(854)
Balance at March 31, 2024	25,905,395	\$ 6,438	\$ 717,139	\$ (517,185)	\$ 770	\$ —	\$ 207,162

	Common Shares		Additional paid-in capital	Accumulated deficit	Other Comprehensive (Loss) Income	Non- Controlling Interests	Total shareholders' equity
	Number	Amount					
Balance at September 30, 2022	25,598,289	\$ 6,362	\$ 707,787	\$ (348,277)	\$ (5,500)	\$ (606)	\$ 359,766
Consolidated net loss	—	—	—	(86,932)	—	(391)	(87,323)
Issuance of stock under employee stock plans	8,347	1	23	—	—	—	24
Stock-based compensation	—	—	2,046	—	—	—	2,046
Pension cost amortization	—	—	—	—	(54)	—	(54)
Foreign currency translation adjustment	—	—	—	—	5,348	—	5,348
Balance at December 31, 2022	25,606,636	\$ 6,363	\$ 709,856	\$ (435,209)	\$ (206)	\$ (997)	\$ 279,807
Consolidated net loss	—	—	—	(9,629)	—	(365)	(9,994)
Issuance of stock under employee stock plans	152,471	128	(46)	—	—	—	82
Stock-based compensation	—	—	1,781	—	—	—	1,781
Pension cost amortization	—	—	—	—	(54)	—	(54)
Foreign currency translation adjustment	—	—	—	—	962	—	962
Other						\$ 51	51
Balance at March 31, 2023	25,759,107	\$ 6,491	\$ 711,591	\$ (444,838)	\$ 702	\$ (1,311)	\$ 272,635

The accompanying notes are an integral part of the condensed consolidated financial statements.

INOTIV, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended March 31,	
	2024	2023
Operating activities:		
Consolidated net loss	\$ (63,907)	\$ (96,561)
Adjustments to reconcile net loss to net cash provided by operating activities, net of acquisitions:		
Depreciation and amortization	28,405	26,253
Employee stock compensation expense	3,781	3,827
Changes in deferred taxes	(10,391)	(21,303)
Provision for expected credit losses	(245)	1,333
Amortization of debt issuance costs and original issue discount	1,686	1,512
Non-cash interest and accretion expense	3,336	2,870
Other non-cash operating activities	(655)	1,113
Goodwill impairment loss	—	66,367
Changes in operating assets and liabilities:		
Trade receivables and contract assets	22,265	22,836
Inventories	10,781	7,125
Prepaid expenses and other current assets	(3,565)	1,862
Operating lease right-of-use assets and liabilities, net	807	429
Accounts payable	(3,119)	5,018
Accrued expenses and other current liabilities	5,276	(3,474)
Fees invoiced in advance	(14,100)	(13,720)
Other asset and liabilities, net	30,018	(61)
Net cash provided by operating activities	10,373	5,426
Investing activities:		
Capital expenditures	(12,594)	(16,840)
Proceeds from sale of property and equipment	3,964	276
Net cash used in investing activities	(8,630)	(16,564)
Financing activities:		
Payments on revolving credit facility	—	(21,000)
Payments on senior term notes and delayed draw term loans	(1,382)	(1,375)
Borrowings on revolving credit facility	—	6,000
Borrowings on delayed draw term loan	—	35,000
Other financing activities, net	(2,712)	(1,401)
Net cash (used in) provided by financing activities	(4,094)	17,224
Effect of exchange rate changes on cash and cash equivalents	(446)	1,052
Net (decrease) increase in cash and cash equivalents	(2,797)	7,138
Less: cash, cash equivalents, and restricted cash held for sale	—	(1,522)
Cash, cash equivalents, and restricted cash at beginning of period	35,492	18,980
Cash, cash equivalents, and restricted cash at end of period, net of cash, cash equivalents and restricted cash held for sale	\$ 32,695	\$ 24,596
Non-cash financing activity:		
Paid in kind debt issuance costs	\$ —	\$ 1,363
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 16,891	\$ 16,374
Income taxes paid, net	\$ 1,175	\$ 3,952

The accompanying notes are an integral part of the condensed consolidated financial statements.

INOTIV, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Amounts in thousands except share amounts, unless otherwise indicated)
(Unaudited)

1. DESCRIPTION OF THE BUSINESS AND BASIS OF PRESENTATION

Inotiv, Inc. and its subsidiaries ("we," "our," "us," the "Company," and "Inotiv") comprise a leading contract research organization ("CRO") dedicated to providing nonclinical and analytical drug discovery and development services to the pharmaceutical and medical device industries and selling a range of research-quality animals and diets to the same industries as well as academia and government clients. Our products and services focus on bringing new drugs and medical devices through the discovery and preclinical phases of development, all while increasing efficiency, improving data, and reducing the cost of discovering and taking new drugs and medical devices to market. Inotiv is committed to supporting discovery and development objectives as well as helping researchers realize the full potential of their critical research and development projects, all while working together to build a healthier and safer world. We are dedicated to practicing high standards of laboratory animal care and welfare.

As a result of our strategic acquisition of Envigo RMS Holding Corp. ("Envigo") in November 2021, which added a complementary research model platform, our full spectrum solutions now span two segments: Discovery and Safety Assessment ("DSA") and Research Models and Services ("RMS"). Through our DSA segment, we support the discovery, nonclinical development and clinical development needs of researchers and clinicians for primarily small molecule drug candidates, as well as biotherapeutics and biomedical devices. Our scientists have skills in analytical instrumentation development, chemistry, computer software development, histology, pathology, physiology, surgery, analytical chemistry, drug metabolism, pharmacokinetics, and toxicology to make the services and products we provide increasingly valuable to our current and potential clients. Our principal clients are companies whose scientists are engaged in analytical chemistry, drug safety evaluation, clinical trials, drug metabolism studies, pharmacokinetics and basic research, from small start-up biotechnology companies to some of the largest global pharmaceutical companies.

Through our RMS segment, we offer access to a wide range of small and large research models for basic research and drug discovery and development, as well as specialized models for specific diseases and therapeutic areas. We combine deep animal husbandry expertise and expanded access to scientists across the discovery and preclinical continuum, which reduces nonclinical lead times and provides enhanced project delivery. In conjunction with our DSA business, we have the ability to run selected nonclinical studies directly on-site at closely located research model facilities and provide access to innovative genetically engineered models and services solutions. Our principal clients include biopharmaceutical companies, CROs, and academic and government organizations.

Agreement in Principle

As it relates to the matter of the U.S. Department of Justice ("DOJ"), together with federal and state law enforcement agents, executing a search and seizure warrant on the Cumberland facility on May 18, 2022, the Company and DOJ have reached an agreement in principle (the "Agreement in Principle") to resolve this investigation as to the Company and its subsidiaries, Envigo Global Services Inc. and Envigo RMS, LLC. Any final resolution is subject to certain material contingencies, including, without limitation, negotiations between the Company and DOJ regarding mutually satisfactory resolution documents, final approvals by DOJ and the Company, and depending on the terms of any final resolution with DOJ, negotiations with certain of the Company's stakeholders regarding the feasibility of such proposed resolution. While the Company has reached an Agreement in Principle with the DOJ, and believes a resolution is probable and estimable, there can be no assurance that a resolution will be agreed and finalized. Refer to Note 14 – Contingencies for additional information.

For the three and six months ended March 31, 2024, the Company has accrued an estimate of \$26,500 related to the Agreement in Principle, which is presented within other operating expense in the Company's Condensed Consolidated Statement of Operations. In line with the Agreement in Principle, the Company expects that it would pay \$6,500 during fiscal year 2024 and \$20,000 over multiple years. Accordingly, the Company has included \$6,500 in accrued expenses and other current liabilities on the Condensed Consolidated Balance Sheets as of March 31, 2024 and within "Changes in operating assets and liabilities – accrued expenses and other current liabilities" in its Condensed Consolidated Statements of Cash Flows for the six months ended March 31, 2024 and the Company has included \$20,000 in other long-term liabilities on its Condensed Consolidated Balance Sheets as of March 31, 2024 and "Changes in operating assets and

[Table of Contents](#)

liabilities – other assets and liabilities" in its Condensed Consolidated Statement of Cash Flows for the six months ended March 31, 2024. The \$26,500 charge is reflected in the operating loss of the RMS segment.

The Company expects that the \$26,500 charge will be non-deductible for U.S. federal income tax purposes. The Company expects to have additional cash outlays in connection with certain costs related to the Agreement in Principle, which would be paid over the next three to five years. The additional cash outlays could include ongoing monitoring and compliance costs, legal expenses and other payments required to comply with the Agreement in Principle, subject to final approvals, and at this time, the Company expects that such costs would be expensed as incurred.

Operational Update

On November 16, 2022, the Company became aware that the U.S. Attorney's Office for the Southern District of Florida ("USAO-SDFL") had criminally charged employees of the principal supplier of non-human primates ("NHPs") to the Company, along with two Cambodian government officials, with conspiring to illegally import NHPs into the U.S. from December 2017 through January 2022 and in connection with seven specific imports between July 2018 and December 2021 (the "November 16, 2022 event"). The Company has not been directed to refrain from selling the Cambodian NHPs in its possession in the U.S. However, due to the allegations contained in the indictment involving the supplier and the Cambodian government officials, the Company believed that it was prudent, at the time, to refrain from selling or delivering any of its Cambodian NHPs held in the U.S. until the Company's staff and external experts could evaluate what additionally could be done to satisfy itself that the NHPs in inventory from Cambodia can be reasonably determined to be purpose-bred. Historically, the Company relied on the Convention on International Trade in Endangered Species of Wild Fauna and Flora ("CITES") documentation and related processes and procedures, including release of each import by U.S. Fish and Wildlife Service. After a thorough review of the documentation we have for the Cambodian NHPs in our inventory and their colonies, we resumed shipping Cambodian NHPs. In addition, we completed audits on site at our Cambodian supplier and we worked to establish even more robust procedures for future imports. Inotiv has continued to monitor and respond to the evolving environment around non-human primates. Although Cambodia remained closed as a source through fiscal 2023 and into fiscal 2024, the Company identified and extensively audited multiple additional sources of purpose-bred animals that can be made available for life-saving medical research which has allowed the Company to diversify our sourcing of NHPs outside of Cambodia to satisfy demand at our DSA business segment and to our RMS clients. In addition, we have developed, and sourced, novel genetic testing techniques to further bolster our auditing capabilities to determine whether the animals we import are purpose-bred, and we are assessing the ability to introduce these techniques into our supply chain.

NHPs are critical for scientific research, and are required by international regulatory guidance to develop and evaluate the safety and effectiveness of a range of life-saving drugs and treatments prior to their assessment in human clinical trials. Without a consistent source of NHP's in the U.S., Drug discovery and development in the U.S. could be materially impacted.

NHP imports into the U.S. for drug discovery significantly declined from 2022 to 2023. The decrease in overall NHP supply drove an increase in pricing in 2023. Furthermore, we now believe the decreased U.S. NHP supply caused some studies to be shifted outside of the U.S. We also believe some clients increased their inventory levels of NHP's during 2023 and therefore recently, clients appear to be utilizing existing NHP inventory without purchasing historical levels of NHPs. RMS revenue decreased \$32,100 in the three months ended March 31, 2024 compared to the three months ended March 31, 2023 due primarily to the lower NHP-related product and service revenue of \$26,200. For the 2024 period, such reduction in sales volumes adversely affected our business, financial condition and results of operations.

During 2022 and 2023 there were decreases in biotech funding which contributed to a reduced demand for preclinical studies. While U.S. biotech funding increased in the first calendar quarter of 2024, the Company has yet to see a meaningful increase in demand from biotech clients.

Liquidity and Going Concern

The accompanying unaudited interim condensed consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP") applicable to a going concern. This presentation contemplates the realization of assets and the satisfaction of liabilities in the normal course of business and does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of the uncertainties described below.

[Table of Contents](#)

As of March 31, 2024, the Company has cash and cash equivalents of approximately \$ 32,695 and access to a \$ 15,000 revolver, which currently has no balance outstanding. The November 16, 2022 event and subsequent decision to refrain from selling or delivering Cambodian NHPs held in the U.S. triggered a material adverse event clause in our Credit Agreement discussed in Note 6 - Debt to these condensed consolidated financial statements resulting in, among other things, a limitation of our ability to draw on our revolving credit facility. The loss of access to our revolving credit facility at the time and reduced liquidity resulting from the decision to refrain from selling Cambodian NHPs held in the U.S. resulted in reduced forecasted liquidity. As a result of these events, the Company took steps to improve its liquidity, which included negotiating an amendment to its Credit Agreement to reinstate its ability to borrow under its revolving credit facility. Without the amendment, the Company was at the time at risk of not having the revolving credit facility available.

In 2023, we implemented several initiatives to reduce our operating and investing costs. We announced several site consolidation plans in the U.S. and certain European and U.K. sites. Our site optimization plans allow us to reduce overhead and create efficiencies through scale. During fiscal 2023, we completed all planned fiscal year 2023 consolidations and closures and sold our Israeli businesses. The consolidation of the operations at our Blackthorn, U.K., facility with the operations in Hillcrest, U.K., is expected to be complete in fiscal Q4 2024. Over the last year, we have continued to improve our infrastructure and worked to optimize our operating platform to support future growth. These improvements included investments in our information technology platforms, building program management functions to enhance management and communication with clients and multi-site programs, further enhancing client services and improving the client experience. We believe the actions taken and investments made in recent periods form a solid foundation upon which we can continue to build. However, there is no assurance that such actions will ultimately have the intended effects.

In connection with the site optimizations noted above and other restructuring initiatives, we reduced our workforce. We also took steps to reduce our budgeted capital expenditures and certain forecasted expenses, including a reduction of nonessential travel and employee-related expenses among other efficiency-based reductions. Additionally, we identified and executed new strategies to improve the efficiency and cost effectiveness of the transportation of our products. In December 2023, we announced that we would be partnering with Vanguard Supply Chain Solutions LLC, a current provider of our transportation services, to enable the in-house integration of our North American transportation operations. By taking direct control of our transportation operations, we expect to achieve key efficiencies to strengthen internal operations, improve our outgoing supply chain, and bolster service and scientific continuity for clients. In the second quarter of fiscal 2024, we completed the in-house integration of our North American transportation operations as described above. The Company is now working on further route optimization projects designed for further efficiencies and cost reductions.

The financial covenants under the Company's Credit Agreement include, among others, a requirement to not permit the consolidated debt to consolidated EBITDA of the Company to exceed certain leverage thresholds under the Credit Agreement. Subsequent to March 31, 2024, the Company entered into the Fourth Amendment (as defined in Note 15 - Subsequent Events) to the Credit Agreement, which provides that any charges or expenses attributable to or related to the Agreement in Principle may be added back to the Company's consolidated EBITDA (up to \$ 26,500) for purposes of the financial covenants under the Credit Agreement. As a result of the Fourth Amendment obtained by the Company, the Company was in compliance with its covenants under the Credit Agreement as of March 31, 2024.

The Company believes it has sufficient liquidity to satisfy its current obligations as they come due, including cash outflows for planned targeted capital expenditures, for the twelve months following the issuance of these financial statements. Following the decrease in overall revenue for the three months ended March 31, 2024, there is no assurance that the Company will experience an increase in revenue for the remainder of the 2024 fiscal year. If the Company's revenue and related operating margins do not increase, it would result in non-compliance with the financial covenants under the Credit Agreement. If at the time the Company files, or is required to file, its next Quarterly Report on Form 10-Q it reports a failure to comply with its financial covenants and remains unremedied for the period of time stipulated under the Credit Agreement, this would constitute an event of default under the Credit Agreement and the lenders may, among other remedies set out under the Credit Agreement, declare all or any portion of the outstanding principal amount of the borrowings plus accrued and unpaid interest to be immediately due and payable. Furthermore, if the lenders were to accelerate the loans under the Credit Agreement, such acceleration would constitute a default under our indenture governing the Company's Convertible Senior Notes (the "Notes") which, if not cured within 30 days following notice of such default from the trustee or holders of 25 percent of the Notes, would permit the trustee or such holders to accelerate the Notes. If the lenders accelerate the loans under the Credit Agreement, the Company does not believe its existing cash and cash equivalents, together with cash generated from operations, would be sufficient to fund its operations, satisfy its obligations, including cash outflows for planned targeted capital expenditures, and repay the entirety of its outstanding

senior term loans and repay the entirety of its outstanding Notes in the next twelve months; in addition, access to the \$ 15,000 revolver would be restricted and such funds would not be available to pay for any operating activities.

Further, our evaluation of the Company's ability to continue as a going concern in accordance with U.S. generally accepted accounting principles entailed analyzing prospective fully implemented operating budgets and forecasts for expectations of our cash needs and comparing those needs to the current cash and cash equivalent balances in order to satisfy our obligations, including cash outflows for planned targeted capital expenditures, and to comply with minimum liquidity and financial covenant requirements under our debt covenants related to borrowings pursuant to its Credit Agreement for at least the next twelve months. This evaluation initially does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented and are outside of its control as of the date the financial statements are issued. When substantial doubt exists under this methodology, we evaluate whether the mitigating effect of our plans sufficiently alleviates substantial doubt about our ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that these consolidated financial statements are issued. After considering the factors outlined above, substantial doubt about our ability to continue as a going concern exists.

We plan to continue our efforts to optimize our capital allocation and expense base, which reduced our cash expenses in the three and six months ended March 31, 2024 compared to the three and six months ended March 31, 2023, and which are expected to continue to reduce cash expenses in the remainder of fiscal 2024 and into fiscal 2025. Further, we have invested and plan to continue to invest in our DSA capacity and added to our service offerings in recent periods which we plan to utilize in order to support future revenue growth and margins. The Company also continues to collaborate with its lenders with regard to its current business conditions. The Company plans to request amendments to the Credit Agreement, which may include potential additional financial covenant requirements, in an effort to avoid an acceleration of the loans under the Credit Agreement prior to their existing maturity. In the event that the Company fails to comply with the requirements of the financial covenants set forth in the Credit Agreement, the Company has approximately 55 days subsequent to any fiscal quarter, and approximately 100 days subsequent to fiscal year-end to cure noncompliance. Additionally, the Company may consider seeking additional financing and evaluating financing alternatives to meet its cash requirements for the next 12 months. There is no assurance that the Company's lenders will agree to any amendment to the Credit Agreement, nor can there be any assurance that the Company would be able to raise additional capital, whether through selling additional equity or debt securities or obtaining a line of credit or other loan on terms acceptable to the Company or at all.

Basis of Presentation

The Company has prepared the accompanying unaudited interim condensed consolidated financial statements pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Accordingly, they do not include all of the information and footnotes required by GAAP, and therefore should be read in conjunction with the Company's audited consolidated financial statements, and the notes thereto, included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2023. In the opinion of management, the condensed consolidated financial statements for the three and six months ended March 31, 2024 and 2023 include all adjustments which are necessary for a fair presentation of the results of the interim periods and of the Company's financial position at March 31, 2024. The results of operations for the three and six months ended March 31, 2024 are not necessarily indicative of the results for the fiscal year ending September 30, 2024. Certain prior year amounts have been reclassified within the condensed consolidated statements of operations and the consolidated statement of cash flows for consistency with the current year presentation. Specifically, depreciation expense has been combined with amortization of intangible assets. These reclassifications had no effect on the reported results of operations. Further, certain financing activities have been reclassified within the condensed consolidated statements of cash flows for consistency with the current year presentation.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires the Company to make estimates and judgments that may affect the reported amounts of assets, liabilities, revenues, and expenses, and related disclosures of contingent assets and liabilities. These include, but are not limited to, management estimates in the calculation and timing of revenue recognition, pension liabilities, deferred tax assets and liabilities and the related valuation allowance. Although estimates are based upon management's best estimate using historical experience, current events, and

actions, actual results could differ from those estimates. Changes in estimates are reflected in reported results in the period in which they become known.

Consolidation

The accompanying condensed consolidated financial statements are unaudited and have been prepared by the Company, including all subsidiaries and prior to December 23, 2023, a variable interest entity ("VIE") it previously consolidated in accordance with GAAP. During December 2023, the Company entered into a transition services agreement with VSCS, one of the Company's transportation providers, to enable the in-house integration of Inotiv's North American transportation operations. Following this transaction, Inotiv was no longer required to consolidate this entity. The VIE has not materially impacted our net assets or net loss. The Company successfully completed the in-house integration of its North American transportation operations during the three months ended March 31, 2024.

The Company accounts for noncontrolling interests in accordance with Accounting Standards Codification ("ASC") 810, "Consolidation" ("ASC 810"). ASC 810 requires companies with noncontrolling interests to disclose such interests as a portion of equity but separate from the parent's equity. The noncontrolling interests' portion of net loss is presented on the condensed consolidated statements of operations.

Summary of Significant Accounting Policies

The Company's significant accounting policies are described in Note 2, "Summary of Significant Accounting Policies" in the Company's Annual Report on Form 10-K for the twelve months ended September 30, 2023, and there have been no material changes to those significant accounting policies.

Concentration of Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of trade receivables from customers in the biopharmaceutical, contract research, academic, and governmental sectors. The Company believes its exposure to credit risk is minimal, as the majority of the customers are predominantly well established and viable. Additionally, the Company maintains allowances for potential credit losses. The Company's exposure to credit loss in the event that payment is not received for revenue recognized equals the outstanding trade receivables and contract assets less fees invoiced in advance.

During the three and six months ended March 31, 2024, one client accounted for 15.2% and 19.0% of sales, respectively. During the three and six months ended March 31, 2023, one client accounted for 25.0% and 23.6% of sales, respectively. During the three and six months ended March 31, 2024, one vendor accounted for 23.0% and 12.5%, respectively, of the sum of cost of services and cost of products. During the three and six months ended March 31, 2023, no vendors accounted for more than 10% of the sum of cost of services and cost of products.

2. REVENUE FROM CONTRACTS WITH CUSTOMERS

DSA

The DSA segment generates service revenue through drug discovery and development services. The DSA segment generates product revenue through internally-manufactured scientific instruments for life sciences research and the related software for use by pharmaceutical companies, universities, government research centers and medical research institutions under the Company's BASi product line.

RMS

The RMS segment generates product revenue through the commercial production, procurement and sale of research models, diets and bedding and bioproducts. The RMS segment generates service revenue through Genetically Engineered Models and Services ("GEMS"), client-owned animal colony care, and health monitoring and diagnostics services related to research models.

Contract Assets and Liabilities from Contracts with Customers

The timing of revenue recognition, billings and cash collections results in billed receivables (trade receivables), contract assets (unbilled revenue), and contract liabilities (customer deposits and deferred revenue) on the condensed consolidated balance sheets. The following table provides information about contract assets (trade receivables and unbilled revenue, excluding allowances for credit losses), and fees invoiced in advance (customer deposits and deferred revenue):

	Balance at March 31, 2024	Balance at September 30, 2023
Contract assets: Trade receivables	\$ 55,021	\$ 77,618
Contract assets: Unbilled revenue	17,195	17,211
Contract liabilities: Customer deposits	24,295	36,689
Contract liabilities: Deferred revenue	17,380	18,933

When the Company does not have the unconditional right to advanced billings, both advanced client payments and unpaid advanced client billings are excluded from deferred revenue, with the advanced billings also being excluded from client receivables. The Company excluded approximately \$9,921 and \$10,220 of unpaid advanced client billings from both client receivables and deferred revenue as of March 31, 2024 and September 30, 2023, respectively.

The Company expects a majority of deferred revenue to be recognized as revenue within twelve months.

Changes in the contract asset and the contract liability balances during the six months ended March 31, 2024 include the following:

- Changes in the time frame for a right for consideration to become unconditional – approximately 70.0% of unbilled revenue as of September 30, 2023, was billed during the six months ended March 31, 2024; and
- Changes in the time frame for a performance obligation to be satisfied – approximately 68.0% of deferred revenue as of September 30, 2023, was recognized as revenue during the six months ended March 31, 2024.

3. SEGMENT AND GEOGRAPHIC INFORMATION

Segment Information

During the three and six months ended March 31, 2024, the RMS segment reported intersegment revenue of \$ 3,938 and \$4,834, respectively, related to sales to the DSA segment. During the three and six months ended March 31, 2023, the RMS segment reported intersegment revenue of \$ 3,262 and \$4,387, respectively, related to sales to the DSA segment. The following tables present revenue and other financial information by reportable segment:

[Table of Contents](#)

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2024	2023	2024	2023
Revenue				
DSA:				
Service revenue	\$ 45,302	\$ 46,145	\$ 88,865	\$ 86,116
Product revenue	1,329	878	2,464	2,000
RMS:				
Service revenue	11,659	12,607	21,959	22,684
Product revenue	60,745	91,833	141,248	163,417
	\$ 119,035	\$ 151,463	\$ 254,536	\$ 274,217
Operating Income (Loss)				
DSA	\$ 2,853	\$ 1,924	\$ 4,446	\$ 4,296
RMS	(30,604)	12,725	(25,525)	(58,547)
Unallocated Corporate	(15,365)	(16,774)	(31,408)	(38,452)
	\$ (43,116)	\$ (2,125)	\$ (52,487)	\$ (92,703)
Interest expense	(11,088)	(10,515)	(22,452)	(20,965)
Other (expense) income	(239)	545	1,174	(1,333)
Loss before income taxes	\$ (54,443)	\$ (12,095)	\$ (73,765)	\$ (115,001)
Depreciation and amortization:				
DSA	\$ 4,363	\$ 3,611	\$ 8,772	\$ 7,591
RMS	9,643	9,379	19,380	18,662
Unallocated Corporate	149	—	253	—
	\$ 14,155	\$ 12,990	\$ 28,405	\$ 26,253
Capital expenditures:				
DSA	\$ 929	3,970	\$ 3,204	\$ 7,264
RMS	6,093	4,501	9,390	9,576
	\$ 7,022	\$ 8,471	\$ 12,594	\$ 16,840

Geographic Information

The following represents revenue originating in entities physically located in the identified geographic area:

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2024	2023	2024	2023
United States	\$ 102,429	\$ 129,980	\$ 214,198	\$ 228,989
Netherlands	9,724	11,522	27,786	26,744
Other	6,882	9,961	12,552	18,484
	\$ 119,035	\$ 151,463	\$ 254,536	\$ 274,217

[Table of Contents](#)

Long-lived assets shown below include property and equipment, net. The following represents long-lived assets where they are physically located:

	March 31,	—	September 30,
	2024	—	2023
United States	\$ 174,664	\$ 178,021	
Netherlands	6,619	6,656	
Other	10,140	6,391	
	<u><u>\$ 191,423</u></u>	<u><u>\$ 191,068</u></u>	

4. BUSINESS COMBINATIONS

The Company accounts for acquisitions in accordance with ASC 805, Business Combinations. The guidance requires consideration given, including contingent consideration, assets acquired, liabilities assumed and non-controlling interests to be valued at their fair market values at the acquisition date. The guidance further provides that: (1) in-process research and development will be recorded at fair value as an indefinite-lived intangible asset; (2) acquisition costs will generally be expensed as incurred; (3) restructuring costs associated with a business combination will generally be expensed subsequent to the acquisition date; and (4) changes in deferred tax asset valuation allowances and income tax uncertainties after the acquisition date generally will affect income tax expense (benefit). ASC 805 requires that any excess of the purchase price over the fair value of assets acquired, including identifiable intangibles and liabilities assumed, be recognized as goodwill.

Histon Acquisition

On April 25, 2022, the Company completed the acquisition of Histon, LLC ("Histon"), which was a strategic element of the Company's expansion of its specialized pathology services. Consideration for the Histon acquisition consisted of (i) \$950 in cash, subject to working capital adjustments, (ii) 17,618 of the Company's common shares valued at \$364 based on the closing stock price of the Company's common shares as reported by Nasdaq on the closing date and (iii) unsecured subordinated promissory notes payable to the former shareholders of Histon in an aggregate principal amount of \$433.

Protypia Acquisition

On July 7, 2022, the Company entered into a Stock Purchase Agreement with Protypia, Inc. ("Protypia"), which was a strategic element of the Company's expansion of its mass spectrometry-based bioanalytical offerings, providing for the acquisition by the Company of all of the outstanding stock of Protypia on that date. Consideration for the Protypia stock consisted of (i) \$9,460 in cash, subject to certain adjustments, (ii) 74,997 of the Company's common shares valued at \$806 based on the opening stock price of the Company's common shares as reported by Nasdaq on the closing date and (iii) \$600 in seller notes.

The following table summarizes the fair value of assets acquired and liabilities assumed as of the acquisition date:

	July 7, 2022
Assets acquired and liabilities assumed:	
Goodwill	6,002
Intangible assets	5,600
Other liabilities, net	(84)
Deferred tax liabilities	(652)
	<u><u>\$ 10,866</u></u>

Intangible assets primarily relate to client relationships and technology associated with the ability to perform specialized protein and peptide mass spectrometry analysis. The acquired definite-lived intangible assets are being amortized over a weighted-average estimated useful life of approximately 8.1 years on a straight-line basis. The estimated fair values of identifiable intangible assets were determined using the "income approach," which is a valuation technique that provides an estimate of the fair value of an asset based on market participant expectations of the cash flows an asset would generate over its remaining useful life. Some of the significant assumptions inherent in the development of these asset valuations include the estimated net cash flows for each year for each asset or product (including revenues and EBITDA), the

appropriate discount rate necessary to measure the risk inherent in each future cash flow stream, the life cycle of each asset, the potential regulatory and commercial success risk, and competitive trends impacting the asset and each cash flow stream, as well as other factors.

Goodwill, which is derived from the enhanced scientific expertise and our ability to provide broader service solutions through a comprehensive portfolio, is recorded based on the amount by which the purchase price exceeds the fair value of the net assets acquired and none is deductible for tax purposes. Goodwill from this transaction is allocated to the Company's DSA reportable segment.

In accordance with ASC 805-740, the Company established a deferred tax liability with an offset to goodwill in connection with the accounting for the opening balance sheet of the Protypia acquisition as a result of book-to-tax differences primarily related to the intangible assets.

5. INTANGIBLE ASSETS

The following table displays intangible assets, net by major class:

	March 31, 2024		
	Carrying Amount, Gross	Accumulated Amortization	Carrying Amount, Net
Client relationships	\$ 317,137	\$ (68,659)	\$ 248,478
Intellectual property	56,376	(15,468)	40,908
Other	4,837	(2,892)	1,945
	<u>\$ 378,350</u>	<u>\$ (87,019)</u>	<u>\$ 291,331</u>

	September 30, 2023		
	Carrying Amount, Gross	Accumulated Amortization	Carrying Amount, Net
Client relationships	\$ 316,820	\$ (54,711)	\$ 262,109
Intellectual property	56,337	(12,234)	44,103
Other	4,837	(2,621)	2,216
	<u>\$ 377,994</u>	<u>\$ (69,566)</u>	<u>\$ 308,428</u>

The decrease in intangible assets, net during the six months ended March 31, 2024 related to amortization over the applicable useful lives, partially offset by the impact of foreign exchange rates.

[Table of Contents](#)

6. DEBT

Long-term debt as of March 31, 2024 and September 30, 2023 is detailed in the table below.

	March 31, 2024	September 30, 2023
Seller Note – Bolder BioPath (Related party)	\$ 489	\$ 602
Seller Note – Preclinical Research Services	503	541
Seller Payable - Orient BioResource Center	3,680	3,649
Seller Note – Histon (Related party)	156	229
Seller Note – Protypia (Related party)	—	400
Economic Injury Disaster Loan	—	140
Convertible Senior Notes	113,716	110,651
Term Loan Facility, DDTL and Incremental Term Loans	271,849	272,930
Total debt before unamortized debt issuance costs	\$ 390,393	\$ 389,142
Less: Debt issuance costs not amortized	(9,760)	(11,397)
Total debt, net of unamortized debt issuance costs	\$ 380,633	\$ 377,745
Less: Current portion	\$ (380,358)	\$ (7,950)
Total Long-term debt	\$ 275	\$ 369,795

Revolving Credit Facility

As of March 31, 2024 and September 30, 2023, the Company had no outstanding balance on the revolving credit facility. Refer to the statements of cash flows for information related to payments on the revolving credit facility during the six months ended March 31, 2023.

Significant Transactions

On October 12, 2022, the Company drew its \$35,000 delayed draw term loan (the "Additional DDTL") allowed under the First Amendment to the Credit Agreement ("First Amendment"). A portion of the proceeds were used to repay the \$15,000 balance on the Company's revolving credit facility, while the remaining amount was drawn to fund a portion of the Company's capital expenditures in fiscal year 2022 and those planned for fiscal year 2023.

On December 29, 2022 and January 9, 2023, the Company, the lenders party thereto, and Jefferies Finance LLC, as administrative agent (the "Agent"), entered into the Second and Third Amendments, respectively, to the Credit Agreement. Refer below for further information related to those amendments.

Absent the Fourth Amendment (as defined in Note 15 - Subsequent Events), the Company would not have complied with its financial covenants under the Credit Agreement and the Company believes that if we do not see an increase in revenue, and related operating margins, it is probable that the Company will fail its financial covenants within twelve months of the balance sheet date. As a result, we have classified the Term Loan Facility, DDTL and Incremental Term Loans and the Convertible Senior Notes as current. Refer to Note 1 - Description of the Business and Basis of Presentation for the Company's Operational Update and the Company's analysis of Liquidity and Going Concern.

Term Loan Facility, DDTL and Incremental Term Loans

Below are the weighted-average effective interest rates for the loans available under the Credit Agreement (as defined below):

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Effective interest rates:				
Term Loan	11.06 %	10.40 %	11.30 %	10.32 %
Initial DDTL	11.05 %	10.45 %	11.29 %	10.35 %
Additional DDTL	11.17 %	10.68 %	11.42 %	11.07 %

Credit Agreement

On November 5, 2021, the Company, certain subsidiaries of the Company (the "Subsidiary Guarantors"), the lenders party thereto, and the Agent, entered into a Credit Agreement (the "Credit Agreement"). The Credit Agreement provides for a term loan facility (the "Term Loan") in the original principal amount of \$165,000, a delayed draw term loan facility in the original principal amount of \$ 35,000 (available to be drawn up to 18 months from the date of the Credit Agreement) (the "Initial DDTL" and together with the Additional DDTL, the "DDTL") and a revolving credit facility in the original principal amount of \$15,000. On November 5, 2021, the Company borrowed the full amount of the term loan facility, but did not borrow any amounts on the delayed draw term loan facility or the revolving credit facility.

The Company could have elected to borrow on each of the loan facilities at either an adjusted LIBOR rate of interest or an adjusted prime rate of interest. Adjusted LIBOR rate loans accrued interest at an annual rate equal to the LIBOR rate plus a margin of between 6.00% and 6.50%, depending on the Company's then current Secured Leverage Ratio (as defined in the Credit Agreement). The LIBOR rate had to be a minimum of 1.00%. The initial adjusted LIBOR rate of interest was the LIBOR rate plus 6.25%. Adjusted prime rate loans accrued interest at an annual rate equal to the prime rate plus a margin of between 5.00% and 5.50%, depending on the Company's then current Secured Leverage Ratio. The initial adjusted prime rate of interest was the prime rate plus 5.25%.

The Company must pay (i) a fee based on a percentage per annum equal to 0.50% on the average daily undrawn portion of the commitments in respect of the revolving credit facility and (ii) a fee based on a percentage per annum equal to 1.00% on the average daily undrawn portion of the commitments in respect of the delayed draw loan facility. In each case, such fee shall be paid quarterly in arrears.

Each of the term loan facility and delayed draw term loan facility require annual principal payments in an amount equal to 1.00% of their respective original principal amounts. The Company shall also repay the term loan facility on an annual basis in an amount equal to a percentage of its Excess Cash Flow (as defined in the Credit Agreement), which percentage will be determined by its then current Secured Leverage Ratio. Each of the loan facilities may be repaid at any time. Voluntary prepayments were subject to a 1.00% prepayment premium if made on or prior to November 5, 2023 and other breakage penalties, as defined in the Credit Agreement. Voluntary prepayments made after November 5, 2023 are not subject to any prepayment premium.

The Company is required to maintain a Secured Leverage Ratio of not more than 4.25 to 1.00 for the Company's fiscal quarters through the fiscal quarter ended June 30, 2023, 3.75 to 1.00 beginning with the Company's fiscal quarter ending September 30, 2023, and 3.00 to 1.00 beginning with the Company's fiscal quarter ending March 31, 2025. The Company is required to maintain a minimum Fixed Charge Coverage Ratio (as defined in the Credit Agreement), which ratio was 1.00 to 1.00 during the first year of the Credit Agreement and is 1.10 to 1.00 from and after the Credit Agreement's first anniversary.

Each of the loan facilities is secured by all assets (other than certain excluded assets) of the Company and each of the Subsidiary Guarantors. Repayment of each of the loan facilities is guaranteed by each of the Subsidiary Guarantors.

On January 7, 2022, the Company drew \$35,000 on the Initial DDTL. Amounts outstanding under the Initial DDTL accrued interest at an annual rate equal to the LIBOR rate plus a margin of between 6.00% and 6.50%, depending on the Company's then current Secured Leverage Ratio (as defined in the Credit Agreement). The initial adjusted LIBOR rate of interest was the LIBOR rate plus 6.25%.

The Term Loan and the Initial DDTL will mature on November 5, 2026.

First Amendment to Credit Agreement

On January 27, 2022, the Company, Subsidiary Guarantors, the lenders party thereto, and the Agent entered into the First Amendment to the existing Credit Agreement. The First Amendment provides for, among other things, an increase to the existing term loan facility in the amount of \$ 40,000 (the "Incremental Term Loans") and the Additional DDTL in the original principal amount of \$ 35,000, which amount is available to be drawn up to 24 months from the date of the First Amendment. The Incremental Term Loans and any amounts borrowed under the Additional DDTL are referred to herein as the "Additional Term Loans". On January 27, 2022, the Company borrowed the full amount of the Incremental Term Loans, and on October 12, 2022, the Company borrowed the full \$35,000 under the Additional DDTL.

Amounts outstanding under the Additional Term Loans accrued interest at an annual rate equal to the LIBOR rate plus a margin of between 6.00% and 6.50%, depending on the Company's then current Secured Leverage Ratio (as defined in the Credit Agreement). The initial adjusted LIBOR rate of interest was the LIBOR rate plus 6.25%.

The Additional Term Loans require annual principal payments in an amount equal to 1.00% of the original principal amount. Voluntary prepayments of the Additional Term Loans were subject to a 1.00% prepayment premium if made on or prior to November 5, 2023 and other breakage penalties, as defined in the Credit Agreement. Voluntary prepayments made after November 5, 2023 are not subject to any prepayment premium.

The Company shall also repay the term loans on an annual basis in an amount equal to a percentage of its Excess Cash Flow (as defined in the Credit Agreement), which percentage will be determined by its then current Secured Leverage Ratio.

The Additional Term Loans are secured by all assets (other than certain excluded assets) of the Company and each of the Subsidiary Guarantors. Repayment of the Additional Term Loans is guaranteed by each of the Subsidiary Guarantors.

The Additional Term Loans will mature on November 5, 2026.

Second Amendment to Credit Agreement

On December 29, 2022, the Company, the Subsidiary Guarantors, the lenders party thereto, and the Agent, entered into a Second Amendment (the "Second Amendment") to the Credit Agreement.

The Second Amendment provided for, among other things, an extension of the deadline for the Company to provide to the lenders the audited financial statements for the Company's fiscal year ended September 30, 2022 and an annual budget for 2023; the Company satisfied these requirements by the extended deadline. The Second Amendment added a requirement that the Company provide, within 30 days after the end of each month, an unaudited consolidated balance sheet, statement of income and statement of cash flows as of the end of, and for, such month, as well as a "key performance indicator" report. The Second Amendment also requires that, within 10 business days after the end of each month, the Company will provide a rolling 13-week cash flow forecast prepared on a monthly basis. The Second Amendment further provides that, upon the request of the Required Lenders (as defined in the Credit Agreement), the Company will permit a financial advisor designated by the Required Lenders to meet with management of the Company to discuss the affairs, finances, accounts and condition of the Company during the six-month period following the effective date of the Second Amendment. In addition, the Second Amendment requires the Company to deliver an updated organization chart and certain supplemental information regarding the Company's subsidiaries in connection with each quarterly report required pursuant to the Credit Agreement.

Under the Second Amendment, the Company could have elected to borrow on each of the loan facilities at either an adjusted term secured overnight financing rate ("Term SOFR") rate of interest or an alternate base rate of interest. Term SOFR loans accrued interest at an annual rate equal to the applicable Term SOFR rate plus (i) an adjustment percentage equal to between 0.11448% and 0.42826%, depending on the term of the loan ("Adjusted Term SOFR"); provided that, Adjusted Term SOFR could never be less than 1.00%, and (ii) a margin of between 6.00% and 6.50%, depending on the Company's then current Secured Leverage Ratio (as defined in the Credit Agreement). Alternate base rate loans could accrue interest at an annual rate equal to (i) the highest of (a) the Federal Funds Effective Rate (as defined in the Credit Agreement) plus 0.50%, (b) the Agent's prime rate and (c) Adjusted Term SOFR for a one-month tenor plus 1.00% (the "Second Amendment Alternate Base Rate"); provided that, the Second Amendment Alternate Base Rate could never be less than 2.00%, plus (ii) a margin of between 5.00% and 5.50%, depending on the Company's then current Secured Leverage Ratio.

The Second Amendment also provides that the Company may not request any credit extensions under the revolving credit facility under the Credit Agreement, if any of the conditions precedent set forth in Section 4.02 of the Credit Agreement cannot be satisfied, including, without limitation, the making of the representation and warranty that as of the date of the most recent audited financial statements delivered to the Agent, no event, change, circumstance, condition, development or occurrence has had, or would reasonably be expected to result in, either individually or in the aggregate, a Material Adverse Effect (as defined in the Credit Agreement).

In addition, the Second Amendment provided that, no later than January 13, 2023 (or such later date as the Required Lenders shall agree in their discretion), the Company shall (i) appoint a financial advisor on terms reasonably acceptable to the Required Lenders and the Company for a term of at least six months, (ii) provide a 13-week budget to the Agent, and (iii) deliver a perfection certificate supplement updating certain information previously provided with respect to each of the Company and the Subsidiary Guarantors, including information regarding certain collateral and other assets owned by such parties. The Company timely satisfied each of these requirements.

Third Amendment to Credit Agreement

On January 9, 2023, the Company, the Subsidiary Guarantors, the lenders party thereto, and the Agent, entered into a Third Amendment ("Third Amendment") to the Credit Agreement. The Third Amendment provides that, among other things, during the period beginning on January 9, 2023 and, subject to the terms of the Credit Agreement, ending on the date on which financial statements for the Company's fiscal quarter ending March 31, 2024 are delivered or are required to be delivered, as long as no event of default has occurred (the "Amendment Relief Period"):

- the Cambodian NHP-related matters, to the extent existing and disclosed to the lenders prior to December 29, 2022, shall not constitute a Material Adverse Effect under the Credit Agreement and will not restrict the Company's ability to request credit extensions under the revolving credit facility;
- the use of borrowings under the revolving credit facility is limited to funding operational expenses of the Company in the ordinary course and cannot be used for the making or funding of investments, permitted acquisitions or restricted payments, payments or purchases with respect to any indebtedness, bonuses or executive compensation, or judgments, fines or settlements; and
- additional limitations are imposed on the Company under the Credit Agreement, including restrictions on permitted asset sales, a prohibition on making permitted acquisitions, and significant limitations on the ability to incur additional debt, make investments and make restricted payments.

The Third Amendment provides that from and after the date thereof, no incremental facilities under the Credit Agreement may be established or incurred. The Third Amendment also provides for additional mandatory prepayments of borrowed amounts following the receipt by the Company of certain cash receipts, including proceeds from certain equity issuances and cash received by the Company not in the ordinary course of business. Under the Third Amendment, after any draw on the revolving credit facility, the Company's cash and cash equivalents held on hand domestically within the U.S. cannot exceed \$10,000.

Under the Third Amendment, the Company may elect to borrow on each of the loan facilities accruing interest at either an adjusted Term SOFR or an alternate base rate of interest. Term SOFR loans shall accrue interest at an annual rate equal to the applicable Term SOFR rate plus (i) an adjustment percentage equal to between 0.11448% and 0.42826%, depending on the term of the loan, provided that, the Adjusted Term SOFR shall never be less than 1.00% per annum, plus (ii) an applicable margin of 6.75% per annum for term loans maintained as SOFR loans or 9.50% per annum for revolving loans maintained as SOFR loans. Alternate base rate loans shall accrue interest at an annual rate equal to (i) the highest of (a) the Federal Funds Effective Rate (as defined in the Credit Agreement) plus 0.50%, (b) the Agent's prime rate and (c) Adjusted Term SOFR for a one-month tenor plus 1.00% (the "Alternate Base Rate"), provided that, the Alternate Base Rate is subject to a floor of 2.00% per annum plus (ii) an applicable margin of 5.75% per annum for term loans maintained as Alternate Base Rate loans or 8.50% per annum for revolving loans maintained as Alternate Base Rate loans.

The fee consideration payable by the Company for each consenting lender party to the Third Amendment is: (i) 0.50% of the aggregate outstanding principal amount of the term loans held by each consenting term loan lender, to be paid in-kind and capitalized to the principal amounts of the term loans held by such lender; (ii) 0.50% of the aggregate outstanding principal amount of the term loans held by each consenting term loan lender, to be paid in cash upon the occurrence of certain prepayments of the term loan under the Credit Agreement; and (iii) 7.00% of the aggregate amount of the revolving commitments held by each consenting revolving lender, to be paid in cash upon the occurrence with certain permanent reductions of the revolving loans under the Credit Agreement.

Acquisition-related Debt (Seller Notes)

In addition to the indebtedness under the Credit Agreement, certain of the Company's subsidiaries have issued unsecured notes as partial payment of the purchase prices of certain acquisitions as described herein. Each of these notes is subordinated to the indebtedness under the Credit Agreement.

As part of the acquisition of Pre-Clinical Research Services, Inc. ("PCRS"), the Company issued an unsecured subordinated promissory note payable to the PCRS seller in the initial principal amount of \$800. The promissory note bears interest at a rate of 4.50% per annum with monthly payments of principal and interest and a maturity date of December 1, 2024.

As part of the acquisition of Bolder BioPATH, the Company issued unsecured subordinated promissory notes payable to the former shareholders of Bolder BioPATH in an aggregate principal amount of \$1,500. As part of the working capital adjustment in March 2022, a reduction of the promissory note of \$470 was recorded. The promissory notes bear interest at a rate of 4.50% per annum, with monthly payments of principal and interest and a maturity date of May 1, 2026.

As part of the acquisition of Plato BioPharma, Inc. ("Plato"), the Company issued unsecured subordinated promissory notes payable to the former shareholders of Plato in an aggregate principal amount of \$3,000. The promissory notes bore interest at a rate of 4.50% per annum, with monthly payments of principal and interest and a maturity date of June 1, 2023. The promissory notes were paid in full as of June 1, 2023.

As part of the acquisition of Orient BioResource Center, Inc. ("OBRC"), the Company agreed to leave in place a payable owed by OBRC to Orient Bio, Inc. (the "Seller") in the amount of \$3,700, which the Company determined to have a fair value of \$ 3,325 as of January 27, 2022. The payable does not bear interest and was originally required to be paid to the Seller 18 months after the closing date of January 27, 2022. The Company has the right to set off against the payable any amounts that become payable by the Seller on account of indemnification obligations under the purchase agreement. On April 4, 2023, the Company and the Seller entered into a First Amendment to extend the maturity date of the payable to July 27, 2024. This extension did not affect the rights and remedies of any party under the stock purchase agreement, nor alter, modify or amend or in any way affect any of the terms and conditions, obligations, covenants or agreements contained in the stock purchase agreement.

As part of the acquisition of Histon, the Company issued unsecured subordinated promissory notes payable to the former shareholders of Histon in an aggregate principal amount of \$433. The promissory notes bear interest at a rate of 4.50% per annum, with monthly payments of principal and interest and a maturity date of April 1, 2025.

As part of the acquisition of Prototypia, the Company issued unsecured subordinated promissory notes payable to the former shareholders of Prototypia in an aggregate principal amount of \$600. The promissory notes bear interest at a rate of 4.50% per annum, with monthly interest payments, as well as principal payments on July 7, 2023 and on the maturity date, January 7, 2024. These notes were paid in full on January 7, 2024.

Convertible Senior Notes

On September 27, 2021, the Company issued \$140,000 principal amount of its 3.25% Convertible Senior Notes due 2027 (the "Notes"). The Notes were issued pursuant to, and are governed by, an indenture, dated as of September 27, 2021, among the Company, the Company's wholly-owned subsidiary, BAS Evansville, Inc., as guarantor (the "Guarantor"), and U.S. Bank National Association, as trustee (the "Indenture"). Pursuant to the purchase agreement between the Company and the initial purchaser of the Notes, the Company granted the initial purchaser an option to purchase, for settlement within a period of 13 days from, and including, the date the Notes were first issued, up to an additional \$ 15,000 principal amount of the Notes. The Notes issued on September 27, 2021 included \$15,000 principal amount of the Notes issued pursuant to the full exercise by the initial purchaser of such option. The Company used the net proceeds from the offering of the Notes, together with borrowings under a new senior secured term loan facility, to fund the cash portion of the purchase price of the Envigo acquisition and related fees and expenses.

The Notes are the Company's senior, unsecured obligations and are (i) equal in right of payment with the Company's existing and future senior, unsecured indebtedness; (ii) senior in right of payment to the Company's existing and future indebtedness that is expressly subordinated to the Notes; (iii) effectively subordinated to the Company's existing and future secured indebtedness, to the extent of the value of the collateral securing that indebtedness; and (iv) structurally

subordinated to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent the Company is not a holder thereof) preferred equity, if any, of the Company's non-guarantor subsidiaries. The Notes are fully and unconditionally guaranteed, on a senior, unsecured basis, by the Guarantor.

The Notes accrue interest at a rate of 3.25% per annum, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on April 15, 2022. The Notes will mature on October 15, 2027, unless earlier repurchased, redeemed or converted. Before April 15, 2027, noteholders have the right to convert their Notes only upon the occurrence of certain events. From and after April 15, 2027, noteholders may convert their Notes at any time at their election until the close of business on the scheduled trading day immediately before the maturity date. The Company will settle conversions by paying or delivering, as applicable, cash, its common shares or a combination of cash and its common shares, at the Company's election. The initial conversion rate is 21.7162 common shares per \$1 principal amount of Notes, which represents an initial conversion price of approximately \$ 46.05 per common share. The conversion rate and conversion price are subject to customary adjustments upon the occurrence of certain events. In addition, if certain corporate events that constitute a "Make-Whole Fundamental Change" (as defined in the Indenture) occur, then the conversion rate will, in certain circumstances, be increased for a specified period of time.

As of March 31, 2024 and September 30, 2023, there were \$ 3,705 and \$4,172, respectively, in unamortized debt issuance costs related to the Notes. For the three months ended March 31, 2024, the total interest expense was \$2,907, including coupon interest expense of \$ 1,131, accretion expense of \$1,542, and the amortization of debt discount and issuance costs of \$ 234. During the three months ended March 31, 2023, the total interest expense was \$2,740, including coupon interest expense of \$ 1,138, accretion expense of \$ 1,383, and the amortization of debt discount and issuance costs of \$ 219. For the six months ended March 31, 2024, the total interest expense was \$5,807, including coupon interest expense of \$ 2,275, accretion expense of \$3,065, and the amortization of debt discount and issuance costs of \$467. During the six months ended March 31, 2023, the total interest expense was \$ 5,504, including coupon interest expense of \$2,300, accretion expense of \$ 2,764, and the amortization of debt discount and issuance costs of \$ 440.

The Notes are redeemable, in whole and not in part, at the Company's option at any time on or after October 15, 2024 and on or before the 40th scheduled trading day immediately before the maturity date, but only if the last reported sale price per common share of the Company exceeds 130.00% of the conversion price on (i) each of at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the trading day immediately before the date the Company sends the related redemption notice; and (ii) the trading day immediately before the date the Company sends such notice. The redemption price is a cash amount equal to the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, calling the Notes for redemption pursuant to the provisions described in this paragraph will constitute a Make-Whole Fundamental Change, which will result in an increase to the conversion rate in certain circumstances for a specified period of time.

If certain corporate events that constitute a "Fundamental Change" (as defined in the Indenture) occur, then noteholders may require the Company to repurchase their Notes at a cash repurchase price equal to the principal amount of the Notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the Fundamental Change repurchase date. The definition of Fundamental Change includes certain business combination transactions involving the Company and certain de-listing events with respect to the Company's common shares.

The Notes have customary provisions relating to the occurrence of "Events of Default" (as defined in the Indenture), which include the following: (i) certain payment defaults on the Notes (which, in the case of a default in the payment of interest on the Notes, are subject to a 30-day cure period); (ii) the Company's failure to send certain notices under the Indenture within specified periods of time; (iii) the failure by the Company or the Guarantor to comply with certain covenants in the Indenture relating to the ability of the Company or the Guarantor to consolidate with or merge with or into, or sell, lease or otherwise transfer, in one transaction or a series of transactions, all or substantially all of the assets of the Company or the Guarantor, as applicable, and its subsidiaries, taken as a whole, to another person; (iv) a default by the Company or the Guarantor in its other obligations or agreements under the Indenture or the Notes if such default is not cured or waived within 60 days after notice is given in accordance with the Indenture; (v) certain defaults by the Company, the Guarantor or any of their respective subsidiaries with respect to indebtedness for borrowed money of at least \$20,000; (vi) the rendering of certain judgments against the Company, the Guarantor or any of their respective subsidiaries for the payment of at least \$20,000, where such judgments are not discharged or stayed within 60 days after the date on which the right to appeal has expired or on which all rights to appeal have been extinguished; (vii) certain events of bankruptcy, insolvency and reorganization involving the Company, the Guarantor or any of their respective significant subsidiaries; and (viii) the guarantee of the Notes ceases to be in full force and effect (except as permitted by the Indenture) or the Guarantor denies or disaffirms its obligations under its guarantee of the Notes.

[Table of Contents](#)

If an Event of Default involving bankruptcy, insolvency or reorganization events with respect to the Company or the Guarantor (and not solely with respect to a significant subsidiary of the Company or the Guarantor) occurs, then the principal amount of, and all accrued and unpaid interest on, all of the Notes then outstanding will immediately become due and payable without any further action or notice by any person. If any other Event of Default occurs and is continuing, then the trustee, by notice to the Company, or noteholders of at least 25.00% of the aggregate principal amount of Notes then outstanding, by notice to the Company and the trustee, may declare the principal amount of, and all accrued and unpaid interest on, all of the Notes then outstanding to become due and payable immediately. However, notwithstanding the foregoing, the Company may elect, at its option, that the sole remedy for an Event of Default relating to certain failures by the Company to comply with certain reporting covenants in the Indenture consists exclusively of the right of the noteholders to receive special interest on the Notes for up to 180 days at a specified rate per annum not exceeding 0.50% on the principal amount of the Notes.

At issuance, the Company evaluated the convertible feature of the Notes and determined it was required to be bifurcated as an embedded derivative and did not qualify for equity classification. In subsequent periods, the Notes conversion rights met all equity classification criteria and the fair value of the embedded derivative was reclassified to additional paid-in-capital. The discount resulting from the initial fair value of the embedded derivative has and will continue to be amortized to interest expense using the effective interest method. Non-cash interest expense during the period primarily related to this discount.

7. SUPPLEMENTAL BALANCE SHEET INFORMATION

Trade receivables and contract assets, net consisted of the following:

	March 31,	September 30,	
	2024	2023	
Trade receivables	\$ 55,021	\$ 77,618	
Unbilled revenue	17,195	17,211	
Total	72,216	94,829	
Less: Allowance for credit losses	(6,459)	(7,446)	
Trade receivables and contract assets, net of allowances for credit losses	\$ 65,757	\$ 87,383	

Inventories, net consisted of the following:

	March 31,	September 30,	
	2024	2023	
Raw materials	\$ 2,007	\$ 2,259	
Work in progress	86	124	
Finished goods	4,540	4,439	
Research Model Inventory	42,718	52,524	
Total	49,351	59,346	
Less: Obsolescence reserve	(3,945)	(3,244)	
Inventories, net	\$ 45,406	\$ 56,102	

Prepaid expenses and other current assets consisted of the following:

	March 31,	September 30,	
	2024	2023	
Advances to suppliers	\$ 21,331	\$ 19,247	
Prepaid research models	4,705	4,300	
Income tax receivable	2,313	1,813	
Note receivable	1,334	1,226	
Other	7,138	6,822	
Prepaid expenses and other current assets	\$ 36,821	\$ 33,408	

[Table of Contents](#)

The composition of other assets is as follows:

	March 31, 2024	September 30, 2023
Long-term advances to suppliers	\$ 3,741	\$ 3,681
Funded status of defined benefit plan	3,163	3,036
Other	3,959	3,362
Other assets	<u>10,863</u>	<u>10,079</u>

Accrued expenses and other current liabilities consisted of the following:

	March 31, 2024	September 30, 2023
Accrued compensation	\$ 11,099	\$ 12,966
Non-income taxes	4,474	4,596
Accrued interest	3,887	2,975
Other	5,141	5,239
Agreement in Principle (Note 1)	\$ 6,501	—
Accrued expenses and other current liabilities	<u>31,102</u>	<u>25,776</u>

The composition of fees invoiced in advance is as follows:

	March 31, 2024	September 30, 2023
Customer deposits	\$ 24,295	\$ 36,689
Deferred revenue	17,380	18,933
Fees invoiced in advance	<u>41,675</u>	<u>55,622</u>

The composition of other liabilities is as follows:

	March 31, 2024	September 30, 2023
Long-term client deposits	\$ 17,000	\$ 5,250
Other	1,055	1,123
Agreement in Principle (Note 1)	20,000	—
Other liabilities	<u>38,055</u>	<u>6,373</u>

8. DEFINED BENEFIT PLAN

The Company has a defined benefit plan in the U.K., the Harlan Laboratories UK Limited Occupational Pension Scheme (the "Pension Plan"), which operated through April 2012. As of April 30, 2012, the accumulation of plan benefits of employees in the Pension Plan was permanently suspended and therefore the Pension Plan was curtailed. During the year ending September 30, 2024, the Company expects to contribute \$0 to the Pension Plan. As of March 31, 2024, the funded status of the defined benefit plan obligation of \$3,163 is included in other assets (non-current) in the condensed consolidated balance sheets.

The following table provides the components of net periodic benefit costs for the Pension Plan, which is included in general and administrative expenses in the condensed consolidated statements of operations.

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024		2023	
Components of net periodic expense:				
Interest cost	\$ 185	\$ 182	\$ 366	\$ 364
Expected return on assets	(197)	(198)	(389)	(396)
Amortization of prior loss	(35)	(37)	(70)	(75)
Net periodic expense	\$ (47)	\$ (53)	\$ (93)	\$ (107)

9. OTHER OPERATING EXPENSE

Other operating expense consisted of the following:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024		2023	
Acquisition and integration costs				
Restructuring costs ¹	—	\$ 105	\$ 70	\$ 1,088
Startup costs	1,368	1,740	2,402	2,006
Remediation costs	967	2,281	1,797	3,786
Other costs	369	555	652	1,140
Agreement in Principle ²	1,236	131	2,338	431
	26,500	—	26,500	—
Acquisition and integration costs	\$ 30,440	\$ 4,812	\$ 33,759	\$ 8,451

¹Restructuring costs represent costs incurred in connection with the Company's site closures, site optimization strategy and the in-house integration of Inotiv's North American transportation operations as discussed in Note 10 – Restructuring and Assets Held for Sale and Note 1 - Description of Business and Basis of Presentation.

² Refer to Note 1 - Description of Business and Basis of Presentation for further discussion of the Agreement in Principle

10. RESTRUCTURING AND ASSETS HELD FOR SALE

During June 2022, the Company approved and announced a plan to close its facility in Cumberland, Virginia. Further, the Company's restructuring and site optimization plan includes the following sites, which were identified for relocation of operations: Dublin, Virginia, Gannat, France, Blackthorn, U.K., RMS St. Louis, Missouri, Spain, Boyertown, Pennsylvania, and Haslett, Michigan.

For the three and six months ended March 31, 2024 and 2023, the Company incurred immaterial expenses that qualify as exit and disposal costs under GAAP, and does not expect further material charges as a result of the closures and planned site consolidations. Exit and disposal costs were charged to other operating expense. Further, as of March 31, 2024 and 2023, the liability balance for exit and disposal costs that qualify as employee-related exit and disposal costs was \$616 and \$503, respectively. As of March 31, 2024, the property and equipment related to the facilities at Haslett, Michigan and Cumberland, Virginia were presented within assets held for sale.

Cumberland and Dublin

During June 2022, the Company approved and announced a plan to close its facility in Cumberland, Virginia ("Cumberland facility") and to close and relocate its operations in Dublin, Virginia ("Dublin facility") into its other existing facilities, as a part of the Company's restructuring and site optimization plan. The Cumberland facility exit was also a part of the settlement, as further described in Note 14 – Contingencies. The Cumberland facility exit was completed in September 2022 and initially met the criteria for assets held for sale as of March 31, 2023. Further, in connection with this conclusion, the Company determined that the carrying value exceeded the fair value of the real property at the Cumberland facility less

costs to sell. As a result, an asset impairment charge of \$ 678 was recorded within the RMS reportable segment during the three months ended March 31, 2023. The real property of the Cumberland facility is under contract to be sold and continued to meet the criteria for assets held for sale as of March 31, 2024. The Dublin facility transition was completed in November 2022 and initially met the criteria for assets held for sale as of December 31, 2023. The Dublin facility was sold in March 2024. The operations at both the Cumberland facility and the Dublin facility were within the RMS reporting segment.

Gannat, Blackthorn, Spain and RMS St. Louis

As of March 31, 2023, the Company completed its consultation with employee representatives at the Gannat and Blackthorn facilities and the closures of both facilities were approved. The consolidation of operations at Gannat with the operations in Horst, the Netherlands was completed in June 2023 and initially met the criteria for assets held for sale as of June 30, 2023. The Gannat facility was sold in December 2023. As of June 30, 2023, the real property of the Blackthorn facility initially met the criteria for assets held for sale. The Blackthorn facility sold in February 2024 which the Company is leasing back until the operations are relocated to its Hillcrest, U.K. site. The consolidation of the operations at the Blackthorn facility with the operations in Hillcrest, U.K. is expected to be complete by the end of September 2024. In July 2023, the Company decided to close its Spain facility. The exit of the facility in Spain was completed in September 2023 and initially met the criteria for assets held for sale as of September 30, 2023. The facility in Spain was sold in November 2023. The leased RMS St. Louis facility closed in June 2023 and the GEMS operations at the RMS St. Louis facility were relocated to the DSA St. Louis facility and other operational facilities. The operations at the Gannat, Blackthorn, Spain and RMS St. Louis facilities were within the RMS reportable segment.

Boyertown and Haslett

Prior to the acquisition of Envigo, the Boyertown and Haslett facilities were identified for relocation of operations to the Denver, Pennsylvania facility. The exits of the Boyertown and Haslett facilities were completed in March 2023 and both facilities initially met the criteria for assets held for sale as of March 31, 2023. The Boyertown facility was sold in September 2023. The Haslett facility continued to meet the criteria for assets held for sale as of March 31, 2024. Subsequent to March 31, 2024, the facility in Haslett was sold.

Israel

As of December 31, 2022, the assets and liabilities related to the Israel RMS and Israel CRS businesses (the "Israeli Businesses") initially met the held for sale criteria and, in August 2023, the Company sold its ownership interest in the Israeli Businesses, which were previously reflected in the RMS reportable segment. Consideration for the sale consisted of (i) \$1,000 in cash, (ii) an excess cash adjustment of \$316, (iii) real property valued at \$3,700, and (iv) a promissory note receivable in the aggregate amount of \$2,453. The promissory note bears interest at a rate of 5.00% per annum, with quarterly payments of interest and principal payments on the first anniversary of the closing date and at maturity on August 29, 2025. The sale includes the Company's 100.00% ownership in Israel RMS and Israel RMS's 62.50% ownership interest in Israel CRS. Prior to the sale, the management team owned a 37.50% non-controlling ownership position in Israel CRS.

11. LEASES

The Company records a right-of-use ("ROU") asset and lease liability for substantially all leases for which it is a lessee, in accordance with ASC 842. Leases with an initial term of 12 months or less are not recorded on the condensed consolidated balance sheets. The Company recognizes lease expense for the leases on a straight-line basis over the lease term. At inception of a contract, the Company considers all relevant facts and circumstances to assess whether or not the contract represents a lease by determining whether or not the contract conveys the right to control the use of an identified asset, either explicit or implicit, for a period of time in exchange for consideration.

The Company has various operating and finance leases for facilities and equipment. Facilities leases provide office, laboratory, warehouse, or land that the Company uses to conduct its operations. Facilities leases range in duration from one to 21 years, with either renewal options for additional terms as the initial lease term expires, or purchase options. Facilities leases are considered as either operating or financing leases.

[Table of Contents](#)

Equipment leases provide for office equipment, laboratory equipment or services the Company uses to conduct its operations. Equipment leases range in duration from 21 to 84 months, with either subsequent annual renewals, additional terms as the initial lease term expires, or purchase options.

ROU lease assets and operating lease liabilities that are reported in the Company's condensed consolidated balance sheets are as follows:

	March 31, 2024	September 30, 2023
Operating ROU assets, net	<u>\$ 46,796</u>	<u>\$ 38,866</u>
Current portion of operating lease liabilities	11,413	10,282
Long-term operating lease liabilities	37,218	29,614
Total operating lease liabilities	<u>\$ 48,631</u>	<u>\$ 39,896</u>

During the three and six months ended March 31, 2024, the Company had operating lease amortization of \$ 2,208 and \$4,355, respectively. During the three and six months ended March 31, 2023, the Company had operating lease amortization of \$2,466 and \$4,401, respectively.

Lease expense for lease payments is recognized on a straight-line basis over the lease term. The components of lease expense related to the Company's leases for the three and six months ended March 31, 2024 and 2023 were:

	Three Months Ended		Six Months Ended	
	March 31,	2024	March 31,	2023
Operating lease costs:				
Fixed operating lease costs	\$ 3,491	\$ 3,322	\$ 6,594	\$ 5,914
Short-term lease costs	—	50	—	62
Lease income	(794)	(811)	(1,558)	(1,485)
Total operating lease cost	\$ 2,697	\$ 2,561	\$ 5,036	\$ 4,491

The Company serves as lessor to a lessee in six facilities. The gross rental income and underlying lease expense are presented net in the Company's condensed consolidated statements of operations. The gross rent receivables and underlying lease liabilities are presented gross in the Company's condensed consolidated balance sheets.

Supplemental cash flow information related to leases was as follows:

	Six Months Ended	
	March 31,	2024
Cash flows included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 5,762	\$ 5,491
Non-cash lease activity:		
ROU assets obtained in exchange for new operating lease liabilities	\$ 12,441	\$ 14,080

[Table of Contents](#)

The weighted average remaining lease term and discount rate for the Company's operating leases as of March 31, 2024 and 2023 were:

	March 31, 2024	March 31, 2023
Weighted-average remaining lease term (in years)		
Operating lease	8.91	5.92
Weighted-average discount rate (in percentages)		
Operating lease	11.84 %	7.85 %

Lease duration was determined utilizing renewal options that the Company is reasonably certain to execute.

As of March 31, 2024, maturities of operating lease liabilities for each of the following five fiscal years and a total thereafter were as follows:

	Operating Leases
2024 (remainder of fiscal year)	\$ 6,122
2025	9,695
2026	10,340
2027	8,375
2028	6,859
Thereafter	47,843
Total minimum future lease payments	89,234
Less interest	(40,603)
Total lease liability	48,631

12. EQUITY, STOCK-BASED COMPENSATION AND EARNINGS (LOSS) PER SHARE

Authorized Shares

On November 4, 2021, the Company's shareholders approved an amendment to the Company's Second Amended and Restated Articles of Incorporation to increase the number of authorized shares from 20,000,000 shares, consisting of 19,000,000 common shares and 1,000,000 preferred shares, to 75,000,000 shares, consisting of 74,000,000 common shares and 1,000,000 preferred shares. Approval of this matter by the Inotiv shareholders was a condition to the closing of the Envigo acquisition. The amendment was effective on November 4, 2021.

On March 14, 2024, the Company's shareholders approved the Inotiv, Inc. 2024 Equity Incentive Plan (the "2024 Plan"). The 2024 Plan provides for the issuance of up to 1,500,000 of the Company's common shares, plus the number of common shares remaining available for future grants under the Amended and Restated 2018 Equity Incentive Plan (the "2018 Plan") as of March 14, 2024. Any common shares subject to an award under the 2024 Plan or 2018 Plan that expires, is forfeited or cancelled, is settled for cash or exchanged will become available for future awards under the 2024 Plan. Following the shareholders' approval of the 2024 Plan, no further awards will be granted under the 2018 Plan. As of March 31, 2024, 1,683,962 shares remained available for grants under the 2024 Plan.

Stock-Based Compensation

The Company expenses the estimated fair value of stock options, restricted stock and restricted stock units over the vesting periods of the grants. The Company recognizes expense for awards subject to graded vesting using the straight-line attribution method and forfeitures, as they are incurred. Stock based compensation expense for the three months ended March 31, 2024 and 2023, was \$1,884 and \$1,781, respectively. Stock based compensation expense for the six months ended March 31, 2024 and 2023, was \$3,781 and \$3,827, respectively.

Loss per Share

The Company computes basic earnings (loss) per share using the weighted average number of common shares outstanding. The Company computes diluted earnings (loss) per share using the if-converted method for preferred shares and convertible debt, if any, and the treasury stock method for stock options and restricted stock units.

The following table reconciles the numerator and denominator in the computations of basic and diluted loss per share:

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2024	2023	2024	2023
Numerator:				
Consolidated net loss	\$ (48,079)	\$ (9,629)	\$ (63,907)	\$ (96,561)
Less: Net income (loss) attributable to noncontrolling interests	—	365	(440)	756
Net loss attributable to common shareholders	<u>(48,079)</u>	<u>(9,994)</u>	<u>(63,467)</u>	<u>(97,317)</u>
Denominator:				
Weighted-average shares outstanding - Basic and diluted (in thousands)	25,831	25,687	25,797	25,645
Anti-dilutive common share equivalents ⁽¹⁾	5,664	5,549	5,664	5,549

⁽¹⁾ Anti-dilutive common share equivalents are comprised of stock options, restricted stock units, restricted stock awards and 3,040,268 shares of common stock issuable upon conversion in connection with the convertible debt entered into on September 27, 2021. These common share equivalents were outstanding for the periods presented, but were not included in the computation of diluted loss per share for those periods because their inclusion would have had an anti-dilutive effect.

13. INCOME TAXES

The Company uses the asset and liability method of accounting for income taxes. The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. The Company measures deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company recognizes the effect on deferred tax assets and liabilities of a change in tax rates in income in the period that includes the enactment date. The Company records valuation allowances based on a determination of the expected realization of tax assets.

The Company's effective tax rates for the three months ended March 31, 2024 and 2023 were 11.7% and 20.4%, respectively. For the three months ended March 31, 2024, the Company's effective tax rate was primarily driven by unfavorable discrete adjustments related to the Agreement in Principle and changes in valuation allowance, partially offset by a change in the Company's forecasted loss before income taxes. For the three months ended March 31, 2023, the Company's effective tax rate was driven by an increase in unfavorable permanent items and discrete adjustments.

The Company's effective tax rates for the six months ended March 31, 2024 and 2023 were 13.4% and 16.0%, respectively. For the six months ended March 31, 2024, the Company's effective tax rate was primarily driven by unfavorable permanent items related to the Agreement in Principle and valuation allowance adjustments. For the six months ended March 31, 2023, the Company's effective tax rate was primarily related to the impact of non-deductible goodwill impairment and other permanent items.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not to be sustained upon examination based on the technical merits of the position. The Company measures the amount of the accrual for which an exposure exists as the largest amount of benefit determined on a cumulative probability basis that it believes is more likely than not to be realized upon settlement of the position. As of March 31, 2024, the Company had no material liability for uncertain tax positions.

The Company records interest and penalties accrued in relation to the uncertain income tax position as a component of income tax expense (benefit). Any changes in the liability for the uncertain tax position would impact the effective tax rate.

The Company does not expect the total amount of unrecognized tax benefits to significantly change in the next twelve months.

The Company is subject to income taxes in the U.S. federal jurisdiction, and the various states and foreign jurisdictions in which it operates. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. In the normal course of business, the Company is subject to examination by federal, state, local and foreign taxing authorities. State and other income tax returns are generally subject to examination for a period of three to five years after the filing of the respective returns. The Company is no longer subject to U.S. federal tax examinations for years before 2018 or state and local tax examinations for years before 2017, with limited exceptions. For federal purposes, the tax attributes carried forward could be adjusted through the examination process and are subject to examination three years from the date of utilization.

14. CONTINGENCIES

Litigation

Envigo RMS, LLC ("Envigo RMS") is a defendant in a purported class action and a related action under California's Private Attorney General Act of 2004 ("PAGA") brought by Jacob Greenwell, a former non-exempt employee of Envigo RMS, on June 25, 2021 in the Superior Court of California, Alameda County. The complaints allege that Envigo RMS violated certain wage and hour requirements under the California Labor Code. PAGA authorizes private attorneys to bring claims on behalf of the State of California and aggrieved employees for violations of California's wage and hour laws. The class action complaint seeks certification of a class of similarly situated employees and the award of actual, consequential and incidental losses and damages for the alleged violations. The PAGA complaint seeks civil penalties pursuant to the California Labor Code and attorney's fees. On June 2, 2023, Envigo RMS and the plaintiff signed a Memorandum of Understanding ("MOU") that sets forth the parties' intent to settle these matters for \$795 which includes attorneys' fees. The MOU provides that the parties will negotiate and enter into a definitive settlement agreement, which will be subject to court approval. The MOU contains no admission of liability or wrongdoing by Envigo RMS. The MOU provides that, if the settlement is approved by the court, the settlement amount would be paid in four quarterly installments, with the first one to be funded after the court's final approval of the settlement, and the following ones in the three subsequent quarters. The parties are in the process of finalizing the long-form settlement agreement. While the timeline for final court approval is not yet determined, the Company took a reserve equal to the proposed settlement amount, which is included in accrued expenses and other current liabilities.

On June 23, 2022, a putative securities class action lawsuit was filed in the United States District Court for the Northern District of Indiana, naming the Company and Robert W. Leasure and Beth A. Taylor as defendants, captioned Grobler v. Inotiv, Inc., et al., Case No. 4:22-cv-00045 (N.D. Ind.). The complaint alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and Rule 10b-5 promulgated thereunder, based on alleged false and misleading statements and material omissions regarding the Company's acquisition of Envigo RMS and its regulatory compliance. On September 12, 2022, Oklahoma Police Pension and Retirement System was appointed by the Court as lead plaintiff. Thereafter, on November 14, 2022, the lead plaintiff filed an amended complaint against the same defendants, in addition to John E. Sagartz and Carmen Wilbourn, that asserted the same claims along with a claim under Section 14(a) of the Exchange Act. On November 23, 2022, the lead plaintiff filed a further amended complaint against the aforementioned defendants asserting the same claims as the amended complaint and further alleging that false and misleading statements and material omissions were made concerning the Company's non-human primate business. The purported class in the operative complaint includes all persons who purchased or otherwise acquired the Company's common stock between September 21, 2021 and November 16, 2022, and the complaint seeks an unspecified amount of monetary damages, interest, fees and expenses of attorneys and experts, and other relief. On January 27, 2023, the defendants filed a motion to dismiss the amended complaint. That motion was fully briefed by April 28, 2023. On March 29, 2024, the Court issued a decision denying, in part, Defendants' motion to dismiss. The case is now in discovery. While the Company cannot predict the outcome of this matter, the Company believes the class action to be without merit and plans to vigorously defend itself. We cannot reasonably estimate the maximum potential exposure or the range of possible loss for this matter.

On September 9, 2022, a purported shareholder derivative lawsuit was filed in the United States District Court for the Northern District of Indiana, naming Robert W. Leasure, Beth A. Taylor, Gregory C. Davis, R. Matthew Neff, Richard A. Johnson, John E. Sagartz, Nigel Brown, and Scott Cragg as defendants, and the Company as a nominal defendant, captioned Grobler v. Robert W. Leasure, et al., Case No. 4:22-cv-00064 (N.D. Ind.) (the "Grobler Derivative Action"). On January 4, 2023, an additional shareholder derivative lawsuit was filed in the United States District Court for the Northern District of Indiana, naming Robert W. Leasure, Beth A. Taylor, Gregory C. Davis, R. Matthew Neff, Richard A. Johnson, John E. Sagartz, Nigel Brown, and Scott Cragg as defendants, and the Company as a nominal defendant, captioned

Burkhart v. Robert W. Leasure, et al., Case No 4:23-cv-00003 (N.D. Ind.) (the "Burkhart Derivative Action," and together with the Grobler Derivative Action, the "Federal Derivative Actions"). The Federal Derivative Actions collectively assert claims for breach of fiduciary duty, abuse of control, gross mismanagement, and waste of corporate assets, as well as violations of Sections 10(b), 14(a), and 21D of the Securities Exchange Act of 1934 arising out of the Company's acquisition of Envigo and its regulatory compliance. The Court entered orders on November 15, 2022 and May 8, 2023 in the Grobler and Burkhart Derivative Actions, respectively, staying each Action pending a resolution of a motion to dismiss in the securities class action. The stays expired following the March 29, 2024 decision on the motion to dismiss in the securities class action. The Court consolidated the Federal Derivative Actions on April 24, 2024, and ordered Plaintiffs to file a consolidated complaint by June 24, 2024. Defendants' response to the consolidated complaint is currently due by July 24, 2024. While the Company cannot predict the outcome of these matters, the Company believes the consolidated Federal Derivative Actions to be without merit and plans to vigorously defend itself. We cannot reasonably estimate the maximum potential exposure or the range of possible loss for any of these matters.

On April 20, 2023, a purported shareholder derivative lawsuit was filed in the State of Indiana Tippecanoe County Circuit Court, naming Robert W. Leasure, Beth A. Taylor, Gregory C. Davis, R. Matthew Neff, Richard A. Johnson, John E. Sagartz, Nigel Brown, and Scott Cragg as defendants, and the Company as a nominal defendant, captioned Whitfield v. Gregory C. Davis, et al., Case No. 79C01-2304-PL-000048 (Tippecanoe Circuit Court) (the "Whitfield Derivative Action"). On June 2, 2023, an additional shareholder derivative lawsuit was filed in the Indiana Commercial Court of Marion County, naming Robert W. Leasure, Beth A. Taylor, Carmen Wilbourn, Gregory C. Davis, R. Matthew Neff, Richard A. Johnson, John E. Sagartz, Nigel Brown, and Scott Cragg as defendants, and the Company as a nominal defendant, captioned Castro v. Robert W. Leasure, et al., Case No. 49D01-2306-PL-022213 (Marion Superior Court 1) (the "Castro Derivative Action," and together with the Whitfield Derivative Action, the "State Derivative Actions"). The State Derivative Actions collectively assert claims for breach of fiduciary duty, unjust enrichment, aiding and abetting breach of fiduciary duty, and waste of corporate assets arising out of the Company's acquisition of Envigo and its regulatory compliance, and the Company's non-human primate business. On August 24, 2023, the Castro Derivative Action was transferred to the Tippecanoe County Circuit Court and consolidated with the Whitfield Derivative Action. The consolidated State Derivative Actions were stayed pending resolution of a motion to dismiss in the securities class action. That stay expired following the March 29, 2024 decision on the motion to dismiss in the securities class action. The parties will submit a proposed schedule governing further proceedings in the consolidated State Derivative Actions by June 12, 2024. While the Company cannot predict the outcome of these matters, the Company believes the consolidated State Derivative Actions to be without merit and plans to vigorously defend itself. We cannot reasonably estimate the maximum potential exposure or the range of possible loss for any of these matters.

The Company is party to certain other legal actions arising out of the normal course of its business. In management's opinion, none of these actions will have a material effect on the Company's operations, financial condition or liquidity.

Government Investigations and Actions

The Company is subject to and/or involved in various government investigations, inquiries and actions, including those described below. Given their inherent uncertainty, except as otherwise noted, the Company cannot predict the duration or outcome of the pending matters described below. An adverse outcome of any of the following matters could have a material adverse impact on the Company's operations, financial condition, operating results and cash flows.

During the period from July 2021 through March 2022, Envigo RMS's Cumberland facility was inspected on several occasions by the U.S. Department of Agriculture ("USDA"). USDA issued inspection reports with findings of non-compliance with certain USDA laws and regulations. Envigo RMS formally appealed certain of the findings, and made multiple remediations and improvements at the Cumberland facility, of which it kept USDA apprised.

On May 18, 2022, the U.S. Department of Justice ("DOJ"), together with federal and state law enforcement agents, executed a search and seizure warrant on the Cumberland facility. The warrant was issued by the U.S. District Court for the Western District of Virginia on May 13, 2022. In 2022, EGSI and Inotiv received grand jury subpoenas and other requests from the U.S. Attorney's Office for the Western District of Virginia ("USAO-WDVA") for documents and information related to the companies' compliance with the Animal Welfare Act ("AWA"), the Clean Water Act ("CWA"), the Virginia State Water Control Law and local pretreatment requirements from January 2017 to present. On July 23, 2023, EGSI and Inotiv received a grand jury subpoena from USAO-WDVA for documents related to the Cumberland facility's compliance with the Clean Air Act, Virginia Air Pollution Control Laws and Regulations, and local requirements from January 1, 2017 to present. Also on July 23, 2023, Inotiv received a grand jury subpoena from USAO-WDVA for documents and information related to the Company's Alice, Texas facilities' compliance with the CWA, the Texas State Water Control

[Table of Contents](#)

Law, and local pretreatment requirements from January 1, 2020 to present. Certain current and former employees have also received subpoenas for testimony and documents related to these matters.

The Company and the DOJ have reached an Agreement in Principle to resolve this investigation by the DOJ and other federal and state law enforcement agencies as to the Company, EGSI and Envigo RMS. Any final resolution is subject to certain material contingencies, including, without limitation, negotiations between the Company and DOJ regarding mutually satisfactory resolution documents, final approvals by DOJ and the Company, and depending on the terms of any final resolution with DOJ, negotiations with certain of the Company's stakeholders regarding the feasibility of such proposed resolution. While the Company has reached an Agreement in Principle with the DOJ, and believes a resolution is probable and estimable, there can be no assurance that a resolution will be agreed and finalized. For the three and six months ended March 31, 2024, the Company has accrued expenses of \$26,500 related to the Agreement in Principle. Refer to the Agreement in Principle section of Note 1 – Description of Business and Basis of Presentation for additional information.

As previously disclosed, on May 19, 2022, a civil complaint was filed by DOJ against Envigo RMS in the U.S. District Court for the Western District of Virginia alleging violations of the AWA at the Cumberland facility. On July 15, 2022, the court approved a settlement entered into by Envigo RMS, DOJ and the USDA in this civil case, which also comprised USDA's administrative claims against Envigo RMS for the Cumberland facility, and the civil and administrative complaints were dismissed with prejudice on September 14, 2022. This matter is now fully resolved.

On June 15, 2021, EGSI, a subsidiary of the Company acquired in the Envigo acquisition, received a grand jury subpoena requested by the U.S. Attorney's Office for the Southern District of Florida ("USAO-SDFL") for the production of documents related to the procurement of NHPs from foreign suppliers for the period January 1, 2018 through June 1, 2021. The subpoena relates to an earlier grand jury subpoena requested by the USAO-SDFL and received by EGSI's predecessor entity, Covance Research Products, in April 2019. Envigo acquired EGSI from Covance, Inc., a subsidiary of Laboratory Corporation of America Holdings, in June 2019. As of the filing date of this report, the Company has not received any additional subpoenas related to this matter.

On January 27, 2022, EGSI acquired OBRC, which owns and operates a primate quarantine and holding facility located near Alice, Texas. In 2019, OBRC received grand jury subpoenas requested by the USAO-SDFL requiring the production of documents and information related to its importation of NHPs into the United States. On June 16, 2021, OBRC received a grand jury subpoena requested by the USAO-SDFL requiring the production of documents related to the procurement of NHPs from foreign suppliers for the period January 1, 2018 through June 1, 2021. The OBRC purchase agreement provides for indemnification of EGSI and its officers, directors and affiliates by the Seller, Orient Bio, Inc., for liabilities resulting from actions, inactions, errors or omissions of Orient Bio, Inc. or OBRC related to any period prior to the closing date. As of the filing date of this report, the Company has not received any additional subpoenas related to this matter.

On November 16, 2022 the Company disclosed that employees of the principal supplier of NHPs to the Company, along with two Cambodian government officials, had been criminally charged by the USAO-SDFL with conspiring to illegally import NHPs into the United States from December 2017 through January 2022 and in connection with seven specific imports between July 2018 and December 2021. One of these Cambodian officials was tried in March 2024 and prevailed on all charges.

Consistent with Company policy, the Company is cooperating with USAO-SDFL in connection with the matters described herein.

On May 23, 2023, Inotiv received a voluntary request from the U.S. Securities and Exchange Commission ("SEC") seeking documents and information for the period December 1, 2017 to the present regarding the Company, EGSI, and OBRC's importation of NHPs from Asia, including information relating to whether their importation practices complied with the U.S. Foreign Corrupt Practices Act. In March 2024, the SEC provided the Company a formal order of investigation concerning this matter that is dated January 9, 2024, and on April 12, 2024, the SEC provided supplemental document requests to the Company. The Company is cooperating with the SEC.

15. SUBSEQUENT EVENTS

On May 14, 2024, the Company, the Subsidiary Guarantors and the lenders party thereto entered into a Fourth Amendment (the "Fourth Amendment") to the Credit Agreement. The Fourth Amendment provides that any charges or expenses attributable to or related to the Agreement in Principle may be added back to the Company's Consolidated EBITDA (up to \$26,500) for purposes of the financial covenants under the Credit Agreement.

The fee consideration payable by the Company for each consenting lender party to the Fourth Amendment is 0.50% of the aggregate outstanding principal amount of the term loans held by each consenting term loan lender, to be paid in-kind and capitalized to the principal amounts of the term loans held by such lender.

The Company is reviewing the Credit Agreement, as amended for accounting and tax impacts, which would be included in the quarterly report for quarter ending June 30, 2024.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Report contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Those statements appear in a number of places in this Report and may include, but are not limited to, statements regarding our intent, belief or current expectations with respect to (i) our strategic plans; (ii) trends in the demand for our services and products; (iii) trends in the industries that consume our services and products; (iv) market and company-specific impacts of NHP supply and demand matters; (v) the investigations by the U.S. Department of Justice, including any potential resolution thereof and the expected impacts on the Company, such as the estimated amounts, timing and expense treatment of cash payments and other investments thereunder; (vi) our ability to service our outstanding indebtedness and to comply with financial covenants; (vii) our current and forecasted cash position; (viii) our ability to make capital expenditures, fund our operations and satisfy our obligations; (ix) our ability to manage recurring and unusual costs; (x) our ability to execute on our restructuring and site optimization plans and to realize the expected benefits related to such actions; (xi) our expectations regarding the volume of new bookings, pricing, operating income or losses and liquidity; (xii) our ability to effectively manage current expansion efforts or any future expansion or acquisition initiatives undertaken by us; (xiii) our ability to develop and build infrastructure and teams to manage growth and projects; (xiv) our ability to continue to retain and hire key talent; (xv) our ability to market our services and products under our corporate name and relevant brand names; (xvi) our ability to develop new services and products; (xvii) and (xviii) and (xvii) the impact of public health emergencies on the economy, demand for our services and products and our operations, including the measures taken by governmental authorities to address such public health emergencies, which may precipitate or exacerbate other risks and/or uncertainties, including those detailed in the Company's filings with the U.S. Securities and Exchange Commission. Actual results may differ materially from those in the forward-looking statements as a result of various factors, including but not limited to those discussed in Part I, Item 1A, Risk Factors contained in our Annual Report on Form 10-K for the fiscal year ended September 30, 2023, and in subsequent filings with the SEC, many of which are beyond our control.

In addition, we have based these forward-looking statements on our current expectations and projections about future events. Although we believe that the assumptions on which the forward-looking statements contained herein are based are reasonable, any of those assumptions could prove inaccurate and, as a result, the forward-looking statements based upon those assumptions could be significantly different from actual results. In light of the uncertainties inherent in any forward-looking statement, the inclusion of a forward-looking statement herein should not be regarded as a representation by us that our plans and objectives will be achieved. We do not undertake any obligation to update any forward-looking statement, except as required by law. Our actual results could differ materially from those discussed in the forward-looking statements.

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included elsewhere in this Report.

Business Overview

Inotiv is a leading contract research organization ("CRO") dedicated to providing nonclinical and analytical drug discovery and development services to the pharmaceutical and medical device industries and selling a range of research-quality animals and diets to the same industries as well as academia and government clients. Our products and services focus on bringing new drugs and medical devices through the discovery and preclinical phases of development, all while focusing on increasing efficiency, improving data and reducing the cost of discovering and taking new drugs and medical devices to market. Inotiv is committed to supporting discovery and development objectives as well as helping researchers realize the full potential of their critical research and development projects, all while working together to build a healthier and safer world. We are dedicated to practicing high standards of laboratory animal care and welfare.

During recent periods, we have undertaken significant internal and external growth initiatives, as well as site optimization initiatives. Our growth initiatives include acquisitions and related integrations, expansion of existing capacity and services, and startup of new services. Prior to fiscal year 2022, our growth initiatives focused on discovery and safety assessment

services, and, as a result of our strategic acquisition of Envigo RMS Holding Corp. ("Envigo") in November 2021, which added a complementary research model platform, our full spectrum solutions now span two segments: Discovery and Safety Assessment ("DSA") and Research Models and Services ("RMS"). In addition to the growth initiatives described above, we have also undertaken site optimization initiatives through site closures and consolidation in the U.S. and Europe as further described below.

DSA

During the six months ended March 31, 2024, our focus for the DSA segment revolved around maximizing the integration of service offerings from previous acquisitions and continuing to build out additional service capabilities and capacity. As we completed fitting out laboratory space, validating new equipment and establishing our processes over the last year, we added to the overall depth and breadth of our services portfolio, and expanded our client service capabilities, which are designed to enhance both overall quality and operating margins by reducing our reliance on third-party outsourcing. Furthermore, the expansion activities at Fort Collins, Colorado, were completed by the end of October 2023 and the expanded site completed the validation of our facility and equipment in January 2024.

RMS

During the six months ended March 31, 2024, our focus for our business within the RMS segment included navigating the global non-human primate ("NHP") market and executing on our continued site optimization plans and new strategies to improve the efficiency and cost effectiveness of the production and transportation of our products. We closed on the sale of our Blackthorn, U.K. and Dublin, Virginia facilities during the three months ended March 31, 2024. While we closed on the sale of our Blackthorn site during the second quarter of fiscal 2024, we are leasing the facility back until we are able to finalize the relocation to our Hillcrest, U.K. site. The Company continues to execute on its site optimization plan for its Blackthorn, UK site. The consolidation of the operations at our Blackthorn, U.K. facility with the operations in Hillcrest, U.K. is expected to be complete in the fourth quarter of fiscal 2024.

In December 2023, the Company announced that it would be partnering with Vanguard Supply Chain Solutions LLC, the Company's then-current provider of transportation services, to enable the in-house integration of Inotiv's North American transportation operations. The Company completed this in-house integration in the second quarter of fiscal 2024. The Company is now working on further route optimization projects, which are expected to allow for further efficiencies and cost reductions.

Refer to Note 10 – Restructuring and Assets Held for Sale in our consolidated financial statements contained in Part I, Item 1 for more information related to the site optimizations.

Agreement in Principle

As it relates to the matter of the U.S. Department of Justice ("DOJ"), together with federal and state law enforcement agents, executing a search and seizure warrant on the Cumberland facility on May 18, 2022, the Company and DOJ have reached an agreement in principle (the "Agreement in Principle") to resolve this investigation as to the Company and its subsidiaries, Envigo Global Services Inc. and Envigo RMS, LLC. Any final resolution is subject to certain material contingencies, including, without limitation, negotiations between the Company and DOJ regarding mutually satisfactory resolution documents, final approvals by DOJ and the Company, and depending on the terms of any final resolution with DOJ, negotiations with certain of the Company's stakeholders regarding the feasibility of such proposed resolution. While the Company has reached an Agreement in Principle with the DOJ, and believes a resolution is probable and estimable, there can be no assurance that a resolution will be agreed and finalized. Refer to Note 14 – Contingencies for additional information.

For the three and six months ended March 31, 2024, the Company has accrued an estimate of \$26.5 million related to the Agreement in Principle, which is presented within other operating expense in the Company's Condensed Consolidated Statement of Operations. In line with the Agreement in Principle, the Company expects that it would pay \$6.5 million during fiscal year 2024 and \$20.0 million over multiple years. Accordingly, the Company has included \$6.5 million in accrued expenses and other current liabilities on the Condensed Consolidated Balance Sheets as of March 31, 2024 and within "Changes in operating assets and liabilities – accrued expenses and other current liabilities" in its Condensed Consolidated Statements of Cash Flows for the six months ended March 31, 2024 and the Company has included \$20.0 million in other long-term liabilities on its Condensed Consolidated Balance Sheets as of March 31, 2024 and "Changes in

Table of Contents

operating assets and liabilities – other assets and liabilities" in its Condensed Consolidated Statement of Cash Flows for the six months ended March 31, 2024. The \$26.5 million charge is reflected in the operating loss of the RMS segment.

The Company expects that the \$26.5 million charge will be non-deductible for U.S. federal income tax purposes. The Company expects to have additional cash outlays in connection with certain costs related to the Agreement in Principle, which would be paid over the next three to five years. The additional cash outlays could include ongoing monitoring and compliance costs, legal expenses and other payments required to comply with the Agreement in Principle, subject to final approvals, and at this time, the Company expects that such costs would be expensed as incurred.

Operational Update

On November 16, 2022, the Company became aware that the U.S. Attorney's Office for the Southern District of Florida ("USAO-SDFL") had criminally charged employees of the principal supplier of non-human primates ("NHPs") to the Company, along with two Cambodian government officials, with conspiring to illegally import NHPs into the U.S. from December 2017 through January 2022 and in connection with seven specific imports between July 2018 and December 2021 (the "November 16, 2022 event"). The Company has not been directed to refrain from selling the Cambodian NHPs in its possession in the U.S. However, due to the allegations contained in the indictment involving the supplier and the Cambodian government officials, the Company believed that it was prudent, at the time, to refrain from selling or delivering any of its Cambodian NHPs held in the U.S. until the Company's staff and external experts could evaluate what additionally could be done to satisfy itself that the NHPs in inventory from Cambodia can be reasonably determined to be purpose-bred. Historically, the Company relied on the Convention on International Trade in Endangered Species of Wild Fauna and Flora ("CITES") documentation and related processes and procedures, including release of each import by U.S. Fish and Wildlife Service. After a thorough review of the documentation we have for the Cambodian NHPs in our inventory and their colonies, we resumed shipping Cambodian NHPs. In addition, we completed audits on site at our Cambodian supplier and we worked to establish even more robust procedures for future imports. Inotiv has continued to monitor and respond to the evolving environment around non-human primates. Although Cambodia remained closed as a source through fiscal 2023 and into fiscal 2024, the Company identified and extensively audited multiple additional sources of purpose-bred animals that can be made available for life-saving medical research which has allowed the Company to diversify our sourcing of NHPs outside of Cambodia to satisfy demand at our DSA business segment and to our RMS clients. In addition, we have developed, and sourced, novel genetic testing techniques to further bolster our auditing capabilities to determine whether the animals we import are purpose-bred, and we are assessing the ability to introduce these techniques into our supply chain.

NHPs are critical for scientific research, and are required by international regulatory guidance to develop and evaluate the safety and effectiveness of a range of life-saving drugs and treatments prior to their assessment in human clinical trials. Without a consistent source of NHP's in the U.S., Drug discovery and development in the U.S. could be materially impacted.

NHP imports into the U.S. for drug discovery significantly declined from 2022 to 2023. The decrease in overall NHP supply drove an increase in pricing in 2023. Furthermore, we now believe the decreased U.S. NHP supply caused some studies to be shifted outside of the U.S. We also believe some clients increased their inventory levels of NHP's during 2023 and therefore recently, clients appear to be utilizing existing NHP inventory without purchasing historical levels of NHPs. RMS revenue decreased \$32.1 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023 due primarily to the lower NHP-related product and service revenue of \$26.2 million. For the 2024 period, such reduction in sales volumes adversely affected our business, financial condition and results of operations.

During 2022 and 2023 there were decreases in biotech funding which contributed to a reduced demand for preclinical studies. While U.S. biotech funding increased in the first calendar quarter of 2024, the Company has yet to see a meaningful increase in demand from biotech clients.

Financial Highlights During Three Months Ended March 31, 2024

- Revenue was \$119.0 million during the three months ended March 31, 2024 as compared to \$151.5 million during the three months ended March 31, 2023, driven by a \$32.1 million, or 30.7% decrease in RMS revenue.
- Consolidated net loss for the three months ended March 31, 2024 was \$48.1 million, or 40.4% of total revenue, compared to consolidated net loss for the three months ended March 31, 2023 of \$9.6 million, or 6.4% of total

[Table of Contents](#)

revenue. Consolidated net loss for the three and six months ended March 31, 2024 included a \$26.5 million charge related to the Company's Agreement in Principle as it relates to a matter with the DOJ as discussed above.

- Book-to-bill ratio was 0.77x for the DSA services business.
- DSA backlog was \$142.1 million at March 31, 2024, down from \$145.7 million at March 31, 2023, and down from \$152.3 million at December 31, 2023.

Financial Highlights During Six Months Ended March 31, 2024

- Revenue was \$254.5 million during the six months ended March 31, 2024 compared to \$274.2 million during the six months ended March 31, 2023, driven by a \$22.9 million decrease in RMS revenue partially offset by a \$3.2 million increase in DSA revenue.
- Consolidated net loss for the six months ended March 31, 2024 was \$63.9 million, or 25.1% of total revenue, compared to consolidated net loss of \$96.6 million, or 35.2% of total revenue for the six months ended March 31, 2023. Consolidated net loss for the six months ended March 31, 2024 included a \$26.5 million charge related to the Company's Agreement in Principle as it relates to a matter with the DOJ as discussed above. Consolidated net loss for the six months ended March 31, 2023 included a \$66.4 million non-cash goodwill impairment charge related to the RMS segment.
- Book-to-bill ratio was 1.11x for the DSA services business.

Events Subsequent to Quarter End Date

- The Company closed on the sale of its Haslett, Michigan facility in April of 2024.
- The Company listed for sale an additional 85 acres in Pennsylvania which consists of excess property not being used.
- On May 14, 2024, the Company, the Subsidiary Guarantors and the lenders party thereto entered into a Fourth Amendment (the "Fourth Amendment") to the Credit Agreement. The Fourth Amendment provides that any charges or expenses attributable to or related to the Agreement in Principle may be added back to the Company's Consolidated EBITDA (up to \$26.5 million) for purposes of the financial covenants under the Credit Agreement.

Results of Operations

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

DSA

(in millions, except percentages)

	Three Months Ended March 31,				\$ Change	% Change
	2024	2023				
Revenue	\$ 46.6	\$ 47.0			\$ (0.4)	(0.9)%
Cost of revenue ¹	32.0	30.6			1.4	4.6 %
Operating expenses ²	7.3	10.9			(3.6)	(33.0)%
Depreciation and amortization of intangible assets	4.4	3.6			0.8	22.2 %
Operating income ³	\$ 2.9	\$ 1.9			\$ 1.0	52.6 %
Operating income % of total revenue	2.4 %	1.3 %				

¹Cost of revenue includes cost of services provided and cost of products sold and excludes depreciation and amortization of intangible assets, which is separately stated

²Operating expenses include selling, general and administrative and other operating expenses and excludes depreciation and amortization of intangible assets, which is separately stated

³Table may not foot due to rounding

DSA revenue decreased by \$0.4 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023. The decrease in DSA revenue was primarily driven by a decrease of \$2.6 million in discovery services revenue as a result of the decline in overall biotech funding in the market, offset by a \$1.8 million increase in safety assessment service revenue, which includes increased revenue from genetic toxicology services and biotherapeutic analysis in connection with new business at our Rockville facility of \$2.1 million. Additionally, product revenues increased \$0.5 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

DSA operating income increased by \$1.0 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily due to a decrease of \$3.6 million in operating expenses, partially offset by an increase of \$1.4 million in cost of revenue and an increase of \$0.8 million in depreciation and amortization of intangible assets. Operating expenses decreased due to decreases in general and administrative expense related to lower compensation expense and decreases in other operating expense related to a decrease of \$1.3 million in start-up costs, partially offset by an increase in selling costs related primarily to additional headcount to optimize sales territory coverage and a focus on sales of discovery services. Cost of revenue increased due to the new services provided at the Rockville facility during the three months ended March 31, 2024.

RMS

(in millions, except percentages)

	Three Months Ended March 31,			\$ Change	% Change
	2024	2023			
Revenue	\$ 72.4	\$ 104.5		\$ (32.1)	(30.7)%
Cost of revenue ¹	60.4	72.2		(11.8)	(16.3)%
Operating expenses ²	33.0	10.2		22.8	223.5 %
Depreciation and amortization of intangible assets	9.7	9.4		0.3	3.2 %
Operating (loss) income ³	\$ (30.7)	\$ 12.7		\$ (43.4)	(341.7)%
Operating (loss) income % of total revenue	(25.8) %	8.4 %			

¹ Cost of revenue includes cost of services provided and cost of products sold and excludes depreciation and amortization of intangible assets, which is separately stated

² Operating expenses include selling, general and administrative and other operating expenses and excludes depreciation and amortization of intangible assets, which is separately stated

³ Table may not foot due to rounding

RMS revenue decreased \$32.1 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023 due primarily to the lower NHP-related product and service revenue of \$26.2 million. Additionally, in the three months ended March 31, 2024, there was a decrease of \$3.1 million in RMS revenue as a result of the sale of our Israeli businesses in the fourth quarter of fiscal 2023. The remaining decrease in RMS revenue was due primarily to decreases in small animal sales and RMS services, such as surgeries, partially offset by a slight increase in diets and bedding sales.

RMS operating loss was \$30.7 million in the three months ended March 31, 2024, a decrease of \$43.4 million compared to the RMS operating income of \$12.7 million in the three months ended March 31, 2023, due to the \$32.1 million decrease in revenue discussed above and increase of \$22.8 million in operating expenses, partially offset by a decrease of \$11.8 million in cost of revenue. The increase in operating expenses was primarily related to the \$26.5 million charge related to the Agreement in Principle (as defined in Note 1), partially offset by decreased legal fees of \$2.1 million in addition to decreased professional fees and decreased restructuring costs. The decrease in cost of revenue was primarily due to reduced costs associated to lower NHP-related product and service revenue of \$7.2 million, the impact of the sale of our Israeli businesses of \$2.0 million and favorable cost reductions related to the site closures and optimizations compared to the prior year period.

Unallocated Corporate

(in millions, except percentages)

	Three Months Ended March 31,			\$ Change	% Change
	2024	2023			
Operating expenses ¹	\$ 15.3	\$ 16.8	\$ (1.5)		(8.9)%
Depreciation	0.1	—	0.1		100.0 %
Operating loss ²	\$ (15.4)	\$ (16.8)	\$ (1.4)		8.3 %
Operating loss % of total revenue	(12.9)%	(11.1)%			

¹ Operating expenses includes general and administrative and other operating expenses

² Table may not foot due to rounding

Unallocated corporate costs consist of general and administrative and other operating expenses that are not directly related or allocated to the reportable segments. The decreased operating loss of \$1.4 million was primarily driven by decreased legal and third party fees.

Other Expense

Other expense increased by \$1.3 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 primarily driven by an increase of \$0.6 million in interest expense as a result of increased interest rates and changes in foreign exchange rates.

Income Taxes

The Company's effective tax rates for the three months ended March 31, 2024 and 2023 were 11.7% and 20.4%, respectively. For the three months ended March 31, 2024, the Company's effective tax rate was primarily driven by unfavorable discrete adjustments related to the Agreement in Principle and changes in valuation allowance, partially offset by a change in the Company's forecasted loss before income taxes. For the three months ended March 31, 2023, the Company's effective tax rate was driven by an increase in unfavorable permanent items and discrete adjustments.

Consolidated Net Loss

As a result of the above described factors, we had a consolidated net loss of \$48.1 million for the three months ended March 31, 2024 as compared to a consolidated net loss of \$9.6 million during the three months ended March 31, 2023.

Six Months Ended March 31, 2024 Compared to Six Months Ended March 31, 2023

DSA

(in millions, except percentages)

	Six Months Ended March 31,			\$ Change	% Change
	2024	2023			
Revenue	\$ 91.3	\$ 88.1	\$ 3.2		3.6 %
Cost of revenue ¹	63.6	57.2	6.4		11.2 %
Operating expenses ²	14.5	19.0	(4.5)		(23.7)%
Depreciation and amortization of intangible assets	8.8	7.6	1.2		15.8 %
Operating income ³	\$ 4.4	\$ 4.3	\$ 0.1		2.3 %
Operating income % of total revenue	1.7 %	1.6 %			

¹ Cost of revenue includes cost of services provided and cost of products sold and excludes depreciation and amortization of intangible assets, which is separately stated

² Operating expenses include selling, general and administrative and other operating expenses and excludes depreciation and amortization of intangible assets, which is separately stated

³ Table may not foot due to rounding

DSA revenue increased \$3.2 million in the six months ended March 31, 2024 compared to the six months ended March 31, 2023. The increase in DSA revenue was primarily driven by an increase of \$5.6 million in safety assessment service

revenue, partially offset by a decrease in revenue related to our discovery services of \$2.7 million as a result of the decline in overall biotech funding in the market. The increase in safety assessment service revenue was primarily driven by increased revenue from genetic toxicology services and biotherapeutic analysis in connection with new business at our Rockville facility of \$4.1 million and increased revenue related to general toxicology services of \$2.0 million, partially offset by a decrease in medical device surgical services of \$2.2 million due to cancellations we experienced in the fourth quarter of fiscal 2023 and delayed projects. Additionally, product revenues increased \$0.5 million in the six months ended March 31, 2024 compared to the six months ended March 31, 2023.

DSA operating income was generally consistent for the six months ended March 31, 2024 compared to the six months ended March 31, 2023, due to a decrease of \$4.5 million in operating expenses and the \$3.2 million revenue increase described above, largely offset by an increase of \$6.4 million in cost of revenue and an increase of \$1.2 million in depreciation and amortization of intangible assets. The increase in cost of revenue was primarily driven by cost increases related to the implementation and startup of new services along with general price increases for research models, operating supplies and compensation and benefits. The decrease in operating expenses related primarily to reduced startup costs of \$2.0 million, reduced bad debt expense of \$0.9 million and reduced general and administrative compensation and benefits, partially offset an increase in selling costs for additional headcount to optimize sales territory coverage and a focus on discovery services.

RMS

(in millions, except percentages)

	Six Months Ended March 31,			\$ Change	% Change
	2024	2023			
Revenue	\$ 163.2	\$ 186.1		\$ (22.9)	(12.3)%
Cost of revenue ¹	130.8	142.8		(12.0)	(8.4)%
Operating expenses ²	38.6	16.7		21.9	131.1 %
Depreciation and amortization of intangible assets	19.3	18.7		0.6	3.2 %
Goodwill impairment loss ³	—	66.4		(66.4)	(100.0)%
Operating (loss) income ⁴	\$ (25.5)	\$ (58.5)		\$ 33.0	(56.4)%
Operating (loss) income % of total revenue	(10.0) %	(21.3) %			

¹Cost of revenue includes cost of services provided and cost of products sold and excludes depreciation and amortization of intangible assets, which is separately stated

²Operating expenses include selling, general and administrative and other operating expenses and excludes depreciation and amortization of intangible assets, which is separately stated

³Goodwill impairment loss shown on the consolidated statement of operations only impact the RMS Segment

⁴Table may not foot due to rounding

RMS revenue decreased \$22.9 million in the six months ended March 31, 2024 compared to the six months ended March 31, 2023 due primarily to the negative impact of lower NHP sales of \$12.5 million. Additionally, there was a decrease of \$5.9 million in RMS revenue as a result of the sale of our Israeli business in the fourth quarter of fiscal 2023. The remaining decrease in RMS revenue was due primarily to decreases in small animal sales and RMS services, such as surgeries, partially offset by an increase in diets and bedding sales.

RMS operating loss was \$25.5 million in the six months ended March 31, 2024, an increase of \$33.0 million compared to an operating loss of \$58.5 million in the six months ended March 31, 2023, primarily due to a \$66.4 million decrease in the goodwill impairment charge related to our RMS segment in the prior year that did not recur and a decrease of \$12.0 million in cost of revenue, partially offset by the decrease of \$22.9 million in revenue discussed above and an increase of \$21.9 million in operating expenses. The decrease in cost of revenue was primarily due to reduced costs associated to lower NHP-related product and service revenue of \$5.1 million, the impact of the sale of our Israeli business of \$4.1 million and the reduced expenses from the various site closures and optimizations previously disclosed. The increase in operating expenses was primarily due to the \$26.5 million charge related to the Agreement in Principle (as defined in Note 1), partially offset by reduced legal fees of \$3.8 million.

Unallocated Corporate

(in millions, except percentages)

	Six Months Ended March 31,		\$ Change	% Change
	2024	2023		
Operating expenses ¹	\$ 31.1	\$ 38.5	\$ (7.4)	(19.2)%
Depreciation	0.3	—	0.3	100.0 %
Operating loss ²	\$ 31.4	\$ 38.5	\$ (7.1)	(18.4)%
Operating loss % of total revenue	(12.3) %	(14.0) %		

¹ Operating loss includes general and administrative and other operating expenses

² Table may not foot due to rounding

Unallocated corporate operating loss consists of general and administrative expenses, other operating expenses and depreciation expense that are not directly related or allocated to the reportable segments. The decrease in unallocated corporate operating expenses of \$7.4 million in the six months ended March 31, 2024, compared to the six months ended March 31, 2023 was primarily driven by decreased compensation and benefits expense, third party fees, legal fees and acquisition and integration costs.

Other Expense

Other expense decreased by \$1.0 million for the six months ended March 31, 2024 compared to the six months ended March 31, 2023 primarily driven by net gains on disposition of property and equipment, offset by an increase of \$1.5 million in interest expense as a result of increasing interest rates.

Income Taxes

The Company's effective tax rates for the six months ended March 31, 2024 and 2023 were 13.4% and 16.0%, respectively. For the six months ended March 31, 2024, the Company's effective tax rate was primarily driven by unfavorable permanent items related to the Agreement in Principle and valuation allowance adjustments. For the six months ended March 31, 2023, the Company's effective tax rate was primarily related to the impact of non-deductible goodwill impairment and other permanent items.

Consolidated Net Loss

As a result of the above described factors, we had a consolidated net loss of \$63.9 million for the six months ended March 31, 2024 as compared to a consolidated net loss of \$96.6 million during the six months ended March 31, 2023.

Liquidity and Capital Resources

Liquidity and Going Concern

The accompanying unaudited interim condensed consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP") applicable to a going concern. This presentation contemplates the realization of assets and the satisfaction of liabilities in the normal course of business and does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of the uncertainties described below.

As of March 31, 2024, the Company has cash and cash equivalents of approximately \$32,695 and access to a \$15,000 revolver, which currently has no balance outstanding. The November 16, 2022 event and subsequent decision to refrain from selling or delivering Cambodian NHPs held in the U.S. triggered a material adverse event clause in our Credit Agreement discussed in Note 6 - Debt to these condensed consolidated financial statements resulting in, among other things, a limitation of our ability to draw on our revolving credit facility. The loss of access to our revolving credit facility at the time and reduced liquidity resulting from the decision to refrain from selling Cambodian NHPs held in the U.S. resulted in reduced forecasted liquidity. As a result of these events, the Company took steps to improve its liquidity, which included negotiating an amendment to its Credit Agreement to reinstate its ability to borrow under its revolving credit facility. Without the amendment, the Company was at the time at risk of not having the revolving credit facility available.

In 2023, we implemented several initiatives to reduce our operating and investing costs. We announced several site consolidation plans in the U.S. and certain European and U.K. sites. Our site optimization plans allow us to reduce overhead and create efficiencies through scale. During fiscal 2023, we completed all planned fiscal year 2023 consolidations and closures and sold our Israeli businesses. The consolidation of the operations at our Blackthorn, U.K., facility with the operations in Hillcrest, U.K., is expected to be complete in fiscal Q4 2024. Over the last year, we have continued to improve our infrastructure and worked to optimize our operating platform to support future growth. These improvements included investments in our information technology platforms, building program management functions to enhance management and communication with clients and multi-site programs, further enhancing client services and improving the client experience. We believe the actions taken and investments made in recent periods form a solid foundation upon which we can continue to build. However, there is no assurance that such actions will ultimately have the intended effects.

In connection with the site optimizations noted above and other restructuring initiatives, we reduced our workforce. We also took steps to reduce our budgeted capital expenditures and certain forecasted expenses, including a reduction of nonessential travel and employee-related expenses among other efficiency-based reductions. Additionally, we identified and executed new strategies to improve the efficiency and cost effectiveness of the transportation of our products. In December 2023, we announced that we would be partnering with Vanguard Supply Chain Solutions LLC, a current provider of our transportation services, to enable the in-house integration of our North American transportation operations. By taking direct control of our transportation operations, we expect to achieve key efficiencies to strengthen internal operations, improve our outgoing supply chain, and bolster service and scientific continuity for clients. In the second quarter of fiscal 2024, we completed the in-house integration of our North American transportation operations as described above. The Company is now working on further route optimization projects designed for further efficiencies and cost reductions.

The financial covenants under the Company's Credit Agreement include, among others, a requirement to not permit the consolidated debt to consolidated EBITDA of the Company to exceed certain leverage thresholds under the Credit Agreement. Subsequent to March 31, 2024, the Company entered into the Fourth Amendment (as defined in Note 15 - Subsequent Events) to the Credit Agreement, which provides that any charges or expenses attributable to or related to the Agreement in Principle may be added back to the Company's consolidated EBITDA (up to \$26,500) for purposes of the financial covenants under the Credit Agreement. As a result of the Fourth Amendment obtained by the Company, the Company was in compliance with its covenants under the Credit Agreement as of March 31, 2024.

The Company believes it has sufficient liquidity to satisfy its current obligations as they come due, including cash outflows for planned targeted capital expenditures, for the twelve months following the issuance of these financial statements. Following the decrease in overall revenue for the three months ended March 31, 2024, there is no assurance that the Company will experience an increase in revenue for the remainder of the 2024 fiscal year. If the Company's revenue and related operating margins do not increase, it would result in non-compliance with the financial covenants under the Credit Agreement. If at the time the Company files, or is required to file, its next Quarterly Report on Form 10-Q it reports a failure to comply with its financial covenants and remains unremedied for the period of time stipulated under the Credit Agreement, this would constitute an event of default under the Credit Agreement and the lenders may, among other remedies set out under the Credit Agreement, declare all or any portion of the outstanding principal amount of the borrowings plus accrued and unpaid interest to be immediately due and payable. Furthermore, if the lenders were to accelerate the loans under the Credit Agreement, such acceleration would constitute a default under our indenture governing the Company's Convertible Senior Notes (the "Notes") which, if not cured within 30 days following notice of such default from the trustee or holders of 25 percent of the Notes, would permit the trustee or such holders to accelerate the Notes. If the lenders accelerate the loans under the Credit Agreement, the Company does not believe its existing cash and cash equivalents, together with cash generated from operations, would be sufficient to fund its operations, satisfy its obligations, including cash outflows for planned targeted capital expenditures, and repay the entirety of its outstanding senior term loans and repay the entirety of its outstanding Notes in the next twelve months; in addition, access to the \$15,000 revolver would be restricted and such funds would not be available to pay for any operating activities.

Further, our evaluation of the Company's ability to continue as a going concern in accordance with U.S. generally accepted accounting principles entailed analyzing prospective fully implemented operating budgets and forecasts for expectations of our cash needs and comparing those needs to the current cash and cash equivalent balances in order to satisfy our obligations, including cash outflows for planned targeted capital expenditures, and to comply with minimum liquidity and financial covenant requirements under our debt covenants related to borrowings pursuant to its Credit Agreement for at least the next twelve months. This evaluation initially does not take into consideration the potential mitigating effect of

management's plans that have not been fully implemented and are outside of its control as of the date the financial statements are issued. When substantial doubt exists under this methodology, we evaluate whether the mitigating effect of our plans sufficiently alleviates substantial doubt about our ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that these consolidated financial statements are issued. After considering the factors outlined above, substantial doubt about our ability to continue as a going concern exists.

We plan to continue our efforts to optimize our capital allocation and expense base, which reduced our cash expenses in the three and six months ended March 31, 2024 compared to the three and six months ended March 31, 2023, and which are expected to continue to reduce cash expenses in the remainder of fiscal 2024 and into fiscal 2025. Further, we have invested and plan to continue to invest in our DSA capacity and added to our service offerings in recent periods which we plan to utilize in order to support future revenue growth and margins. The Company also continues to collaborate with its lenders with regard to its current business conditions. The Company plans to request amendments to the Credit Agreement, which may include potential additional financial covenant requirements, in an effort to avoid an acceleration of the loans under the Credit Agreement prior to their existing maturity. In the event that the Company fails to comply with the requirements of the financial covenants set forth in the Credit Agreement, the Company has approximately 55 days subsequent to any fiscal quarter, and approximately 100 days subsequent to fiscal year-end to cure noncompliance. Additionally, the Company may consider seeking additional financing and evaluating financing alternatives to meet its cash requirements for the next 12 months. There is no assurance that the Company's lenders will agree to any amendment to the Credit Agreement, nor can there be any assurance that the Company would be able to raise additional capital, whether through selling additional equity or debt securities or obtaining a line of credit or other loan on terms acceptable to the Company or at all.

Comparative Cash Flow Analysis

At March 31, 2024, we had cash and cash equivalents of \$32.7 million, compared to \$35.5 million at September 30, 2023.

Net cash provided by operating activities was \$10.4 million for the six months ended March 31, 2024 compared to net cash provided by operating activities of \$5.4 million for the six months ended March 31, 2023.

Net cash provided by operating activities in the six months ended March 31, 2024, was driven by non-cash charges of \$25.9 million and a net increase in operating assets and liabilities of \$48.4 million, partially offset by a net loss of \$(63.9) million. Non-cash charges primarily included \$28.4 million for depreciation and amortization, \$3.8 million for non-cash stock compensation expense, non-cash interest and accretion of \$3.3 million and amortization of debt issuance costs and original issue discount of \$1.7 million, partially offset by a decrease in deferred taxes of \$10.4 million.

Net cash provided by operating activities for the six months ended March 31, 2023 was driven by a net increase in noncash charges of \$82.0 million and a net increase in operating assets and liabilities of \$20.0 million, partially offset by a net loss of \$96.6 million. Noncash charges primarily included \$66.4 million for goodwill impairment loss, \$26.3 million for depreciation and amortization, \$3.8 million for non-cash stock compensation expense, non-cash interest and accretion of \$2.9 million, amortization of debt issuance costs and original issue discount of \$1.5 million and other non-cash operating activities of \$1.1 million, partially offset by a decrease in deferred taxes of \$21.3 million.

Net cash used in investing activities of \$8.6 million in the six months ended March 31, 2024 was primarily due to capital expenditures of \$12.6 million. The capital additions during the six months ended March 31, 2024 primarily consisted of investments in facility improvements, site expansions, enhancements to laboratory technology, improvements for animal welfare and system enhancements to improve the client experience. Partially offsetting these capital expenditures were net investing cash inflows of \$4.0 million related to the proceeds from the sale of property and equipment, which primarily related to the sale of various sites in connection with our site optimization strategy.

Net cash used in investing activities of \$16.6 million in the six months ended March 31, 2023 was primarily due to capital expenditures of \$16.8 million. The capital additions during the six months ended March 31, 2023 primarily consisted of investments in facility improvements, site expansions, enhancements to laboratory technology, and system enhancements to improve the client experience.

Table of Contents

Net cash used in financing activities of \$4.1 million in the six months ended March 31, 2024 primarily included principal payments of \$1.4 million on the senior term notes and delayed draw term loans and other net financing payments of \$2.7 million.

Net cash provided by financing activities of \$17.2 million in the six months ended March 31, 2023 primarily included borrowings on the Additional DDTL (as defined below) of \$35.0 million and borrowings on the revolving loan facility of \$6.0 million, partially offset by the repayment of the revolving loan facility of \$21.0 million and principal payments of \$1.4 million on the promissory notes and senior term notes and delayed draw term loans, respectively.

Capital Resources

Long-term debt as of March 31, 2024 and September 30, 2023 is detailed in the table below.

(in millions)	March 31, 2024	September 30, 2023
Seller Note – Bolder BioPath (Related party)	\$ 0.5	\$ 0.6
Seller Note – Preclinical Research Services	0.5	0.5
Seller Payable - Orient BioResource Center	3.7	3.6
Seller Note – Histon (Related party)	0.2	0.2
Seller Note – Prototypia (Related party)	—	0.4
Economic Injury Disaster Loan	—	0.1
Convertible Senior Notes	113.7	110.7
Term Loan Facility, DDTL and Incremental Term Loans	271.8	272.9
Total debt before unamortized debt issuance costs	\$ 390.4	\$ 389.0
Less: Debt issuance costs not amortized	(9.8)	(11.4)
Total debt, net of unamortized debt issuance costs	380.6	377.6
Less: Current portion	(380.4)	(8.0)
Total Long-term debt	\$ 0.2	\$ 369.6

Note: Table may not foot due to rounding

Revolving Credit Facility

As of March 31, 2024 and September 30, 2023, the Company had no outstanding balance on the revolving credit facility. Refer to the statements of cash flows for information related to payments on the revolving credit facility during the six months ended March 31, 2023.

Significant Transactions

On October 12, 2022, the Company drew its \$35.0 million delayed draw term loan (the "Additional DDTL") allowed under the First Amendment to the Credit Agreement ("First Amendment"). A portion of the proceeds was used to repay the \$15.0 million balance on the Company's revolving credit facility, while the remaining amount was drawn to fund a portion of the Company's capital expenditures in fiscal year 2022 and those planned for fiscal year 2023.

On December 29, 2022 and January 9, 2023, the Company, the lenders party thereto, and Jefferies Finance LLC, as administrative agent (the "Agent"), entered into the Second and Third Amendments, respectively, to the Credit Agreement. Refer below for further information related to those amendments.

On May 14, 2024, the Company, the Subsidiary Guarantors and the lenders party thereto entered into a Fourth Amendment (the "Fourth Amendment") to the Credit Agreement. The Fourth Amendment provides that any charges or expenses attributable to or related to the Agreement in Principle may be added back to the Company's Consolidated EBITDA (capped at \$26.5 million) for purposes of the financial covenants under the Credit Agreement.

The fee consideration payable by the Company for each consenting lender party to the Fourth Amendment is 0.50% of the aggregate outstanding principal amount of the term loans held by each consenting term loan lender, to be paid in-kind and capitalized to the principal amounts of the term loans held by such lender.

The Company is reviewing the Credit Agreement, as amended for accounting and tax impacts, which would be included in the quarterly report for quarter ending June 30, 2024

Term Loan Facility, DDTL and Incremental Term Loans

Below are the weighted-average effective interest rates for the loans available under the Credit Agreement (as defined below):

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Term Loan	11.06 %	10.40 %	11.30 %	10.32 %
Initial DDTL	11.05 %	10.45 %	11.29 %	10.35 %
Additional DDTL	11.17 %	10.68 %	11.42 %	11.07 %

Credit Agreement

On November 5, 2021, the Company, certain subsidiaries of the Company (the "Subsidiary Guarantors"), the lenders party thereto, and the Agent, entered into a Credit Agreement (the "Credit Agreement"). The Credit Agreement provides for a term loan facility (the "Term Loan") in the original principal amount of \$165.0 million, a delayed draw term loan facility in the original principal amount of \$35.0 million (available to be drawn up to 18 months from the date of the Credit Agreement) (the "Initial DDTL" and together with the Additional DDTL, the "DDTL"), and a revolving credit facility in the original principal amount of \$15.0 million. On November 5, 2021, the Company borrowed the full amount of the term loan facility, but did not borrow any amounts on the delayed draw term loan facility or the revolving credit facility.

The Company could have elected to borrow on each of the loan facilities at either an adjusted LIBOR rate of interest or an adjusted prime rate of interest. Adjusted LIBOR rate loans accrued interest at an annual rate equal to the LIBOR rate plus a margin of between 6.00% and 6.50%, depending on the Company's then current Secured Leverage Ratio (as defined in the Credit Agreement). The LIBOR rate had to be a minimum of 1.00%. The initial adjusted LIBOR rate of interest was the LIBOR rate plus 6.25%. Adjusted prime rate loans accrued interest at an annual rate equal to the prime rate plus a margin of between 5.00% and 5.50%, depending on the Company's then current Secured Leverage Ratio. The initial adjusted prime rate of interest was the prime rate plus 5.25%.

The Company must pay (i) a fee based on a percentage per annum equal to 0.50% on the average daily undrawn portion of the commitments in respect of the revolving credit facility and (ii) a fee based on a percentage per annum equal to 1.00% on the average daily undrawn portion of the commitments in respect of the delayed draw loan facility. In each case, such fee shall be paid quarterly in arrears.

Each of the term loan facility and delayed draw term loan facility require annual principal payments in an amount equal to 1.00% of their respective original principal amounts. The Company shall also repay the term loan facility on an annual basis in an amount equal to a percentage of its Excess Cash Flow (as defined in the Credit Agreement), which percentage will be determined by its then current Secured Leverage Ratio. Each of the loan facilities may be repaid at any time. Voluntary prepayments were subject to a 1.00% prepayment premium if made on or prior to November 5, 2023 and other breakage penalties, as defined in the Credit Agreement. Voluntary prepayments made after November 5, 2023 are not subject to any prepayment premium.

The Company is required to maintain a Secured Leverage Ratio of not more than 4.25 to 1.00 for the Company's fiscal quarters through the fiscal quarter ended June 30, 2023, 3.75 to 1.00 beginning with the Company's fiscal quarter ending September 30, 2023, and 3.00 to 1.00 beginning with the Company's fiscal quarter ending March 31, 2025. The Company is required to maintain a minimum Fixed Charge Coverage Ratio (as defined in the Credit Agreement), which ratio was 1.00 to 1.00 during the first year of the Credit Agreement and is 1.10 to 1.00 from and after the Credit Agreement's first anniversary.

Each of the loan facilities is secured by all assets (other than certain excluded assets) of the Company and each of the Subsidiary Guarantors. Repayment of each of the loan facilities is guaranteed by each of the Subsidiary Guarantors.

On January 7, 2022, the Company drew \$35.0 million on the Initial DDTL. Amounts outstanding under the Initial DDTL accrued interest at an annual rate equal to the LIBOR rate plus a margin of between 6.00% and 6.50%, depending on the Company's then current Secured Leverage Ratio (as defined in the Credit Agreement). The initial adjusted LIBOR rate of interest was the LIBOR rate plus 6.25%.

The Term Loan and the Initial DDTL will mature on November 5, 2026.

First Amendment to Credit Agreement

On January 27, 2022, the Company, Subsidiary Guarantors, the lenders party thereto, and the Agent entered into the First Amendment to the existing Credit Agreement. The First Amendment provides for, among other things, an increase to the existing term loan facility in the amount of \$40.0 million (the "Incremental Term Loans") and the Additional DDTL in the original principal amount of \$35.0 million, which amount is available to be drawn up to 24 months from the date of the First Amendment. The Incremental Term Loans and any amounts borrowed under the Additional DDTL are referred to herein as the "Additional Term Loans". On January 27, 2022, the Company borrowed the full amount of the Incremental Term Loans, and on October 12, 2022, the Company borrowed the full \$35.0 million under the Additional DDTL.

Amounts outstanding under the Additional Term Loans accrued interest at an annual rate equal to the LIBOR rate plus a margin of between 6.00% and 6.50%, depending on the Company's then current Secured Leverage Ratio (as defined in the Credit Agreement). The initial adjusted LIBOR rate of interest was the LIBOR rate plus 6.25%.

The Additional Term Loans require annual principal payments in an amount equal to 1.00% of the original principal amount. Voluntary prepayments of the Additional Term Loans were subject to a 1.00% prepayment premium if made on or prior to November 5, 2023 and other breakage penalties, as defined in the Credit Agreement. Voluntary prepayments made after November 5, 2023 are not subject to any prepayment premium.

The Company shall also repay the term loans on an annual basis in an amount equal to a percentage of its Excess Cash Flow (as defined in the Credit Agreement), which percentage will be determined by its then current Secured Leverage Ratio.

The Additional Term Loans are secured by all assets (other than certain excluded assets) of the Company and each of the Subsidiary Guarantors. Repayment of the Additional Term Loans is guaranteed by each of the Subsidiary Guarantors.

The Additional Term Loans will mature on November 5, 2026.

Second Amendment to Credit Agreement

On December 29, 2022, the Company, the Subsidiary Guarantors, the lenders party thereto, and the Agent, entered into a Second Amendment (the "Second Amendment") to the Credit Agreement.

The Second Amendment provided for, among other things, an extension of the deadline for the Company to provide to the lenders the audited financial statements for the Company's fiscal year ended September 30, 2022 and an annual budget for 2023; the Company satisfied these requirements by the extended deadline. The Second Amendment added a requirement that the Company provide, within 30 days after the end of each month, an unaudited consolidated balance sheet, statement of income and statement of cash flows as of the end of, and for, such month, as well as a "key performance indicator" report. The Second Amendment also requires that, within 10 business days after the end of each month, the Company will provide a rolling 13-week cash flow forecast prepared on a monthly basis. The Second Amendment further provides that, upon the request of the Required Lenders (as defined in the Credit Agreement), the Company will permit a financial advisor designated by the Required Lenders to meet with management of the Company to discuss the affairs, finances, accounts and condition of the Company during the six-month period following the effective date of the Second Amendment. In addition, the Second Amendment requires the Company to deliver an updated organization chart and certain supplemental information regarding the Company's subsidiaries in connection with each quarterly report required pursuant to the Credit Agreement.

Under the Second Amendment, the Company could have elected to borrow on each of the loan facilities at either an adjusted term secured overnight financing rate ("Term SOFR") rate of interest or an alternate base rate of interest. Term SOFR loans accrued interest at an annual rate equal to the applicable Term SOFR rate plus (i) an adjustment percentage equal to between 0.11448% and 0.42826%, depending on the term of the loan ("Adjusted Term SOFR"); provided that, Adjusted Term SOFR could never be less than 1.00%, and (ii) a margin of between 6.00% and 6.50%, depending on the Company's then current Secured Leverage Ratio (as defined in the Credit Agreement). Alternate base rate loans could accrue interest at an annual rate equal to (i) the highest of (a) the Federal Funds Effective Rate (as defined in the Credit Agreement) plus 0.50%, (b) the Agent's prime rate and (c) Adjusted Term SOFR for a one-month tenor plus 1.00% (the "Second Amendment Alternate Base Rate"); provided that, the Second Amendment Alternate Base Rate could never be less than 2.00%, plus (ii) a margin of between 5.00% and 5.50%, depending on the Company's then current Secured Leverage Ratio.

The Second Amendment also provides that the Company may not request any credit extensions under the revolving credit facility under the Credit Agreement, if any of the conditions precedent set forth in Section 4.02 of the Credit Agreement cannot be satisfied, including, without limitation, the making of the representation and warranty that as of the date of the most recent audited financial statements delivered to the Agent, no event, change, circumstance, condition, development or occurrence has had, or would reasonably be expected to result in, either individually or in the aggregate, a Material Adverse Effect (as defined in the Credit Agreement).

In addition, the Second Amendment provided that, no later than January 13, 2023 (or such later date as the Required Lenders shall agree in their discretion), the Company shall (i) appoint a financial advisor on terms reasonably acceptable to the Required Lenders and the Company for a term of at least six months, (ii) provide a 13-week budget to the Agent, and (iii) deliver a perfection certificate supplement updating certain information previously provided with respect to each of the Company and the Subsidiary Guarantors, including information regarding certain collateral and other assets owned by such parties. The Company timely satisfied each of these requirements.

Third Amendment to Credit Agreement

On January 9, 2023, the Company, the Subsidiary Guarantors, the lenders party thereto, and the Agent, entered into a Third Amendment ("Third Amendment") to the Credit Agreement. The Third Amendment provides that, among other things, during the period beginning on January 9, 2023 and, subject to the terms of the Credit Agreement, ending on the date on which financial statements for the Company's fiscal quarter ending March 31, 2024 are delivered or are required to be delivered, as long as no event of default has occurred (the "Amendment Relief Period"):

- the Cambodian NHP-related matters, to the extent existing and disclosed to the lenders prior to December 29, 2022, shall not constitute a Material Adverse Effect under the Credit Agreement and will not restrict the Company's ability to request credit extensions under the revolving credit facility;
- the use of borrowings under the revolving credit facility is limited to funding operational expenses of the Company in the ordinary course and cannot be used for the making or funding of investments, permitted acquisitions or restricted payments, payments or purchases with respect to any indebtedness, bonuses or executive compensation, or judgments, fines or settlements; and
- additional limitations are imposed on the Company under the Credit Agreement, including restrictions on permitted asset sales, a prohibition on making permitted acquisitions, and significant limitations on the ability to incur additional debt, make investments and make restricted payments.

The Third Amendment provides that from and after the date thereof, no incremental facilities under the Credit Agreement may be established or incurred. The Third Amendment also provides for additional mandatory prepayments of borrowed amounts following the receipt by the Company of certain cash receipts, including proceeds from certain equity issuances and cash received by the Company not in the ordinary course of business. Under the Third Amendment, after any draw on the revolving credit facility, the Company's cash and cash equivalents held on hand domestically within the U.S. cannot exceed \$10.0 million.

Under the Third Amendment, the Company may elect to borrow on each of the loan facilities accruing interest at either an adjusted Term SOFR or an alternate base rate of interest. Term SOFR loans shall accrue interest at an annual rate equal to the applicable Term SOFR rate plus (i) an adjustment percentage equal to between 0.11448% and 0.42826%, depending on the term of the loan, provided that, the Adjusted Term SOFR shall never be less than 1.00% per annum, plus (ii) an

applicable margin of 6.75% per annum for term loans maintained as SOFR loans or 9.50% per annum for revolving loans maintained as SOFR loans. Alternate base rate loans shall accrue interest at an annual rate equal to (i) the highest of (a) the Federal Funds Effective Rate (as defined in the Credit Agreement) plus 0.50%, (b) the Agent's prime rate and (c) Adjusted Term SOFR for a one-month tenor plus 1.00% (the "Alternate Base Rate"), provided that, the Alternate Base Rate is subject to a floor of 2.00% per annum plus (ii) an applicable margin of 5.75% per annum for term loans maintained as Alternate Base Rate loans or 8.50% per annum for revolving loans maintained as Alternate Base Rate loans.

The fee consideration payable by the Company for each consenting lender party to the Third Amendment is: (i) 0.50% of the aggregate outstanding principal amount of the term loans held by each consenting term loan lender, to be paid in-kind and capitalized to the principal amounts of the term loans held by such lender; (ii) 0.50% of the aggregate outstanding principal amount of the term loans held by each consenting term loan lender, to be paid in cash upon the occurrence of certain prepayments of the term loan under the Credit Agreement; and (iii) 7.00% of the aggregate amount of the revolving commitments held by each consenting revolving lender, to be paid in cash upon the occurrence with certain permanent reductions of the revolving loans under the Credit Agreement.

On May 14, 2024, the Company, the Subsidiary Guarantors and the lenders party thereto entered into a Fourth Amendment (the "Fourth Amendment") to the Credit Agreement. The Fourth Amendment provides that any charges or expenses attributable to or related to the Agreement in Principle may be added back to the Company's Consolidated EBITDA (capped at \$26.5 million) for purposes of the financial covenants under the Credit Agreement.

The fee consideration payable by the Company for each consenting lender party to the Fourth Amendment is 0.50% of the aggregate outstanding principal amount of the term loans held by each consenting term loan lender, to be paid in-kind and capitalized to the principal amounts of the term loans held by such lender.

The Company is reviewing the Credit Agreement, as amended for accounting and tax impacts, which would be included in the quarterly report for quarter ending June 30, 2024.

Acquisition-related Debt (Seller Notes)

In addition to the indebtedness under the Credit Agreement, certain of the Company's subsidiaries have issued unsecured notes as partial payment of the purchase prices of certain acquisitions as described herein. Each of these notes is subordinated to the indebtedness under the Credit Agreement.

As part of the acquisition of Pre-Clinical Research Services, Inc. ("PCRS"), the Company issued an unsecured subordinated promissory note payable to the PCRS seller in the initial principal amount of \$0.8 million. The promissory note bears interest at a rate of 4.50% per annum with monthly payments of principal and interest and a maturity date of December 1, 2024.

As part of the acquisition of Bolder BioPATH, the Company issued unsecured subordinated promissory notes payable to the former shareholders of Bolder BioPATH in an aggregate principal amount of \$1.5 million. As part of the working capital adjustment in March 2022, a reduction of the promissory note of \$0.5 million was recorded. The promissory notes bear interest at a rate of 4.50% per annum, with monthly payments of principal and interest and a maturity date of May 1, 2026.

As part of the acquisition of Plato BioPharma, Inc. ("Plato"), the Company issued unsecured subordinated promissory notes payable to the former shareholders of Plato in an aggregate principal amount of \$3.0 million. The promissory notes bore interest at a rate of 4.50% per annum, with monthly payments of principal and interest and a maturity date of June 1, 2023. The promissory notes were paid in full as of June 1, 2023.

As part of the acquisition of Orient BioResource Center, Inc. ("OBRC"), the Company agreed to leave in place a payable owed by OBRC to Orient Bio, Inc. (the "Seller") in the amount of \$3.7 million, which the Company determined to have a fair value of \$3.3 million as of January 27, 2022. The payable does not bear interest and was originally required to be paid to the Seller 18 months after the closing date of January 27, 2022. The Company has the right to set off against the payable any amounts that become payable by the Seller on account of indemnification obligations under the purchase agreement. On April 4, 2023, the Company and the Seller entered into a First Amendment to extend the maturity date of the payable to July 27, 2024. This extension did not affect the rights and remedies of any party under the stock purchase agreement, nor alter, modify or amend or in any way affect any of the terms and conditions, obligations, covenants or agreements contained in the stock purchase agreement.

As part of the acquisition of Histon, the Company issued unsecured subordinated promissory notes payable to the former shareholders of Histon in an aggregate principal amount of \$0.4 million. The promissory notes bear interest at a rate of 4.50% per annum, with monthly payments of principal and interest and a maturity date of April 1, 2025.

As part of the acquisition of Prototypia, the Company issued unsecured subordinated promissory notes payable to the former shareholders of Prototypia in an aggregate principal amount of \$0.6 million. The promissory notes bear interest at a rate of 4.50% per annum, with monthly interest payments, as well as principal payments on July 7, 2023, and on the maturity date, January 7, 2024. These notes were paid in full on January 7, 2024.

Convertible Senior Notes

On September 27, 2021, the Company issued \$140.0 million principal amount of its 3.25% Convertible Senior Notes due 2027 (the "Notes"). The Notes were issued pursuant to, and are governed by, an indenture, dated as of September 27, 2021, among the Company, the Company's wholly-owned subsidiary, BAS Evansville, Inc., as guarantor (the "Guarantor"), and U.S. Bank National Association, as trustee (the "Indenture"). Pursuant to the purchase agreement between the Company and the initial purchaser of the Notes, the Company granted the initial purchaser an option to purchase, for settlement within a period of 13 days from, and including, the date the Notes were first issued, up to an additional \$15.0 million principal amount of the Notes. The Notes issued on September 27, 2021 included \$15.0 million principal amount of the Notes issued pursuant to the full exercise by the initial purchaser of such option. The Company used the net proceeds from the offering of the Notes, together with borrowings under a new senior secured term loan facility, to fund the cash portion of the purchase price of the Envigo acquisition and related fees and expenses.

The Notes are the Company's senior, unsecured obligations and are (i) equal in right of payment with the Company's existing and future senior, unsecured indebtedness; (ii) senior in right of payment to the Company's existing and future indebtedness that is expressly subordinated to the Notes; (iii) effectively subordinated to the Company's existing and future secured indebtedness, to the extent of the value of the collateral securing that indebtedness; and (iv) structurally subordinated to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent the Company is not a holder thereof) preferred equity, if any, of the Company's non-guarantor subsidiaries. The Notes are fully and unconditionally guaranteed, on a senior, unsecured basis, by the Guarantor.

The Notes accrue interest at a rate of 3.25% per annum, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on April 15, 2022. The Notes will mature on October 15, 2027, unless earlier repurchased, redeemed or converted. Before April 15, 2027, noteholders have the right to convert their Notes only upon the occurrence of certain events. From and after April 15, 2027, noteholders may convert their Notes at any time at their election until the close of business on the scheduled trading day immediately before the maturity date. The Company will settle conversions by paying or delivering, as applicable, cash, its common shares or a combination of cash and its common shares, at the Company's election. The initial conversion rate is 21.7162 common shares per \$1 principal amount of Notes, which represents an initial conversion price of approximately \$46.05 per common share. The conversion rate and conversion price are subject to customary adjustments upon the occurrence of certain events. In addition, if certain corporate events that constitute a "Make-Whole Fundamental Change" (as defined in the Indenture) occur, then the conversion rate will, in certain circumstances, be increased for a specified period of time.

As of March 31, 2024 and September 30, 2023, there were \$3.7 million and \$4.2 million, respectively, in unamortized debt issuance costs related to the Notes. For the three months ended March 31, 2024, the total interest expense was \$2.9 million, including coupon interest expense of \$1.1 million, accretion expense of \$1.5 million, and the amortization of debt discount and issuance costs of \$0.2 million. During the three months ended March 31, 2023, the total interest expense was \$2.7 million, including coupon interest expense of \$1.1 million, accretion expense of \$1.4 million, and the amortization of debt discount and issuance costs of \$0.2 million. For the six months ended March 31, 2024, the total interest expense was \$5.8 million, including coupon interest expense of \$2.3 million, accretion expense of \$3.1 million, and the amortization of debt discount and issuance costs of \$0.5 million. During the six months ended March 31, 2023, the total interest expense was \$5.5 million, including coupon interest expense of \$2.3 million, accretion expense of \$2.8 million, and the amortization of debt discount and issuance costs of \$0.4 million.

The Notes are redeemable, in whole and not in part, at the Company's option at any time on or after October 15, 2024 and on or before the 40th scheduled trading day immediately before the maturity date, but only if the last reported sale price per common share of the Company exceeds 130.00% of the conversion price on (i) each of at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the trading day immediately before the date the Company sends the related redemption notice; and (ii) the trading day immediately before the date the Company

sends such notice. The redemption price is a cash amount equal to the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, calling the Notes for redemption pursuant to the provisions described in this paragraph will constitute a Make-Whole Fundamental Change, which will result in an increase to the conversion rate in certain circumstances for a specified period of time.

If certain corporate events that constitute a "Fundamental Change" (as defined in the Indenture) occur, then noteholders may require the Company to repurchase their Notes at a cash repurchase price equal to the principal amount of the Notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the Fundamental Change repurchase date. The definition of Fundamental Change includes certain business combination transactions involving the Company and certain de-listing events with respect to the Company's common shares.

The Notes have customary provisions relating to the occurrence of "Events of Default" (as defined in the Indenture), which include the following: (i) certain payment defaults on the Notes (which, in the case of a default in the payment of interest on the Notes, are subject to a 30-day cure period); (ii) the Company's failure to send certain notices under the Indenture within specified periods of time; (iii) the failure by the Company or the Guarantor to comply with certain covenants in the Indenture relating to the ability of the Company or the Guarantor to consolidate with or merge with or into, or sell, lease or otherwise transfer, in one transaction or a series of transactions, all or substantially all of the assets of the Company or the Guarantor, as applicable, and its subsidiaries, taken as a whole, to another person; (iv) a default by the Company or the Guarantor in its other obligations or agreements under the Indenture or the Notes if such default is not cured or waived within 60 days after notice is given in accordance with the Indenture; (v) certain defaults by the Company, the Guarantor or any of their respective subsidiaries with respect to indebtedness for borrowed money of at least \$20.0 million; (vi) the rendering of certain judgments against the Company, the Guarantor or any of their respective subsidiaries for the payment of at least \$20.0 million, where such judgments are not discharged or stayed within 60 days after the date on which the right to appeal has expired or on which all rights to appeal have been extinguished; (vii) certain events of bankruptcy, insolvency and reorganization involving the Company, the Guarantor or any of their respective significant subsidiaries; and (viii) the guarantee of the Notes ceases to be in full force and effect (except as permitted by the Indenture) or the Guarantor denies or disaffirms its obligations under its guarantee of the Notes.

If an Event of Default involving bankruptcy, insolvency or reorganization events with respect to the Company or the Guarantor (and not solely with respect to a significant subsidiary of the Company or the Guarantor) occurs, then the principal amount of, and all accrued and unpaid interest on, all of the Notes then outstanding will immediately become due and payable without any further action or notice by any person. If any other Event of Default occurs and is continuing, then the trustee, by notice to the Company, or noteholders of at least 25.00% of the aggregate principal amount of Notes then outstanding, by notice to the Company and the trustee, may declare the principal amount of, and all accrued and unpaid interest on, all of the Notes then outstanding to become due and payable immediately. However, notwithstanding the foregoing, the Company may elect, at its option, that the sole remedy for an Event of Default relating to certain failures by the Company to comply with certain reporting covenants in the Indenture consists exclusively of the right of the noteholders to receive special interest on the Notes for up to 180 days at a specified rate per annum not exceeding 0.50% on the principal amount of the Notes.

ITEM 3 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We are exposed to changes in interest rates while conducting normal business operations as a result of ongoing financing activities. As of March 31, 2024, our debt portfolio was reliant on reference rates. Based on our interest rate exposure at March 31, 2024, assumed debt levels throughout the next 12 months, a one-percentage-point increase in interest rates would result in an estimated \$2.7 million pre-tax reduction in net earnings over a one-year period.

Foreign Currency Exchange Rate Risk

We operate on a global basis and have exposure to some foreign currency exchange rate fluctuations for our financial position, results of operations, and cash flows.

While the financial results of our global activities are reported in U.S. dollars, our foreign subsidiaries typically conduct their operations in their respective local currency. The principal functional currencies of the Company's foreign subsidiaries are the Euro, British Pound and, in the fiscal year 2023 period, the Israeli Shekel.

Fluctuations in the foreign currency exchange rates of the countries in which we do business will affect our financial position, results of operations, and cash flows. As the U.S. dollar strengthens against other currencies, the value of our non-U.S. revenue, expenses, assets, liabilities, and cash flows will generally decline when reported in U.S. dollars. The impact to net loss as a result of a U.S. dollar strengthening will be partially mitigated by the value of non-U.S. expenses, which will decline when reported in U.S. dollars. As the U.S. dollar weakens versus other currencies, the value of the non-U.S. revenue, expenses, assets, liabilities, and cash flows will generally increase when reported in U.S. dollars.

A hypothetical 10% change in the foreign exchange rates applicable to our business would change our March 31, 2024 cash balance by approximately \$0.7 million and our revenue by approximately \$4.0 million for the six months ended March 31, 2024.

ITEM 4 – CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are controls and other procedures designed to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms adopted by the SEC, including to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is accumulated and communicated to the Company's management, including our President and Chief Executive Officer (our principal executive officer) and our Chief Financial Officer and Senior Vice President - Finance (our principal financial officer), or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure ("Management").

Management has evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) under the Exchange Act, as of the end of the period covered by this Report. Based on that evaluation, Management has concluded that our disclosure controls and procedures were not effective as of March 31, 2024 because of the material weaknesses in internal control over financial reporting described below.

Previously Identified Material Weaknesses

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

As of September 30, 2022, Management identified the following material weaknesses in internal controls, which continued to exist as of March 31, 2024:

- a) Management did not design and maintain effective controls over information technology general controls ("ITGCs") for all applications that are relevant to the preparation of the consolidated financial statements throughout the year ended September 30, 2022, which resulted in ineffective business process controls (automated and IT-dependent manual controls) that could result in misstatements potentially impacting all of the financial statement accounts and disclosures. Specifically, management did not design and maintain: sufficient user access controls to ensure appropriate segregation of duties and adequately restrict user and privileged access to financial applications, programs and data to appropriate Company personnel; and program change management controls to ensure that information technology ("IT") program and data changes affecting financial information technology applications and underlying accounting records are authorized, tested, and implemented appropriately. As a result, business process controls (automated and IT-dependent manual controls) that are dependent on the ineffective ITGCs, or that use data produced from systems impacted by the ineffective ITGCs were deemed ineffective at September 30, 2022, and were not remediated and therefore remained ineffective at March 31, 2024; and
- b) Management did not have an adequate process in place to design and test the operating effectiveness of internal control over financial reporting in a timely manner or an adequate process in place to monitor and provide oversight over the completion of its assessment of internal control over financial reporting. As such, we determined that management did not effectively design and implement components of the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (COSO

framework) to address all relevant risks of material misstatement, including elements of the control environment, information and communication, control activities and monitoring activities components, relating to: (i) providing sufficient and timely management oversight and ownership over the internal control evaluation process; (ii) hiring and training sufficient personnel to timely support the Company's internal control objectives; and (iii) performing timely monitoring and oversight to ascertain whether the components of internal control are present and functioning effectively. As a result, controls relevant to all business processes and related controls (including relevant entity level controls) were deemed ineffective at September 30, 2022, and were not remediated and therefore remained ineffective at March 31, 2024.

As of the date of this Report, Management has updated the design of several of its controls and modified process designs in an effort to improve our internal control over financial reporting and remediate the control deficiencies that led to the material weaknesses described above. However, there remain several controls and processes that Management continues to re-assess, including the design of controls and modifying processes to improve our internal control over financial reporting. Management's remediation efforts have included but are not limited to: (i) hiring additional accounting personnel, (ii) hiring key IT personnel with appropriate technical and internal control-related skillsets, and (iii) implementing an internal team dedicated to oversight of control and process design. Management's ongoing remediation efforts include: (i) improving consistency in ITGCs supported by standard operating procedures to govern the authorization, testing and approval of changes to IT systems supporting all of the Company's internal control processes, including the implementation of certain applications to achieve these operating procedures, (ii) enhancing design and implementation of our control environment, including the expansion of formal accounting and IT policies and procedures, (iii) designing, implementing, reviewing, analyzing, and properly documenting our review and approval controls, as it relates to ITGCs, account reconciliations, journal entries and estimates, and (iv) continuing to provide training to personnel related to ensuring the accuracy and completeness of data used in the performance of the internal controls.

The material weaknesses cannot be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Changes in Internal Controls

Except for the changes in connection with our remediation activities as described above, there were no other changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, that occurred during the fiscal quarter ended March 31, 2024 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II

ITEM 1 – LEGAL PROCEEDINGS

Information pertaining to legal proceedings can be found in Note 14 to our condensed consolidated financial statements included in Part I, Item 1 of this report and is incorporated herein by reference.

ITEM 1A – RISK FACTORS

The risks described in our Annual Reports on Form 10-K and our Quarterly Reports on Form 10-Q from time to time are not the only risks we face. New risk factors or risks that we currently deem immaterial emerge from time to time and it is not possible for us to predict all such risk factors, nor to assess the impact such risk factors might have on our business, financial condition and operating results, or the extent to which any such risk factor or combination of risk factors may impact our business, financial condition and operating results.

Except as set forth below, there have been no material changes to the risk factors associated with our business previously described in our Annual Report on Form 10-K filed with the SEC on December 12, 2023 and in our Quarterly Report on Form 10-Q for the quarter ended December 31, 2023 filed with the SEC on February 7, 2024. The risk factors set forth below update, and should be read together with our Annual Report on Form 10-K for the fiscal year ended September 30, 2023, including those disclosed under the heading "Risk Factors" appearing in Item 1A of Part I of the Annual Report on Form 10-K and in our Quarterly Report on Form 10-Q for the quarter ended December 31, 2023 filed with the SEC on February 7, 2024.

Risks Related to our Financial Activities

We have identified conditions and events that could raise substantial doubt about our ability to continue as a going concern.

We have identified certain conditions or events, which are discussed below, that could raise substantial doubt about our ability to continue as a going concern. As a result of these and as disclosed elsewhere in this report, substantial doubt about the Company's ability to continue as a going concern exists.

The financial covenants under the Company's Credit Agreement include, among others, a requirement to not permit the consolidated debt to consolidated EBITDA of the Company to exceed certain leverage thresholds under the Credit Agreement. Subsequent to March 31, 2024, the Company entered into the Fourth Amendment (as defined in Note 15 - Subsequent Events) to the Credit Agreement, which provides that any charges or expenses attributable to or related to the Agreement in Principle may be added back to the Company's consolidated EBITDA (up to \$26.5 million) for purposes of the financial covenants under the Credit Agreement. As a result of the Fourth Amendment obtained by the Company, the Company was in compliance with its covenants under the Credit Agreement as of March 31, 2024.

The Company believes it has sufficient liquidity to satisfy its current obligations as they come due, including cash outflows for planned targeted capital expenditures, for the twelve months following the issuance of these financial statements. Following the decrease in overall revenue for the three months ended March 31, 2024, there is no assurance that the Company will experience an increase in revenue for the remainder of the 2024 fiscal year. If the Company's revenue and related operating margins do not increase, it would result in non-compliance with the financial covenants under the Credit Agreement. If at the time the Company files, or is required to file, its next Quarterly Report on Form 10-Q it reports a failure to comply with its financial covenants and remains unremedied for the period of time stipulated under the Credit Agreement, this would constitute an event of default under the Credit Agreement and the lenders may, among other remedies set out under the Credit Agreement, declare all or any portion of the outstanding principal amount of the borrowings plus accrued and unpaid interest to be immediately due and payable. Furthermore, if the lenders were to accelerate the loans under the Credit Agreement, such acceleration would constitute a default under our indenture governing the Company's Convertible Senior Notes (the "Notes") which, if not cured within 30 days following notice of such default from the trustee or holders of 25 percent of the Notes, would permit the trustee or such holders to accelerate the Notes. If the lenders accelerate the loans under the Credit Agreement, the Company does not believe its existing cash and cash equivalents, together with cash generated from operations, would be sufficient to fund its operations, satisfy its obligations, including cash outflows for planned targeted capital expenditures, and repay the entirety of its outstanding senior term loans and repay the entirety of its outstanding Notes in the next twelve months; in addition, access to the \$15.0 million revolver would be restricted and such funds would not be available to pay for any operating activities.

Further, our evaluation of the Company's ability to continue as a going concern in accordance with U.S. generally accepted accounting principles entailed analyzing prospective fully implemented operating budgets and forecasts for expectations of our cash needs and comparing those needs to the current cash and cash equivalent balances in order to satisfy our obligations, including cash outflows for planned targeted capital expenditures, and to comply with minimum liquidity and financial covenant requirements under our debt covenants related to borrowings pursuant to its Credit Agreement for at least the next twelve months. This evaluation initially does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented and are outside of its control as of the date the financial statements are issued. When substantial doubt exists under this methodology, we evaluate whether the mitigating effect of our plans sufficiently alleviates substantial doubt about our ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that these consolidated financial statements are issued. After considering the factors outlined above, substantial doubt about our ability to continue as a going concern exists.

In addition, the fact that there is substantial doubt about the Company's ability to continue as a going concern and that the Company is operating under these conditions may adversely affect the Company's stock price, its ability to raise capital, its ability to comply with its Credit Agreement and its normal business operations, among other implications.

We have experienced periods of losses and financial insecurity.

Throughout our history we have experienced periods of financial losses and financial hardship. Our current efforts may not result in profitability, or if our efforts result in profits, such profits may not continue for any meaningful period of time. In order to finance various acquisitions and expand certain facilities, we have significantly increased our leverage. Sustained

losses may result in our inability to service our financial obligations as they come due, including the additional indebtedness we have incurred to support our growth initiatives, or to meaningfully invest in our business.

The Company's RMS segment revenue decreased \$32.1 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023, due primarily to the negative impact of lower NHP-related product and service revenue. For the 2024 period, such reduction in revenue adversely affected our business, financial condition and results of operations.

Further, during 2022 and 2023 there were decreases in biotech funding which contributed to a reduced demand for preclinical studies. This reduced demand has negatively impacted the Company's DSA segment revenue.

For further information, refer to the Operational Update within Note 1 – Description of Business and Basis of Presentation of the unaudited interim condensed consolidated financial statements contained in Part I, Item 1. There is no assurance that the Company will experience an increase in sales for the remainder of the 2024 fiscal year. If the Company's revenue and related operating margins do not increase, it would have an adverse effect on the Company's business financial condition and results of operations, and could result in non-compliance with the financial covenants under the Company's Credit Agreement, as discussed elsewhere in this "Risk Factors" section.

We have incurred significant additional indebtedness during recent periods, which may impair our ability to raise further capital or impact our ability to service our debt.

We have incurred significant additional indebtedness during recent periods. Our additional indebtedness may impair our ability to raise further capital, including to expand our business, pursue strategic investments, and take advantage of financing or other opportunities that we believe to be in the best interests of the Company and our shareholders.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, curtailing spend, restructuring debt, or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. Our additional indebtedness may also impact our ability to service our debt and to comply with financial covenants and the other terms of our relevant credit arrangements, in which case our lenders might pursue available remedies up to and including terminating our credit arrangements and foreclosing on available collateral.

While we have begun efforts to curtail spending, there is no assurance that any such efforts will be successful or will have intended effect on our available cash.

Our credit agreement contains covenants that restrict our business and financing activities. All of our assets secure our obligations under the credit agreement and may be subject to foreclosure.

We are party to a Credit Agreement with Jefferies Finance LLC, as administrative agent, and the lenders party thereto (as amended, the "Credit Agreement"). The Credit Agreement contains various covenants, restrictions, and events of default. Among other things, these provisions require us to maintain certain financial ratios, including a secured leverage ratio and a fixed charge coverage ratio, and impose certain limits on our ability to engage in certain activities. The Third Amendment to the Credit Agreement that we entered into on January 9, 2023, imposes additional limitations on us through the date that we deliver financial statements for the quarter ending March 31, 2024, including restrictions on permitted asset sales, a prohibition on making permitted acquisitions, and significant limitations on the ability to incur additional debt, make investments and make restricted payments. Further during that time, we can only use borrowings under the revolving credit facility to fund operational expenses in the ordinary course.

The restrictions in the Credit Agreement, including under the Third Amendment, impose operating and financial restrictions on us and may limit our ability to compete effectively, take advantage of new business opportunities, or take other actions that may be in our, or our shareholders', best interests. Further, various risks and uncertainties, including those arising as a result of the USAO-SDFL criminally charging employees of the Company's principal supplier of NHPs, along with two Cambodian government officials, may impact our ability to comply with our obligations under the Credit Agreement.

Our obligations under the Credit Agreement are secured by all assets (other than certain excluded assets) of the Company and each of the subsidiary guarantors.

Our inability to comply with any of the provisions of the Credit Agreement could result in a default under it. If such a default occurs, including because we fail to comply with our financial covenants at the time we file or are required to file our fiscal third quarter results on Form 10-Q, and such non-compliance remains unremedied for the period of time stipulated under the Credit Agreement, the lenders may elect to declare all borrowings outstanding, together with accrued interest and other fees, to be immediately due and payable, and they would have the right to terminate any commitments to provide further funds. If the lenders accelerate the loans under the Credit Agreement, we do not believe our existing cash and cash equivalents, together with cash generated from operations, would be sufficient to fund our operations, satisfy our obligations, including cash outflows for planned targeted capital expenditures, and repay the entirety of our outstanding senior term loans and repay the entirety of the outstanding Notes in the next twelve months. In addition, if we are unable to repay outstanding borrowings when due, the lenders also have the right to proceed against the collateral. The occurrence of any of these events could have a material adverse effect on our business, financial condition, results of operations and liquidity.

Our failure to comply with the terms of our Credit Agreement could result in an event of default that could materially adversely affect our business, financial condition and results of operations.

If there were an event of default under our Credit Agreement, all amounts outstanding under that agreement could be due and payable immediately, which may have an adverse impact on our business, financial condition and results of operations. An event of default may occur should our assets or cash flow be insufficient to fully repay borrowings under our Credit Agreement, whether paid in the ordinary course or accelerated, or if we are unable to maintain compliance with relevant obligations thereunder, including financial and other covenants. Various risks and uncertainties, including those arising as a result of the USAO-SDFL criminally charging employees of the principal supplier of non-human primates to the Company, along with two Cambodian government officials, may impact our ability to comply with our obligations under the Credit Agreement.

Our inability to comply with any of the provisions of the Credit Agreement could result in a default under it. If such a default occurs, including because we fail to comply with our financial covenants at the time we file or are required to file our fiscal third quarter results on Form 10-Q, and such non-compliance remains unremedied for the period of time stipulated under the Credit Agreement, the lenders may elect to declare all borrowings outstanding, together with accrued interest and other fees, to be immediately due and payable, and they would have the right to terminate any commitments to provide further funds. If the lenders accelerate the loans under the Credit Agreement, we do not believe our existing cash and cash equivalents, together with cash generated from operations, would be sufficient to fund our operations, satisfy our obligations, including cash outflows for planned targeted capital expenditures, and repay the entirety of our outstanding senior term loans and repay the entirety of the outstanding Notes in the next twelve months. In addition, if we are unable to repay outstanding borrowings when due, the lenders also have the right to proceed against the collateral. Further, access to the \$15.0 million revolver under the Credit Agreement would be restricted and such funds would not be available to pay for any operating activities. The occurrence of any of these events could have a material adverse effect on our business, financial condition, results of operations and liquidity.

We may need additional capital, and any additional capital we seek may not be available in the amount or at the time we need it.

Successful execution of our growth plans will require that we have access to capital. Our expected financing needs are based upon management's estimates as to future revenue and expense. Our business plan and financing needs are subject to change based upon, among other factors, our ability to increase revenues and manage expenses and the timing and extent of our future capital expenditures and acquisition activity. If our estimates of our financing needs change, we may need additional capital more quickly than we expect or we may need a greater amount of capital.

In general, additional capital may be raised through the sale of common shares, preferred equity or convertible debt securities, entry into debt facilities or other third-party funding arrangements. The sale of equity and convertible debt securities may result in dilution to our shareholders and those securities may have rights senior to those of our common shares. Agreements entered into in connection with such capital raising activities could contain covenants that would restrict our operations or require us to relinquish certain rights. Additional capital may not be available on reasonable terms, or at all. If we cannot timely raise any needed funds, we may be forced to reduce our operating expenses, which could adversely affect our ability to implement our long-term strategic roadmap and grow our business.

The financial covenants under the Company's Credit Agreement include, among others, a requirement to not permit the consolidated debt to consolidated EBITDA of the Company to exceed certain leverage thresholds under the Credit Agreement. Subsequent to March 31, 2024, the Company entered into the Fourth Amendment (as defined in Note 15 - Subsequent Events) to the Credit Agreement, which provides that any charges or expenses attributable to or related to the Agreement in Principle may be added back to the Company's consolidated EBITDA (up to \$26.5 million) for purposes of

the financial covenants under the Credit Agreement. As a result of the Fourth Amendment obtained by the Company, the Company was in compliance with its covenants under the Credit Agreement as of March 31, 2024.

The Company believes it has sufficient liquidity to satisfy its current obligations as they come due, including cash outflows for planned targeted capital expenditures, for the twelve months following the issuance of these financial statements. Following the decrease in overall revenue for the three months ended March 31, 2024, there is no assurance that the Company will experience an increase in revenue for the remainder of the 2024 fiscal year. If the Company's revenue and related operating margins do not increase, it would result in non-compliance with the financial covenants under the Credit Agreement. If at the time the Company files, or is required to file, its next Quarterly Report on Form 10-Q it reports a failure to comply with its financial covenants and remains unremedied for the period of time stipulated under the Credit Agreement, this would constitute an event of default under the Credit Agreement and the lenders may, among other remedies set out under the Credit Agreement, declare all or any portion of the outstanding principal amount of the borrowings plus accrued and unpaid interest to be immediately due and payable. Furthermore, if the lenders were to accelerate the loans under the Credit Agreement, such acceleration would constitute a default under our indenture governing the Company's Convertible Senior Notes (the "Notes") which, if not cured within 30 days following notice of such default from the trustee or holders of 25 percent of the Notes, would permit the trustee or such holders to accelerate the Notes. If the lenders accelerate the loans under the Credit Agreement, the Company does not believe its existing cash and cash equivalents, together with cash generated from operations, would be sufficient to fund its operations, satisfy its obligations, including cash outflows for planned targeted capital expenditures, and repay the entirety of its outstanding senior term loans and repay the entirety of its outstanding Notes in the next twelve months; in addition, access to the \$15.0 million revolver would be restricted and such funds would not be available to pay for any operating activities.

Further, our evaluation of the Company's ability to continue as a going concern in accordance with U.S. generally accepted accounting principles entailed analyzing prospective fully implemented operating budgets and forecasts for expectations of our cash needs and comparing those needs to the current cash and cash equivalent balances in order to satisfy our obligations, including cash outflows for planned targeted capital expenditures, and to comply with minimum liquidity and financial covenant requirements under our debt covenants related to borrowings pursuant to its Credit Agreement for at least the next twelve months. This evaluation initially does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented and are outside of its control as of the date the financial statements are issued. When substantial doubt exists under this methodology, we evaluate whether the mitigating effect of our plans sufficiently alleviates substantial doubt about our ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that these consolidated financial statements are issued. After considering the factors outlined above, substantial doubt about our ability to continue as a going concern exists.

We plan to continue our efforts to optimize our capital allocation and expense base, which reduced our cash expenses in the three and six months ended March 31, 2024 compared to the three and six months ended March 31, 2023, and which are expected to continue to reduce cash expenses in the remainder of fiscal 2024 and into fiscal 2025. Further, we have invested and plan to continue to invest in our DSA capacity and added to our service offerings in recent periods which we plan to utilize in order to support future revenue growth and margins. The Company also continues to collaborate with its lenders with regard to its current business conditions. The Company plans to request amendments to the Credit Agreement, which may include potential additional financial covenant requirements, in an effort to avoid an acceleration of the loans under the Credit Agreement prior to their existing maturity. In the event that the Company fails to comply with the requirements of the financial covenants set forth in the Credit Agreement, the Company has approximately 55 days subsequent to any fiscal quarter, and approximately 100 days subsequent to fiscal year-end to cure noncompliance. Additionally, the Company may consider seeking additional financing and evaluating financing alternatives to meet its cash requirements for the next 12 months. There is no assurance that the Company's lenders will agree to any amendment to the Credit Agreement, nor can there be any assurance that the Company would be able to raise additional capital, whether through selling additional equity or debt securities or obtaining a line of credit or other loan on terms acceptable to the Company or at all.

In relation to the existence of substantial doubt about the Company's ability to continue as a going concern as discussed above and in Note 1, the Company plans to request amendments to the Credit Agreement, which may include potential additional financial covenant requirements, in an effort to avoid an acceleration of the loans under the Credit Agreement prior to their existing maturity. Additionally, the Company may consider seeking additional financing and evaluating financing alternatives to meet its cash requirements for the next 12 months. There is no assurance that the Company's lenders will agree to any amendment to the Credit Agreement, nor can there be any assurance that the Company would be

able to raise additional capital, whether through selling additional equity or debt securities or obtaining a line of credit or other loan on terms acceptable to the Company or at all.

Risks Related to NHP Supply and Demand

Our business, results of operations, financial condition, including the carrying value of certain of our assets, and cash flows have and may continue to be adversely affected by our dependence on the importation of NHPs from suppliers located outside the U.S., particularly from communist countries in Southeast Asia, legal issues related to these suppliers, and any inability to diversify our suppliers located outside the U.S.

Our business, results of operations, financial condition, including the carrying value of certain of our assets, and cash flows have and may continue to be adversely affected by our dependence on NHP suppliers that are located outside the U.S. and difficulties in being able to diversify our suppliers located outside the U.S. China exited the NHP exportation market in 2020 during the COVID-19 pandemic, and has repeatedly stated that it strategically intends to dominate, amongst other things, worldwide biomedical research. As such, their demand for NHPs has shifted a previously exported supply to their domestic use. Legal matters affecting the Cambodian supply of NHPs further exacerbated an already constrained NHP supply for U.S. research. The allegations contained in that indictment also led us to refrain from selling or delivering any of the Cambodian NHPs we held in the U.S. until we could evaluate what additionally could be done to confirm that the NHPs in inventory from Cambodia could be reasonably determined to be purpose-bred. The decision to refrain from selling or delivering the Cambodian NHPs had a material adverse effect on our liquidity. In order to address the material adverse effect, we entered into an amendment to our credit facility.

While we are seeking to diversify our suppliers located outside the U.S., the number of NHP suppliers is limited, and we may not be successful in doing so. If we are unable to obtain NHPs in sufficient quantities of the required species or in a timely manner to meet the needs of our clients, if the price of NHPs that are available increases significantly, or if we are unable to ship the NHPs in our possession to our clients because of governmental restrictions or limitations, our business, particularly in our RMS segment, will be materially adversely affected.

In addition, overall supply constraints with respect to NHPs has led to an extremely dynamic pricing environment for NHPs, which has, and could continue to, make it difficult to predict results, lead to reduced volumes, and require us to adjust operations. Further, during fiscal 2023, the volume of NHPs we sold to third parties was significantly lower than in fiscal 2022.

Our sales of NHPs have decreased significantly in recent periods, which adversely affected our business, financial condition and results of operations, and this trend may continue.

The Company's RMS segment revenue decreased \$32.1 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023, due primarily to the negative impact of lower NHP-related product and service revenue. For the 2024 period, such reduction in revenue adversely affected our business, financial condition and results of operations. There is no assurance that the Company will experience an increase in sales for the remainder of the 2024 fiscal year. If the Company's revenue and related operating margins do not increase, it would have an adverse effect on the Company's business financial condition and results of operations, and could result in non-compliance with the financial covenants under the Company's Credit Agreement, as discussed elsewhere in this "Risk Factors" section.

Risks Related to Regulation and Legal Matters

We are involved in legal proceedings that could adversely affect our business, financial condition, and results of operations.

We are involved in legal proceedings related to various matters, including employment and securities litigation, and may become involved in other legal proceedings that arise from time to time in the future. For example, as discussed further in Note 16 - Contingencies to our consolidated financial statements contained in Part II, Item 8, a putative securities class action and derivative securities lawsuits have been filed against the Company and certain officers and directors, alleging, among other things, violations of the Exchange Act related to the Company's disclosures concerning its acquisitions of Envigo and OBRC and their regulatory compliance.

Any claims against us, whether meritorious or not, can be time-consuming, result in costly litigation, be harmful to our reputation, require significant management attention, and divert significant resources. In addition, the expense of litigation and the timing of this expense from period to period are difficult to estimate and subject to change. Litigation and other claims are subject to inherent uncertainties and management's view of these matters may change in the future. Given the uncertain nature of legal proceedings generally, we are not able in all cases to estimate the amount or range of loss that

could result from an unfavorable outcome. We could incur judgments or enter into settlements of claims that could have a material adverse effect on our results of operations in any particular period.

For further information on these and other actions, see Note 14 – Contingencies to the unaudited interim condensed consolidated financial statements contained in Part I, Item 1.

We are subject to inspections, investigations and enforcement actions by regulatory authorities, which could lead to penalties, including substantial fines, warning letters, a temporary restraining order or injunction, civil and/or criminal penalties, and/or license suspension or revocation.

We are subject to periodic inspections by regulatory authorities, including the FDA, the USDA and the U.S. Fish and Wildlife Service. As part of these inspections, the regulatory authorities seek to determine whether our facilities, operations and animal research model importation practices comply with applicable laws and regulations. Adverse findings as a result of these inspections could lead to enforcement actions, including substantial fines, warning letters that require corrective action (including potential facilities improvement requirements), revocation of approvals, exclusion from future participation in government healthcare programs, criminal prosecution and even the denial of the right to conduct business. Envigo's Cumberland, VA facility, at which the Company ceased commercial operations in September 2022, had been the subject of inspections by the USDA, a search and seizure warrant executed by the U.S. Department of Justice (the "DOJ") and federal and state law enforcement agents. Further, certain employees also received a grand jury subpoena requested by the U.S. Attorney's Office for the Western District of Virginia, and the Company has received additional subpoenas related to this matter. For further information on these and other actions, see Note 14 - Contingencies to the unaudited interim condensed consolidated financial statements contained in Part I, Item 1.

Inspections, investigations and/or other actions could result in penalties that could include a temporary restraining order or injunction, civil and/or criminal penalties, and/or license suspension or revocation. The imposition of any of these penalties or other restrictions on our business could adversely affect our business reputation and could have a material adverse impact on our financial condition, results of operations and stock price.

We are subject to environmental, health and safety requirements and risks as a result of which we may incur significant costs, liabilities and obligations.

We are subject to a variety of federal, state, local and foreign environmental laws, regulations, initiatives and permits that govern, among other things: the emission and discharge of materials, including greenhouse gases, in air, land and water; the remediation of soil, surface water and groundwater contamination; the generation, storage, handling, use, disposal and transportation of regulated materials and wastes, including biomedical and radioactive wastes; and health and safety. Failure to comply with these laws, regulations or permits could result in fines or sanctions, obligations to investigate or remediate existing or potential contamination, third-party property damage claims, personal injury claims, natural resource damages claims or modification or revocation of operating permits and may lead to temporary or permanent business interruptions. Pursuant to certain environmental laws, we may be held strictly, and under certain circumstances jointly and severally, liable for costs of investigation and remediation of contaminated sites which we currently own or operate, or sites we or our predecessors have owned or operated in the past. Further, we could be held liable at sites where we have sent waste for disposal.

Environmental laws, regulations and permits, and the enforcement thereof, change frequently and have tended to become more stringent over time. Compliance with the requirements of laws and regulations may increase capital costs and operating expenses or necessitate changes to our production processes.

We use, and in the past have used, hazardous materials and generate, and in the past have generated, hazardous wastes. We cannot eliminate the risk of accidental contamination or injury from these materials. In the event of such an accident, we could be held liable for any resulting damages and incur liabilities which could exceed our resources. Our costs, liabilities and obligations relating to environmental matters may have a material adverse effect on our business, financial condition, prospects, results of operations and cash flows.

For further information on these and other actions, see Note 14 – Contingencies to the unaudited interim condensed consolidated financial statements contained in Part I, Item 1.

Any failure by us to comply with existing regulations could harm our reputation and operating results, and requirements to comply with new laws, regulations and guidance may have an adverse effect on our financial condition and results of operations.

Table of Contents

Any failure on our part to comply with existing regulations could result in the termination of ongoing research or the disqualification of data for submission to regulatory authorities. For example, if we were to fail to properly monitor compliance with study protocols, the data collected could be disqualified. Under such circumstances, we may be contractually required to repeat a study at no further cost to the client, but at substantial cost to us. That development would harm our reputation, our prospects for future work and our operating results. The issuance of a notice from the FDA or the USDA, or other relevant authorities, based on a finding of a material violation by us of good clinical practice, good laboratory practice or good manufacturing practice requirements, animal welfare laws and regulations, or other applicable regulations could materially and adversely affect our business and financial performance through fines and sanctions and responsive actions, including revocation of license(s), debarment and may lead to temporary or permanent business interruptions. Furthermore, the cost to comply with new federal or state legislature may adversely affect our operating results.

For further information on these and other actions, see Note 14 – Contingencies to the unaudited interim condensed consolidated financial statements contained in Part I, Item 1.

Risks Related to our Operations

We rely on a limited number of key clients, the importance of which may vary dramatically from year to year, and a loss of one or more of these key clients may adversely affect our operating results.

One client related to the RMS segment accounted for approximately 22.0% and 28.2% of our total revenue during fiscal years 2023 and 2022, respectively. Five clients of the DSA segment in the aggregate accounted for approximately 5.4% and 7.2% of our total revenue during fiscal years 2023 and 2022, respectively. The loss of a significant amount of business from one or more of our major clients would materially and adversely affect our results of operations until such time, if ever, as we are able to replace the lost business. Significant clients or projects in any one period may not continue to be significant clients or projects in other periods. In any given year, there is a possibility that a single client may account for a significant percentage of our total revenue or that our business may depend on one or more large projects. Since we do not have long-term contracts with most of our clients, the importance of a single client may vary dramatically from year to year as projects end and new projects begin. To the extent that we are meaningfully dependent on any single client, we are indirectly subject to risks related to that client, including if such risks impede the client's ability to stay in business or otherwise to make timely payments to us.

During the three and six months ended March 31, 2024, one client accounted for 15.2% and 19.0% of sales, respectively. During the three and six months ended March 31, 2023, one client accounted for 25.0% and 23.6% of sales, respectively. For the 2024 periods, such reduction in sales volumes to this client adversely affected our business, financial condition and results of operations.

Risks Related to the Industries we Serve

We are substantially dependent on the pharmaceutical and biotechnology industries.

Our revenues depend greatly on the expenditures made by pharmaceutical and biotechnology companies in research and development, including their decisions to outsource drug development services to providers like us, rather than handling such services in-house. In some instances, companies in these industries are reliant on their ability to raise capital in order to fund their research and development projects and to compensate us for services rendered.

Fluctuations in the research and development budgets of researchers and their organizations has, had and could continue to have a significant effect on the demand for our products and services. Research and development budgets fluctuate due to changes in available resources, mergers of pharmaceutical and biotechnology companies, spending priorities and institutional budgetary policies, among other reasons. Accordingly, economic factors and industry trends that affect our clients in these industries also affect our business. Our ability to continue to grow and win new business depends in large part upon the ability and willingness of the pharmaceutical and biotechnology industries to continue to spend on research and development and to purchase the products and outsource the services we provide. If companies in these industries were to reduce the number or scope of research and development projects they conduct or outsource, our business could be materially adversely affected. We believe this occurred to some extent in fiscal year 2023 and in the first six months of fiscal year 2024 and could continue.

NHP imports into the U.S. for drug discovery significantly declined from 2022 to 2023. A decrease in overall NHP supply drove an increase in pricing in 2023. Furthermore, we believe the decreased U.S. NHP supply caused some studies to be shifted outside of the U.S. We also believe some clients increased their inventory levels of NHP's during 2023 and therefore recently clients appear to be utilizing existing NHP inventory without purchasing normal levels of NHPs. RMS segment revenue decreased \$32.1 million in the three months ended March 31, 2024 compared to the three months ended

March 31, 2023 due primarily to the negative impact of lower volumes of NHP sales. For the 2024 period, such reduction in revenue adversely affected our business, financial condition and results of operations.

Further, during 2022 and 2023 there was a decrease in biotech funding which has contributed to a reduced demand for preclinical studies. This reduced demand has negatively impacted the Company's DSA segment revenue.

If the Company's revenue and related operating margins do not increase, it would have an adverse effect on the Company's business financial condition and results of operations, and could result in non-compliance with the financial covenants under the Company's Credit Agreement, as discussed elsewhere in this "Risk Factors" section.

Risks Related to Share Ownership

Our share price could continue to be volatile and our trading volume may fluctuate substantially.

The market price of our common shares has historically been and might continue to be volatile. Many factors may have a significant impact on the future price of our common shares, including:

- the fact that there is substantial doubt about our ability to continue as a going concern;
- our failure to successfully implement our business objectives;
- our businesses, operations, results and prospects;
- changes in revenue or earnings estimates, or changes in recommendations by equity research analysts;
- compliance with ongoing regulatory requirements;
- market acceptance of our products;
- technological innovations, new commercial products or drug discovery efforts and preclinical and clinical activities by us or our competitors;
- changes in government regulations, taxes, legal proceedings and other developments;
- inspections, investigations and enforcement actions by regulatory authorities against us or our principal suppliers;
- negative information related to, or adverse regulatory or other actions against us or our principal suppliers;
- pandemics, epidemics or other public health emergencies, such as COVID-19;
- general economic conditions, including changes in interest rates, and other external factors;
- actual or anticipated fluctuations in our quarterly financial and operating results and those of our competitors;
- announcements concerning us or our competitors;
- market conditions in CRO or research model industries;
- additions or departures of key management personnel;
- future mergers and strategic alliances;
- investor sentiment toward the stock of animal breeding companies;
- maintenance of acceptable credit ratings or credit quality;
- ability to fund future growth;
- the degree of trading liquidity in our common shares; and
- our ability to meet the minimum standards required for remaining listed on The Nasdaq Capital Market.

Factors which may impact the price of our common shares include influences beyond our control, such as market conditions and changes in the pharmaceutical and biotechnology industries we serve. The stock market, and in particular the market for pharmaceutical and biotechnology company stocks, has experienced periods of significant price and volume fluctuations, including as a result of recent increases in interest rates and inflation. Volatility and valuation decline have affected the market prices of securities issued by many companies, often for reasons unrelated to their operating performance, and might adversely affect the price of our common shares.

Following periods of volatility in the overall market and in the market price of a company's securities, securities class action litigation and derivative securities litigation have often been instituted against that company, as has been the case

[Table of Contents](#)

with us. Such occurrences of litigation could result in very substantial costs, divert management's attention and resources and harm our business, operating results and financial condition.

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Not applicable.

ITEM 3 – DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4 – MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5 – OTHER INFORMATION

During the three months ended March 31, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any non-Rule 10b5-1 trading arrangement (as defined in the SEC's rules).

ITEM 6 – EXHIBITS

Number	Description of Exhibits
(2) 2.1	Amendment No. 1 to Stock Purchase Agreement, dated April 4, 2023, by and among Envigo Global Services, Inc., Inotiv, Inc. and Orient Bio, Inc. (incorporated by reference to Exhibit 2.1 to the Form 10-Q filed May 15, 2023).
(3) 3.1	Second Amended and Restated Articles of Incorporation of Inotiv, Inc. as amended through November 4, 2021 (incorporated by reference to Exhibit 3.1 to Form 8-K filed November 5, 2021).
	Third Amended and Restated Bylaws of Inotiv, Inc. as amended through November 2, 2022 (incorporated by reference to Exhibit 3.2 to Form 10-K filed January 13, 2023).
(10) 10.1	Inotiv, Inc. 2024 Equity Incentive Plan (filed herewith)
	Fourth Amendment to Credit Agreement dated as of May 14, 2024, by and among Inotiv, Inc., certain subsidiaries of Inotiv, Inc., the lenders party thereto, and Jefferies Finance LLC (filed herewith)
(31) 31.1	Certification of Principal Executive Officer (filed herewith).
	Certification of Principal Financial Officer (filed herewith).
(32) 32.1	Written Statement of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350) (filed herewith).
	Written Statement of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350) (filed herewith).
101	Inline XBRL data file (filed herewith)
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized:

Date: May 15, 2024

INOTIV, INC.
(Registrant)

By: /s/ Robert W. Leasure

Robert W. Leasure
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 15, 2024

By: /s/ Beth A. Taylor
Beth A. Taylor
Chief Financial Officer and Senior Vice President - Finance (Principal
Financial Officer)

Date: May 15, 2024

By: /s/ Brennan Freeman
Brennan Freeman
Vice President of Finance and Corporate Controller
(Principal Accounting Officer)

INOTIV, INC.

2024 EQUITY INCENTIVE PLAN

SECTION 1. Purpose and Types of Awards

1.1 The purposes of the Inotiv, Inc. 2024 Equity Incentive Plan (the "Plan") are to enable the Company to attract, retain and reward its employees, officers and directors, and to strengthen the mutuality of interests between such persons and the Company's shareholders by offering such persons an equity interest in the Company and thereby enabling them to participate in the long-term success and growth of the Company.

1.2 Awards under the Plan may be in the form of: (a) Stock Options; (b) Stock Appreciation Rights; (c) Restricted Stock; (d) Restricted Stock Units; and/or (e) Other Stock-Based Awards. Awards may be free-standing or granted in tandem. If two awards are granted in tandem, the award holder may exercise (or otherwise receive the benefit of) one award only to the extent he or she relinquishes the tandem award.

SECTION 2. Definitions and Rules of Construction

2.1 When capitalized in this Plan, the following terms shall have the meanings specified below (or as elsewhere defined), unless the context otherwise requires:

"Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

"Board" shall mean the Board of Directors of the Company.

"Cause" shall have the meaning set forth in an employment or consulting agreement between a Participant and the applicable Employer, or, if no such agreement exists, or if such agreement does not define "Cause," "Cause" shall mean (i) the refusal or neglect of the Participant to perform substantially his or her Services, (ii) the Participant's personal dishonesty, incompetence, willful misconduct or breach of fiduciary duty, (iii) the Participant's indictment for, conviction of or entering a plea of guilty or nolo contendere to a crime constituting a felony or his or her willful violation of any applicable law (other than a traffic violation or other offense or violation outside of the course of the provision of Services which in no way adversely affects the Company and its Subsidiaries or their reputation or the ability of the Participant to perform Services or to represent the Company or any Subsidiary of the Company in the performance of such Services), (iv) the Participant's failure to reasonably cooperate, following a request to do so by the Company, in any internal or governmental investigation of the Company or any of its Subsidiaries, or (v) the Participant's material breach of any written covenant or agreement with the Company or any of its Subsidiaries.

"Change in Control" shall mean the occurrence of any one of the following events:

(a) any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing a majority of the combined voting power of the Company's then outstanding securities (assuming conversion of all outstanding non-voting securities into voting securities and the exercise of all outstanding options or other convertible securities) (other than (i) any acquisition of securities of the Company by a Person from the Company for the purpose of providing financing to the Company; (ii) any formation of a group consisting solely of beneficial owners of the Company's Voting Securities as of the effective date of this Plan; or (iii) any repurchase or other acquisition by the Company of its Voting Securities that causes any Exchange Act Person to become the beneficial owner of a majority of the combined voting power, except that if a Person or group referenced in (i), (ii) or (iii) acquires beneficial ownership of additional securities after initially becoming the beneficial owner of a majority of the combined voting power by one of the means described in those clauses, then a Change in Control will be deemed to have occurred);

(b) the consummation of a merger, consolidation or similar transaction involving the Company, unless, immediately following such transaction, all or substantially all of the individuals and entities who were the beneficial owners of the Company's Voting Securities immediately prior to such transaction beneficially own, directly or indirectly, a majority of the combined voting power of the then outstanding Voting Securities of the surviving or acquiring entity

resulting from such transaction (including beneficial ownership through any parent of such entity) in substantially the same proportions as their ownership, immediately prior to such transaction, of the Company's Voting Securities.

(c) the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity a majority of the combined voting power of the outstanding Voting Securities of which is owned by all or substantially all of the shareholders of the Company immediately prior to such sale in substantially the same proportions as their ownership of the Company's Voting Securities immediately prior to such sale; or

(d) the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company.

Notwithstanding any of the foregoing, to the extent that any award under the Plan constitutes a deferral of compensation subject to Section 409A, no "Change in Control" shall be deemed to have occurred upon an event described in this definition, unless the event would also constitute a change in ownership or effective control of, or a change in the ownership of a substantial portion of the assets of, the Company under Section 409A.

"**Code**" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"**Committee**" shall mean the committee of the Board designated by the Board to administer the Plan, or if no committee is designated, and in any case with respect to awards to Non-Employee Directors, the entire Board. The Committee shall be comprised solely of not less than two (2) members, each of whom shall qualify as:

(a) A "Non-Employee Director" within the meaning of Rule 16b-3 (or any successor rule) under the Exchange Act, and

(b) If the Common Shares are readily tradable on a national securities exchange or other market system, an "independent director" as such term is defined or used by the rules of the exchange or system on which the Company's Common Shares are listed.

"**Common Shares**" shall mean the common shares of the Company.

"**Company**" shall mean Inotiv, Inc. and its successors.

"**Cutback Amount**" shall have the meaning set forth in Section 16.11(a).

"**Disability**" shall mean that a Participant meets one of the following requirements: (i) the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) the Participant is, by reason of medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Company. Notwithstanding any of the foregoing, however, only to the extent required to avoid adverse tax consequences under Code Section 409A, a Participant will not be considered to meet the foregoing definition of "Disability" unless the Participant is also considered disabled pursuant to Code Section 409A.

"**Effective Date**" shall mean the date on which the Company's shareholders approve the Plan. This Plan will become effective on the Effective Date, which shall be considered the date of its adoption for purposes of Treasury Regulation §1.422-2(b)(2)(i).

"**Employee**" shall mean an employee of the Company or of any Subsidiary of the Company as described in Treasury Regulation §1.421-1(h).

"**Employer**" shall mean the Company or applicable Subsidiary for which the Participant performs Services.

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended.

"**Excise Tax**" shall have the meaning set forth in Section 16.11(a).

"Fair Market Value" means, as applied to a specific date, the average of the high and the low sales prices of the Common Shares on the trading day immediately before such date, as reported by the principal exchange or market over which the Common Shares are then listed or regularly traded. If the Common Shares are not readily tradable on a national securities exchange or other market system, the Fair Market Value means the value as established by the Committee acting in good faith based on a reasonable valuation method that is consistent with the requirements of Code Section 409A and the regulations thereunder.

"Full Value Award" shall mean any award under the Plan other than a Stock Option or Stock Appreciation Right.

"Incentive Option" shall mean a Stock Option granted under the Plan that both is designated as an Incentive Option and qualifies as an incentive stock option within the meaning of Section 422 of the Code.

"Non-Employee Director" shall mean an individual who is a member of the Board and who is not an Employee.

"Non-Qualified Option" shall mean a Stock Option granted under the Plan that either is designated as a Non-Qualified Option or does not qualify as an incentive stock option within the meaning of Section 422 of the Code.

"Optionee" shall mean any person who has been granted a Stock Option under the Plan or who is otherwise entitled to exercise a Stock Option.

"Other Stock-Based Award" means an Award described in Section 10 of this Plan.

"Participant" shall mean any Service Provider selected by the Committee to be granted an award under the Plan.

"Payment" shall have the meaning set forth in Section 16.11(a).

"Plan" shall have the meaning set forth in Section 1.1.

"Prior Plan" shall mean the Amended and Restated Inotiv, Inc. 2018 Equity Incentive Plan (as amended through January 25, 2022).

"Restricted Stock" shall mean an award described in Section 8.

"Restricted Stock Units" or **"RSUs"** shall mean an award described in Section 9.

"Retirement" shall mean a Participant's voluntary Separation from Service without Cause on or after the attainment of age sixty (60) and with the consent of the Committee.

"Rule 16b-3" shall mean Rule 16b-3 under the Exchange Act and any future rule or regulation amending, supplementing, or superseding such rule.

"Section 409A" shall mean Section 409A of the Code and all regulatory and interpretative guidance issued thereunder, as amended from time to time, and any successor provisions or regulations.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Separation from Service" or **"Separates from Service"** shall mean a Participant's Retirement, or other termination of Service with the Employer; provided, however, that to the extent an award is subject to Section 409A of the Code, an event shall not constitute a Separation from Service unless it also constitutes a "separation from service" within the meaning of Section 409A.

"Service Provider" shall mean an Employee, a Non-Employee Director, or any natural person who is a consultant or advisor, or is employed by a consultant or advisor retained by the Company or any Subsidiary, and who provides Services (other than in connection with (i) a capital-raising transaction or (ii) promoting or maintaining a market in Company securities) to the Company or any Subsidiary.

"Services" shall mean the provision of personal services to an Employer, including, without limitation, in the capacity of a consultant, an Employee or a Non-Employee Director.

"Stock Appreciation Right" shall mean an award described in Section 7.

"Stock Option" shall mean a right to purchase Common Shares granted pursuant to the Plan, including Incentive Options and Non-Qualified Options.

"Subsidiary" shall mean any corporation, partnership, joint venture or other entity in which the Company owns, directly or indirectly, more than 50% of the ownership interests; provided, however, that for purposes of granting Incentive Options, the term "Subsidiary" shall mean any company (other than the Company) that is a "subsidiary corporation" within the meaning of Section 424 of the Code.

"Substitute Award" shall mean an award granted upon the assumption of, or in substitution or exchange for, outstanding awards granted by a company or other entity acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines. The terms and conditions of a Substitute Award may vary from the terms and conditions set forth in the Plan to the extent that the Committee at the time of the grant may deem appropriate to conform, in whole or in part, to the provisions of the award in substitution for which it has been granted.

"Voting Securities" of an entity shall mean the outstanding equity securities (or comparable equity interests) entitled to vote generally in the election of directors of such entity.

2.2 The following rules shall govern in interpreting the Plan:

(a) Any reference herein to a provision of law, regulation or rule shall be deemed to include a reference to the successor of such law, regulation or rule.

(b) To the extent consistent with the context, any masculine term shall include the feminine, and vice versa, and the singular shall include the plural, and vice versa.

(c) If any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity of that provision shall not affect the remaining parts of the Plan, and the Plan shall be interpreted and enforced as if the illegal or invalid provision had never been included herein.

SECTION 3. Administration

3.1 The Plan shall be administered by the Committee. Notwithstanding anything to the contrary contained herein, only the Board shall have authority to grant awards to Non-Employee Directors and to amend and interpret such awards.

3.2 The Committee shall have the authority and discretion with respect to awards under the Plan to take the following actions, if consistent with Section 16.8 of the Plan and subject to the conditions of Section 3.3 of the Plan:

(a) to grant and amend (provided, however, that no amendment shall impair the rights of the award holder without his or her written consent) awards to Service Providers under the Plan;

(b) to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall deem advisable;

(c) to interpret the terms and provisions of the Plan and any award granted under the Plan;

(d) to make all factual and other determinations necessary or advisable for the administration of the Plan;

(e) to select the persons to whom awards will be granted from among Service Providers;

(f) to determine the number of Common Shares to be covered by each award granted hereunder, subject to the limitations contained herein;

(g) to determine the terms and conditions of any award granted hereunder, including, but not limited to, any vesting or other restrictions based on continued Service, performance objectives and such other factors as the Committee may establish, and to determine whether the terms and conditions of the award have been satisfied;

- (h) to determine the treatment of awards upon a Participant's Retirement, Disability, death, or during a leave of absence;
- (i) to determine, in establishing the terms of the award agreement, the treatment of any dividends declared with respect to any Common Shares covered by an award, consistent with the provisions of the Plan;
- (j) to amend the terms of any award, prospectively or retroactively, provided, however, that no amendment shall impair the rights of the award holder without his or her written consent;
- (k) to adopt one or more sub-plans, consistent with the Plan, containing such provisions as may be necessary or desirable to enable awards under the Plan to comply with the laws of other jurisdictions and/or qualify for preferred tax treatment under such laws;
- (l) to waive any restrictions, conditions or limitations imposed on an award at the time the award is granted or at any time thereafter; and
- (m) to delegate such ministerial duties as it may deem advisable to one or more of its members or to one or more Employees or agents.

3.3 Without the prior approval of the Company's shareholders and except as provided for in Section 4.4, no Stock Option or Stock Appreciation Right may be (i) amended to reduce the exercise price thereof; (ii) cancelled in conjunction with the grant of any new Stock Option or Stock Appreciation Right with a lower exercise price; (iii) cancelled in exchange for cash, other property or the grant of any new award, including a Full Value Award, at a time when the exercise price of the Stock Option or the Stock Appreciation Right is greater than the current Fair Market Value of a Common Share; or (iv) otherwise subject to any action that would be treated under accounting rules as a "repricing" of such Stock Option or Stock Appreciation Right.

3.4 All determinations and interpretations made by the Committee pursuant to the provisions of the Plan shall be final and binding on all persons, including the Company and award holders. Determinations by the Committee under the Plan relating to the form, amount and terms and conditions of awards need not be uniform, and may be made selectively among persons who receive or are eligible to receive awards under the Plan, whether such persons are similarly situated.

3.5 Each award granted under the Plan shall be evidenced by an award agreement; provided, however, that in the event of any conflict between a provision of the Plan and any provision of an award agreement, the provision of the Plan shall prevail.

3.6 To the extent permitted by applicable law, the Committee may delegate to a committee of one or more members of the Board, or to one or more executive officers of the Company, the authority, subject to the terms, limitations and conditions as the Committee shall determine in accordance with applicable law, to grant awards to eligible recipients under the Plan and related authority and responsibilities under the Plan; provided that the Committee shall not delegate such responsibilities for awards to be granted to an individual who is subject to Section 16 of the Exchange Act.

3.7 No member of the Board or the Committee, nor any officer or Employee of the Company or its Subsidiaries acting on behalf of the Board or the Committee or at its direction, shall be personally liable for any action, determination or interpretation taken or made with respect to the Plan or any award hereunder. The Company shall indemnify all members of the Board and the Committee and all such officers and Employees, to the extent permitted by law, from and against any and all liabilities, costs and expenses incurred by such persons as a result of any act, or omission to act, in connection with the performance of such persons' duties, responsibilities and obligations under the Plan.

SECTION 4. Shares Subject to Plan

4.1 Subject to adjustment as provided in Section 4.4, the total number of Common Shares which may be issued under the Plan shall be equal to the sum of (i) 1,500,000 and (ii) the number of Common Shares remaining available for future grant under the Prior Plan on the Effective Date. No further awards may be made under the Prior Plan after the Effective Date of this Plan. Common Shares awarded under the Plan may consist of authorized but unissued Common Shares or Common Shares that have been issued and reacquired by the Company. Subject to adjustment as provided in Section 4.4, after the Effective Date of the Plan, the total number of Common Shares which may be issued as Incentive Options shall be the same number as provided in the first sentence of this Section 4.1. Solely for the purpose of

determining the number of Common Shares available for awards under this Section 4.1, the number of Common Shares available for issuance under the Plan shall be reduced by one (1.00) Common Share for every one (1.00) Common Share granted in respect of an award, provided however that in the case of an award that provides for a range of potential Common Share payouts, the number of Common Shares available for issuance under the Plan shall be reduced by the maximum number of Common Shares that may be issued under such an award.

4.2 For the purposes hereof, the following Common Shares covered by previously granted awards under the Plan or the Prior Plan shall again become available for awards under this Plan, and the share reserve under Section 4.1 shall be correspondingly replenished:

(a) Any Common Shares subject to an award granted under the Plan or the Prior Plan that on or after the Effective Date terminates by expiration, forfeiture, cancellation or otherwise without the issuance of the Common Shares (or with the forfeiture of Common Shares in connection with a Restricted Stock Award), is settled in cash in lieu of Common Shares, or is exchanged with the Committee's permission, prior to the issuance of Common Shares, for an award not involving Common Shares, shall become available again for grant under the Plan.

(b) Any Common Shares that are withheld by the Company or tendered by a Participant (by either actual delivery or attestation) on or after the Effective Date (i) to pay the exercise price of a Stock Option granted under the Plan or the Prior Plan or (ii) to satisfy tax withholding obligations associated with an award granted under the Plan or the Prior Plan, shall become available again for grant under the Plan.

(c) Any Common Shares that were subject to a stock-settled Stock Appreciation Right granted under the Plan or the Prior Plan that were not issued upon the exercise of such Stock Appreciation Right on or after the Effective Date shall become available again for grant under the Plan.

(d) Any Common Shares that were purchased by the Company on the open market on or after the Effective Date with the proceeds from the exercise of a Stock Option granted under the Plan or the Prior Plan shall become available for grant under the Plan.

(e) Common Shares subject to Substitute Awards shall not be counted against the share reserve specified in Section 4.1.

4.3 The maximum aggregate value of awards granted under the Plan to any Non-Employee Director during any calendar year shall not exceed \$500,000. The value of an equity-based award shall be based on the award's grant date fair value as determined under applicable accounting standards.

4.4 In the event of any equity restructuring (within the meaning of FASB ASC Topic 718) that causes the per share value of Common Shares to change, such as a stock dividend, stock split, reverse stock split, split up, spin-off, rights offering or recapitalization through an extraordinary dividend, the Committee shall make such adjustments as it deems equitable and appropriate to (i) the number and kind of Common Shares or other securities that may be issued under the Plan, (ii) the number and kind of Common Shares or other securities subject to outstanding awards, (iii) the exercise price applicable to outstanding awards, and (iv) other value determinations applicable to outstanding awards. In the event of any other change in corporate capitalization (including, but not limited to, a merger, consolidation, any reorganization (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation of the Company to the extent such events do not constitute equity restructurings or business combinations within the meaning of FASB ASC Topic 718, such equitable adjustments described in the foregoing sentence may be made as determined to be appropriate and equitable by the Committee to prevent dilution or enlargement of rights. In either case, any such adjustment shall be conclusive and binding for all purposes of the Plan. Unless otherwise determined by the Committee, the number of Common Shares subject to an Award shall always be a whole number.

4.5 In addition to the adjustments under Section 4.4, the Committee, in its sole discretion, may make such other adjustments or modifications in the terms of any Awards that it deems appropriate to reflect any of the events described in Section 4.4, including, but not limited to, (i) modifications of performance goals and changes in the length of performance periods, (ii) except as limited by Section 3.3, the substitution of other property of equivalent value (including, without limitation, cash, other securities and securities of entities other than the Company that agree to such substitution) for the Common Shares available under the Plan or the Common Shares covered by outstanding awards, including arranging for the assumption, or replacement with new awards, of awards held by Participants, and (iii) except as limited by Section 3.3, in connection with any sale of a Subsidiary, arranging for the assumption, or replacement with new awards, of awards held

by Participants employed by the affected Subsidiary by the Subsidiary or an entity that controls the Subsidiary following the sale of such Subsidiary.

4.6 The Board shall exercise its discretion under Sections 4.4 and 4.5 only to the extent consistent with Section 16.8 of the Plan and Code Sections 409A or 424, to the extent applicable. The Board's determination as to which adjustments shall be made under Sections 4.4 and 4.5 and the extent thereof shall be final, binding and conclusive.

4.7 If a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by shareholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for awards under the Plan and shall not reduce the Common Shares authorized for grant under the Plan. Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees or Non-Employee Directors prior to such acquisition or combination.

4.8 No fractional Common Shares shall be issued or delivered under the Plan. The Committee shall determine whether the value of fractional Common Shares shall be paid in cash or other property, or whether such fractional Common Shares and any rights thereto shall be cancelled without payment.

SECTION 5. Eligibility and Limits on Transfers

5.1 Only Service Providers are eligible for awards under the Plan. Incentive Options may be granted only to Employees. Award recipients under the Plan shall be selected from time to time by the Committee, in its sole discretion, from among those eligible.

5.2 Except as provided in this Section 5.2, (i) during the lifetime of a Participant, only the Participant or the Participant's guardian or legal representative may exercise a Stock Option or Stock Appreciation Right, or receive payment with respect to any other award; and (ii) no award may be sold, assigned, transferred, exchanged or encumbered, voluntarily or involuntarily, other than by will or the laws of descent and distribution. Any attempted transfer in violation of this Section 5.2 shall be of no effect. The Committee may, however, provide in an agreement or otherwise that an award (other than an Incentive Option) may be transferred pursuant to a domestic relations order or may be transferable by gift to any "family member" (as defined in General Instruction A.1(a)(5) to Form S-8 under the Securities Act of 1933) of the Participant. Any award held by a permitted transferee shall continue to be subject to the same terms and conditions that were applicable to that award immediately before the transfer thereof. For purposes of any provision of the Plan relating to notice to a Participant or to acceleration or termination of an award upon the death or termination of Service of a Participant, the references to "Participant" shall mean the original grantee of an award and not any transferee.

SECTION 6. Stock Options

6.1 Stock Options awarded under the Plan may be either: (a) Incentive Options, or (b) Non-Qualified Options. To the extent that any Stock Option granted to an Employee does not qualify as an Incentive Option, it shall constitute a Non-Qualified Option. All Stock Options awarded to persons who are not Employees shall be Non-Qualified Options.

6.2 Subject to the following provisions, Stock Options awarded under the Plan shall be in such form and shall have such terms and conditions as the Committee may determine.

(a) Exercise Price. The exercise price per Common Share purchasable under a Stock Option shall be determined by the Committee and may not be less than the Fair Market Value of a Common Share as of the date of grant of the Stock Option, except in the case of Substitute Awards (to the extent consistent with Code Section 409A and, in the case of Incentive Options, Code Section 424), and subject to adjustment as provided for under Section 4.4.

(b) Option Term. The term of each Stock Option shall be fixed by the Committee and shall not exceed ten (10) years.

(c) Exercisability. Stock Options shall be exercisable and shall vest at such time or times and subject to such terms and conditions as shall be determined by the Committee and set forth in the applicable award agreement and the Plan.

(d) Method of Exercise. Stock Options may be exercised in whole or in part at any time during the period after it has become exercisable and before it has expired or terminated by giving the Company notice of exercise in the form approved by the Committee (which may be written or electronic) specifying the number of whole Common Shares underlying the Stock Option to be exercised, accompanied by payment of the aggregate exercise price for such Common Shares. Payment of the exercise price shall be made in such manner as the Committee may provide in the award agreement, which may include (i) cash (including cash equivalents), (ii) delivery of Common Shares (by actual delivery or attestation) already owned by the Optionee, (iii) by withholding Common Shares otherwise issuable to the Optionee upon exercise of the Stock Option, (iv) broker-assisted "cashless exercise" in which the Optionee delivers a notice of exercise together with irrevocable instructions to a broker acceptable to the Company to sell Common Shares (or a sufficient portion of such Common Shares) acquired upon exercise of the Stock Option and remit to the Company a sufficient portion of the sale proceeds to pay the total exercise price and any withholding tax obligation resulting from such exercise, (v) subject to the approval of the Committee, any other manner permitted by law, or (vi) any combination of the foregoing.

(e) No Shareholder Rights. An Optionee shall have no rights to dividends or other rights of a shareholder with respect to Common Shares subject to a Stock Option, including voting rights, until the Optionee has duly exercised the Stock Option and a certificate for such Common Shares has been duly issued (or the Optionee has otherwise been duly recorded as the owner of the Common Shares on the books of the Company).

6.3 Notwithstanding the provisions of Section 6.2, Incentive Options shall be subject to the following additional restrictions:

(a) Option Term. No Incentive Option shall be exercisable more than ten years after the date such Incentive Option is awarded.

(b) Additional Limitations for 10% Shareholders. No Participant may receive an Incentive Option award under the Plan if, immediately after the grant of such award, the Participant would own (after application of the rules contained in Code Section 424(d)) Common Shares possessing more than 10% of the total combined voting power of all classes of stock of the Company or an affiliate, unless (i) the per Common Share exercise price for such award is at least 110% of the Fair Market Value of a Common Share on the date of grant, and (ii) such award will expire no later than five years after its date of grant.

(c) Exercisability. The aggregate Fair Market Value (determined as of the time the Incentive Option is granted) of the Common Shares with respect to which Incentive Options (granted under the Plan and any other plans of the Company, its parent corporation or subsidiary corporations, as defined in Section 424 of the Code) are exercisable for the first time by an Optionee in any calendar year shall not exceed \$100,000. Any Stock Options in excess of such \$100,000 limitation shall be treated as Non-Qualified Options.

(d) Notice of Disqualifying Disposition. An Optionee's right to exercise an Incentive Option shall be subject to the Optionee's agreement to notify the Company of any "disqualifying disposition" (for purposes of Section 422 of the Code) of the Common Shares acquired upon such exercise.

(e) Last Grant Date. No Incentive Option shall be granted more than ten years after the earlier of the date of adoption or re-adoption of the Plan, as applicable, by the Board or approval of the Plan by the Company's shareholders.

(f) Amendments. The Committee may, with the consent of the Optionee, amend an Incentive Option in a manner that would cause loss of Incentive Option status, provided the Stock Option as so amended satisfies the requirements of Section 6.2.

SECTION 7. Stock Appreciation Rights

7.1 Grant of Stock Appreciation Rights. Stock Appreciation Rights may be awarded to Service Providers under the Plan.

7.2 Terms and Conditions. Subject to the following provisions, Stock Appreciation Rights awarded under the Plan shall be in such form and shall have such terms and conditions as the Committee may determine.

(a) Exercise Price. The exercise price for each grant of a Stock Appreciation Right shall be determined by the Committee and shall be specified in the applicable award agreement; provided, however, the exercise price must be at least equal to 100% of the Fair Market Value of a Common Share as of the date of grant, except in the case of Substitute Awards (to the extent consistent with Code Section 409A), and subject to adjustment as provided for under Section 4.4.

(b) Term of Stock Appreciation Right. The term of each Stock Appreciation Right shall be fixed by the Committee and shall not exceed ten (10) years.

(c) Exercisability. Stock Appreciation Rights shall be exercisable and shall vest at such time or times and subject to such terms and conditions as shall be determined by the Committee and set forth in the applicable award agreement.

(d) Notice of Exercise. A Stock Appreciation Right shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures that may be authorized by the Committee, setting forth the number of Common Shares with respect to which the Stock Appreciation Right is to be exercised.

(e) Settlement of Stock Appreciation Rights. Upon the exercise of a Stock Appreciation Right, pursuant to a notice of exercise properly completed and submitted to the Company in accordance with paragraph (d) above, the holder of the exercised Stock Appreciation Right shall be entitled to receive payment from the Company at such time or times as shall be provided in the award agreement in an amount equal to the product of (i) the excess of the Fair Market Value of a Common Share on the date of exercise over the Stock Appreciation Right's exercise price and (ii) the number of Common Shares with respect to which the Stock Appreciation Right is exercised. Payment shall be made in cash, Common Shares or a combination thereof as provided for under the applicable award agreement.

(f) No Shareholder Rights. A holder of Stock Appreciation Rights shall have no rights to dividends or other rights of a shareholder with respect to Common Shares subject to the Stock Appreciation Right, including voting rights, until the holder has duly exercised the Stock Appreciation Right and a certificate for Common Shares issued upon such exercise has been duly issued (or the holder has otherwise been duly recorded as the owner of the Common Shares on the books of the Company).

SECTION 8. Restricted Stock

8.1 Subject to the following provisions, all awards of Restricted Stock shall be in such form and shall have such terms and conditions as the Committee may determine:

(a) The Restricted Stock award shall specify the number of Common Shares of Restricted Stock to be awarded, the price, if any, to be paid by the recipient of the Restricted Stock and the date or dates on which, or the conditions upon the satisfaction of which, the Restricted Stock will vest. The Committee may condition the grant and/or the vesting of Restricted Stock upon the completion of a specified period of service with the Company and/or its Subsidiaries, upon the attainment of specified performance objectives, or upon such other criteria as the Committee may determine.

(b) Stock certificates or book entry Common Shares representing the Restricted Stock awarded under the Plan shall be registered in the award holder's name, but the Committee may direct that any such certificates, if applicable, be held by the Company on behalf of the award holder. At the time Restricted Stock vests, such vested Common Shares shall be delivered (via stock certificate or book entry) to the award holder (or his or her designated beneficiary in the event of death), free of such restriction.

(c) The Committee may provide that the award holder shall have the right to vote and/or receive dividends on Restricted Stock. The terms of any right to dividends shall be as set forth in the applicable award agreement, including the time and form of payment and whether such dividends shall be credited with interest or deemed to be reinvested in additional Common Shares of Restricted Stock. If the Committee grants the right of a holder of Restricted Stock to receive dividends declared on Common Shares subject to an unvested award of Restricted Stock, then such dividends shall be subject to the same restrictions, risk of forfeiture, and performance conditions and/or service conditions, as applicable, as the underlying award.

(d) No election under Section 83(b) of the Code (to include in gross income in the year of transfer the amounts specified in Code Section 83(b)) or under a similar provision of the laws of a jurisdiction outside the United States may be made unless expressly permitted by the terms of the applicable award agreement or by action of the Committee in writing prior to the making of such election. In any case in which a Participant is permitted to make such an election in connection with an award of Restricted Stock, the Participant shall notify and provide a copy to the Company of such election within ten (10) days of filing notice of the election with the Internal Revenue Service or other governmental authority, in addition to any filing and notification required pursuant to regulations issued under Code Section 83(b) or other applicable provision.

SECTION 9. Restricted Stock Units (RSUs)

9.1 Subject to the following provisions, all awards of Restricted Stock Units shall be in such form and shall have such terms and conditions as the Committee may determine:

(a) The Restricted Stock Unit award shall specify the number of Common Shares to be awarded and the date or dates on which, or the conditions upon the satisfaction of which, the Restricted Stock Units will vest. The Committee may condition the grant or vesting of RSUs, or receipt of Common Shares or cash in connection with vesting, upon the completion of a specified period of service with the Company and/or its Subsidiaries, upon the attainment of specified performance objectives, and/or upon such other criteria as the Committee may determine.

(b) Following the vesting of a Restricted Stock Unit award, and the Company's determination that any necessary conditions precedent to the settlement of the award (such as satisfaction of tax withholding obligations and compliance with applicable legal requirements) have been satisfied, settlement of the award and payment to the Participant shall be made at such time or times as shall be provided in the award agreement in the form of cash, Common Shares (which may themselves be considered Restricted Stock under the Plan) or a combination of cash and Common Shares as determined by the Committee.

(c) A holder of RSUs shall have no rights to dividends or other rights of a shareholder with respect to Common Shares subject to the RSUs, including voting rights, unless and until the RSUs are vested, paid in Common Shares and a certificate for such Common Shares has been duly issued (or the holder has otherwise been duly recorded as the owner of the Common Shares on the books of the Company).

(d) The Committee may grant dividend equivalents on each RSU granted to a Participant based on the dividends declared and paid on outstanding Common Shares. The terms of any dividend equivalents shall be as set forth in the applicable award agreement, including the time and form of payment and whether such dividend equivalents shall be credited with interest or deemed to be reinvested in additional RSUs. Dividend equivalents shall be subject to the same restrictions, risk of forfeiture, and performance conditions and/or service conditions, as applicable, as the underlying award.

SECTION 10. Other Stock-Based Awards

10.1 The Committee may from time to time grant an award that is valued by reference to and/or payable in whole or in part in Common Shares under the Plan. The Committee shall determine the terms and conditions of such Other Stock-Based Awards, which shall be consistent with the terms and purposes of the Plan. The Committee may direct the Company to issue shares subject to restrictive legends and/or stop transfer instructions that are consistent with the terms and conditions of the award to which the shares relate.

SECTION 11. Separation from Service

11.1 Unless otherwise specifically provided by the Committee in the award agreement or any amendment thereto, and subject to Section 15 of the Plan, if a Participant has a Separation from Service, the following provisions shall apply (in all cases subject to the scheduled expiration of a Stock Option or Stock Appreciation Right, as applicable):

(a) All unvested portions of awards held by the Participant on the date of the Participant's Separation from Service for any reason other than death or Disability shall immediately be forfeited by such Participant as of such date. All unvested portions of awards held by the Participant on the date of the Participant's death or Separation from Service due to the Participant's Disability shall vest immediately as of such date.

(b) All vested portions of awards (other than vested portions of Stock Options and Stock Appreciation Rights) held by the Participant on the date of the Participant's death or Separation from Service (for reasons other than Cause), as the case may be (including portions that vest as provided in this Section 11), shall be paid in accordance with the payout schedule applicable to vested awards.

(c) All vested portions of Stock Options and Stock Appreciation Rights held by the Participant on the date of the Participant's Separation from Service, for reasons other than Cause (including portions that vest as provided in this Section 11), shall remain exercisable for three months following the date of such Separation from Service, as the case may be (but in any case not beyond the expiration of the term of the Stock Option or Stock Appreciation Right), except as otherwise provided in accordance with the following provisions:

(i) If the Participant's Separation from Service (for reasons other than Cause) occurs by reason of Retirement, the Participant may exercise all outstanding Stock Options and Stock Appreciation Rights with respect to Common Shares for which it could have been exercised on the effective date of such Separation from Service within the period of twelve (12) months immediately succeeding the effective date of such Separation from Service (but not beyond the expiration of the term of the Stock Option or Stock Appreciation Right);

(ii) If the Participant's Separation from Service (for reasons other than Cause) occurs by reason of Disability, the Participant may exercise all outstanding Stock Options and Stock Appreciation Rights with respect to Common Shares for which it could have been exercised on the effective date of such Separation from Service (including portions of Stock Options and Stock Appreciation Rights that vest as provided in this Section 11) within the period of twelve (12) months immediately succeeding the effective date of such Separation from Service (but not beyond the expiration of the term of the Stock Option and Stock Appreciation Right); and

(iii) In the event the Participant's Separation from Service is due to death, the Participant's beneficiary or estate, if no beneficiary, may exercise outstanding Stock Options and Stock Appreciation Rights to the extent that the Participant was entitled to exercise the Stock Options or Stock Appreciation Rights at the date of his or her death (including portions of the Stock Options and Stock Appreciation Rights that vest as provided in this Section 11), but only until the date which is twelve (12) months from the date of the Participant's death (but not beyond the expiration of the term of the Stock Option or Stock Appreciation Right).

(d) If a Participant incurs a Separation from Service for Cause, all awards held by a Participant on the date of such Separation from Service for Cause, whether vested or unvested, shall immediately be forfeited by such Participant as of such date.

SECTION 12. Election to Defer

12.1 To the extent permitted by Section 409A of the Code, the Committee may permit an award recipient to elect to defer payment of an award other than a Stock Option and Stock Appreciation Right for a specified period or until a specified event, upon such terms as are determined by the Committee, provided that such election is made and delivered to the Company in compliance with Section 409A of the Code, when applicable.

SECTION 13. Non-Employee Director Awards

13.1 Subject to the limitations in Section 4.3, the Board shall have the discretion to determine the number and types of awards to be granted to Non-Employee Directors and the terms of such awards, including but not limited to exercisability, vesting, and the effect of such Non-Employee Director's Separation from Service.

SECTION 14. Tax Withholding

14.1 Each award holder who is an Employee shall, no later than the date as of which an amount with respect to an award first becomes includable in such person's gross income for applicable tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any federal, state, local or other taxes of any kind required by law to be withheld with respect to the award. The obligations of the Company under the Plan shall be conditional on such payment or arrangements. The Company (and, where applicable, its Subsidiaries) shall, to the extent permitted by law, have the right to withhold from any compensation owed to a Participant an amount sufficient to cover any required withholding taxes related to the grant, vesting, exercise or settlement of an award under the Plan.

14.2 To the extent permitted by the Committee, and subject to such terms and conditions as the Committee may provide, an Employee may elect to have up to the maximum amount of any required tax withholdings with respect to any awards hereunder, satisfied by (a) having the Company withhold Common Shares otherwise deliverable to such person with respect to the award; (b) delivering to the Company unrestricted Common Shares already owned by the Employee; (c) a broker-assisted "sale-to-cover"; (d) any other manner permitted by law; or (e) any combination of the foregoing. Alternatively, the Committee may require that a portion of the Common Shares otherwise deliverable be applied to satisfy the withholding tax obligations with respect to the award.

SECTION 15. Change in Control

15.1 Except as may otherwise be provided in a then-effective written agreement (including an award agreement) between a Participant and the Company, in the event of a Change in Control, (1) if another award meeting the requirements of Section 15.3 ("Replacement Award") is provided to the Participant to replace a then-outstanding award under the Plan ("Replaced Award"), such Replacement Award shall be subject to Section 15.3; and (2) if a Replacement Award is not provided to the Participant to replace a then-outstanding award under the Plan, then the then-outstanding award shall be subject to Section 15.2.

15.2 Treatment of Outstanding Awards that are Not Replacement Awards

(a) Outstanding Awards Subject Solely to a Service Condition

(i) In the event of a Change in Control, a Participant's then-outstanding awards, other than Stock Options and Stock Appreciation Rights, that are not vested and as to which vesting depends solely on the satisfaction of a service obligation by the Participant to the Company or any Subsidiary shall become fully vested and shall be settled in cash, Common Shares or a combination thereof, as determined by the Committee, immediately prior to the effective time of such Change in Control (except to the extent that settlement of the award must be made pursuant to its original schedule to comply with Code Section 409A).

(ii) In the event of a Change in Control, a Participant's then-outstanding Stock Options and Stock Appreciation Rights that are not vested and as to which vesting depends solely on the satisfaction of a service obligation by the Participant to the Company or any Subsidiary shall become fully vested and exercisable for such period of time prior to the effective time of the Change in Control as is deemed fair and equitable by the Committee. Notwithstanding the immediately preceding the sentence, the Committee may elect to cancel such outstanding Stock Options or Stock Appreciation Rights and pay the Participant an amount of cash (less normal withholding taxes) equal to the excess of (i) the value, as determined by the Committee, of the consideration (including cash) received by the holder of a Common Share as a result of the Change in Control (or if the Company shareholders do not receive any consideration as a result of the Change in Control, the Fair Market Value of a Common Share on the day immediately prior to the Change in Control) over (ii) the exercise price of such Stock Options or such Stock Appreciation Rights, multiplied by the number of Common Shares subject to each such award in accordance with Code Section 409A to the extent applicable. No payment shall be made to a Participant for any Stock Option or Stock Appreciation Right if the exercise price for such Stock Option or Stock Appreciation Right exceeds the value, as determined by the Committee, of the consideration (including cash) received by the holder of a Common Share as a result of the Change in Control.

(b) Outstanding Awards Subject to a Performance Condition

(i) In the event of a Change in Control, a Participant's then-outstanding awards, other than Stock Options and Stock Appreciation Rights, that are not vested and as to which vesting depends upon the satisfaction of one or more performance conditions shall immediately vest and all performance conditions shall be deemed satisfied as if target performance was achieved, and shall be settled in cash, Common Shares or a combination thereof, as determined by the Committee, immediately prior to the effective time of such Change in Control (except to the extent that settlement of the Award must be made pursuant to its original schedule in order to comply with Code Section 409A), notwithstanding that the applicable performance period, retention period or other restrictions and conditions have not been completed or satisfied.

(ii) In the event of a Change in Control, a Participant's then-outstanding Stock Options and Stock Appreciation Rights that are not vested and as to which vesting depends upon the satisfaction of one or more performance conditions shall become fully vested and exercisable at the target level of performance for such

period of time prior to the effective time of the Change in Control as is deemed fair and equitable by the Committee. Notwithstanding the immediately preceding the sentence, the Committee may elect to cancel such outstanding Stock Options or Stock Appreciation Rights (determined at the target level of performance) and pay the Participant an amount of cash (less normal withholding taxes) equal to the excess of (i) the value, as determined by the Committee, of the consideration (including cash) received by the holder of a Common Share as a result of the Change in Control (or if the Company shareholders do not receive any consideration as a result of the Change in Control, the Fair Market Value of a Common Share on the day immediately prior to the Change in Control) over (ii) the exercise price of such Stock Options or such Stock Appreciation Rights, multiplied by the number of Common Shares subject to each such award in accordance with Code Section 409A to the extent applicable. No payment shall be made to a Participant for any Stock Option or Stock Appreciation Right if the exercise price for such Stock Option or Stock Appreciation Right exceeds the value, as determined by the Committee, of the consideration (including cash) received by the holder of a Common Share as a result of the Change in Control.

15.3 Treatment of Replacement Awards

(a) An award shall meet the conditions of this Section 15.3 (and hence qualify as a Replacement Award) if: (i) it is of the same type as the Replaced Award (or, if it is of a different type from the Replaced Award (such as a deferred cash equivalent award), the Committee, as constituted immediately prior to the Change in Control, finds such type acceptable); (ii) it has a value at least equal to the value of the Replaced Award; (iii) it relates to publicly traded equity securities listed on a U.S. national securities exchange of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control, except in the case of a Replacement Award granted in the form of a deferred cash equivalent award; (iv) its terms and conditions comply with Section 15.3(b); and (v) its other terms and conditions are not less favorable to the holder of the Replacement Award than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control). Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the preceding sentence are satisfied. The determination of whether the conditions of this Section 15.3(a) are satisfied shall be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion. Without limiting the generality of the foregoing, the Committee may determine the value of awards and Replacement Awards that are Stock Options or Stock Appreciation Rights by reference to either their intrinsic value or their fair value.

(b) If a Participant's Service is involuntarily terminated without Cause, or, if so provided in an award agreement, a Participant voluntarily terminates his or her Service for good reason (as defined in the award agreement), in each case within 24 months following the Change in Control, all Replacement Awards held by the Participant shall become fully vested and free of restrictions and, in the case of Replacement Awards in the form of (i) Stock Options or Stock Appreciation Rights shall immediately become exercisable in full (if performance-based, at the target level of performance) and shall remain exercisable for one year following the Participant's Separation from Service, or (ii) Full Value Awards (A) if performance-based, such awards shall be deemed to be satisfied at target performance and shall immediately vest in full at that level, and (B) if service-based, such awards shall immediately vest in full. Notwithstanding the foregoing, with respect to any Replacement Award that is considered deferred compensation subject to Code Section 409A, settlement of such Replacement Award shall be made pursuant to its original schedule if necessary to comply with Code Section 409A.

SECTION 16. General Provisions

16.1 Each award under the Plan shall be subject to the requirement that, if at any time the Committee shall determine that (a) the listing, registration or qualification of the Common Shares subject or related thereto upon any securities exchange or market or under any state or federal law is necessary or desirable, or (b) the consent or approval of any government regulatory body is necessary or desirable, or (c) an agreement by the recipient of an award with respect to the disposition of Common Shares is necessary or desirable in order to satisfy any legal requirements, or (d) the issuance, sale or delivery of any Common Shares is or may in the circumstances be unlawful under the laws or regulations of any applicable jurisdiction, the right to exercise such Stock Option shall be suspended, such award shall not be granted and such Common Shares will not be issued, sold or delivered, in whole or in part, unless such listing, registration, qualification, consent, approval or agreement shall have been effected or obtained free of any conditions not acceptable to the Committee, and the Committee determines that the issuance, sale or delivery of the Common Shares is lawful. The application of this Section shall not extend the term of any Stock Option or Stock Appreciation Right. The Company shall have no obligation to affect any registration or qualification of the Common Shares under federal or state laws or to compensate the award holder for any loss caused by the implementation of this Section 16.1.

16.2 The Committee may provide, at the time of grant or by amendment with the award holder's consent, that an award and/or Common Shares acquired under the Plan shall be forfeited, including after exercise or vesting, if within a specified period of time the award holder engages in any of the following disqualifying conduct: (a) the award holder's performance of service for a competitor of the Company and/or its Subsidiaries, including service as an employee, director or consultant, or the establishing by the award holder of a business which competes with the Company and/or its Subsidiaries; (b) the award holder's solicitation of employees or customers of the Company and/or its Subsidiaries; (c) the award holder's improper use or disclosure of confidential information of the Company and/or its Subsidiaries; or (d) material misconduct by the award holder in the performance of such award holder's duties for the Company and/or its Subsidiaries, as determined by the Committee.

16.3 Nothing set forth in this Plan shall prevent the Board or the Committee from adopting other or additional compensation arrangements.

16.4 Nothing in the Plan nor in any award hereunder shall confer upon any award holder any right to continuation of his or her employment by or other Service relationship with the Company or its Subsidiaries or interfere in any way with the rights of any such company to terminate such employment or other relationship.

16.5 Neither the Plan nor any award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or Subsidiary and an award recipient, and no award recipient will, by participation in the Plan, acquire any right in any specific Company property, including any property the Company may set aside in connection with the Plan. To the extent that any award recipient acquires a right to receive payments from the Company or any Subsidiary pursuant to an award, such right shall not be greater than the right of an unsecured general creditor of the Company or its Subsidiaries.

16.7 Except to the extent preempted by United States federal law or as otherwise expressly provided herein, the Plan and all awards under the Plan shall be interpreted in accordance with and governed by the internal laws of the State of Indiana without giving effect to any choice or conflict of law provisions, principles or rules.

16.8 It is intended that all awards under the Plan will be exempt from, or comply with, Code Section 409A, and awards shall be structured and the Plan administered and interpreted in accordance with this intent. Notwithstanding anything to the contrary in the Plan or any award agreement, with respect to any award that constitutes a deferral of compensation subject to Code Section 409A:

(a) Each amount to be paid or benefit to be provided under an award shall be construed as a separate and distinct payment for purposes of Section 409A;

(b) If any amount shall be payable with respect to any such award as a result of a Participant's Separation from Service at such time as the Participant is a "specified employee" within the meaning of Code Section 409A, then no payment shall be made, except as permitted under Code Section 409A, prior to the first business day after the earlier of (i) the date that is six months after the Participant's Separation from Service or (ii) the Participant's death. Unless the Committee has adopted a specified employee identification policy as contemplated by Code Section 409A, specified employees will be identified in accordance with the default provisions specified under Code Section 409A; and

(c) If payment under an award is to be made within a designated period which does not begin and end within one calendar year, the Participant does not have a right to designate the taxable year of the payment.

None of the Company, the Board, the Committee nor any other person involved with the administration of this Plan shall (i) in any way be responsible for ensuring the exemption of any award from, or compliance by any award with, the requirements of Code Section 409A, (ii) have any obligation to design or administer the Plan or awards granted thereunder in a manner that minimizes a Participant's tax liabilities, including the avoidance of any additional tax liabilities under Code Section 409A, and (iii) shall have any liability to any Participant for any such tax liabilities.

16.9 Notwithstanding any provision of the Plan to the contrary, to comply with the laws of jurisdictions outside of the United States in which the Company or any Subsidiaries operate or have Employees or Non-Employee Directors, the Committee, in its sole discretion, shall have the power and authority to (i) determine which Subsidiaries shall be covered by the Plan; (ii) determine which Employees or Non-Employee Directors outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any award granted to Employees or Non-Employee Directors outside the United States to comply with applicable foreign laws; (iv) establish sub-plans and modify exercise

procedures and other terms and procedures, to the extent such actions may be necessary or advisable; and (v) take any action, before or after an award is made, that it deems advisable to obtain approval or comply with any necessary local government regulatory exemptions or approval.

16.10 Successors. All obligations of the Company under the Plan with respect to awards granted hereunder shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

16.11 Mitigation of Excise Taxes.

(a) Except as otherwise provided in any award agreement or in any applicable change in control agreement between the Company and an award recipient under the Plan, if any payment or benefit resulting from an award under the Plan or otherwise, including accelerated vesting of any equity compensation (all such payments and/or benefits hereinafter, "Payment"), would (a) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (b) but for this Section, be subject to the excise tax imposed by Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law and any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then such Payment shall be either (i) provided to the recipient in full, or (ii) provided to the recipient to such lesser extent which would result in no portion of such Payment being subject to the excise tax, further reduced by \$1.00 (including such further reduction, the "Cutback Amount"), whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income, and employment taxes, such excise tax and other applicable taxes (all computed at the highest applicable marginal rates), results in the receipt by the recipient, on an after-tax basis, of the greatest amount of the Payment, notwithstanding that all or a portion of such Payment may be subject to the excise tax. If a reduction in payments or benefits constituting "parachute payments" is necessary so that the Payment equals the Cutback Amount, reduction shall occur in the following order: (A) cash payments of accelerated awards under the Plan shall be reduced first and in reverse chronological order such that the cash payment owed on the latest date following the occurrence of the event triggering such excise tax will be the first cash payment to be reduced; (B) accelerated vesting of performance-based equity awards shall be cancelled or reduced next and in the reverse order of the date of grant for such awards (i.e., the vesting of the most recently granted awards will be reduced first), with Full Value Awards reduced before any performance-based Stock Option or Stock Appreciation Rights are reduced; and (C) accelerated vesting of time-based equity awards shall be cancelled or reduced last and in the reverse order of the date of grant for such awards (i.e., the vesting of the most recently granted awards will be reduced first), with Full Value Awards reduced before any time-based Stock Options or Stock Appreciation Rights are reduced.

(b) The Company shall appoint an independent public accounting firm to make the determinations required hereunder and perform the foregoing calculations. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and the award recipient within fifteen (15) calendar days after the date on which right to a Payment is triggered (if requested at that time by the Company or recipient). Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon the Company and the recipient.

SECTION 17. Compensation Recovery Policy

17.1 Awards under the Plan and any compensation associated therewith are subject to forfeiture, recovery by the Company, or other action pursuant to any compensation recovery policy adopted by the Board or the Committee at any time, as amended from time to time, which includes but is not limited to any compensation recovery policy adopted by the Board or the Committee including in response to the requirements of Section 10D of the Exchange Act, the SEC's final rules thereunder, and any applicable listing rules or other rules and regulations implementing the foregoing or as otherwise required by law. Any award agreement will be automatically amended to comply with any such compensation recovery policy.

SECTION 18. Amendments and Termination

18.1 The Plan shall remain in effect until all Common Shares subject to it are distributed, all awards hereunder have expired or terminated, the Plan is terminated pursuant to Section 18.2, or the tenth anniversary of the Effective Date of the Plan, whichever occurs first (the "Termination Date"). Any Awards that are outstanding on the Termination Date shall remain in force according to the terms of the Plan and the applicable award agreement.

18.2 The Board may at any time terminate, suspend or amend the Plan. The Company shall submit any amendment of the Plan to its shareholders for approval only to the extent required by applicable laws or regulations or the rules of any securities exchange on which the Common Shares may then be listed. No termination, suspension, or amendment of the Plan may materially impair the rights of any Participant under a previously granted award without the Participant's consent, unless such action is necessary to comply with applicable law or stock exchange rules.

18.3 The Committee may amend the terms of any award prospectively or retroactively; provided, however, that no amendment shall materially impair the rights of the award holder with respect to an award as a whole without his or her written consent, subject to Sections 17.1 and 18.4.

18.4 Notwithstanding any other provision of the Plan to the contrary, the Board may amend the Plan and the Board or the Committee may amend an award agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or an award agreement to (i) any law relating to plans of this or similar nature, and to the administrative regulations and rulings promulgated thereunder, or (ii) any applicable exchange requirements. By accepting an award under the Plan, a Participant agrees to any amendment made pursuant to this Section 18.4 without further consideration or action.

18.5 The Committee may make adjustments in the terms and conditions of, and the criteria included in, awards in recognition of unusual or nonrecurring events (including, without limitation, the events described in Section 4.4) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent unintended dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan. The determination of the Committee as to any adjustments made pursuant to this Section 18.5 shall be conclusive and binding on Participants under the Plan. By accepting an Award under the Plan, a Participant agrees to any adjustment to the Award made pursuant to this Section 18.5 without further consideration or action.

FOURTH AMENDMENT TO CREDIT AGREEMENT

This **FOURTH AMENDMENT TO CREDIT AGREEMENT** dated as of May 14, 2024 (this 'Fourth Amendment') amends that certain Credit Agreement, dated as of November 5, 2021 (as amended by that certain First Amendment to Credit Agreement, dated as of January 27, 2022, that certain Second Amendment to Credit Agreement, dated as of December 29, 2022, that certain Third Amendment to Credit Agreement, dated as of January 9, 2023, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Existing Credit Agreement"; the Existing Credit Agreement as amended by this Fourth Amendment, the "Amended Credit Agreement"), among INOTIV, INC., an Indiana corporation (the "Borrower"), the Subsidiary Guarantors party thereto, the Lenders party thereto and JEFFERIES FINANCE LLC, as administrative agent (the "Administrative Agent") and as collateral agent (the "Collateral Agent"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Amended Credit Agreement.

RECITALS:

WHEREAS, pursuant to Section 11.02 of the Existing Credit Agreement, the Borrower has requested that the Lenders enter into this Fourth Amendment; and

WHEREAS, in connection with the foregoing, the Lenders party hereto (constituting the Required Lenders) and the Borrower desire to amend the Existing Credit Agreement in accordance with Section 11.02 thereof in the form of this Fourth Amendment, such amendments to become effective on the Fourth Amendment Effective Date (as defined below).

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants contained in this Fourth Amendment, the parties hereto agree as follows:

Section 1. Amendments to Credit Agreement. Subject to the satisfaction of the conditions set forth in Section 2 hereof, as of the Fourth Amendment Effective Date, the Existing Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same as the following example: ~~stricken text~~) and to add the underlined text (indicated textually in the same manner as the following example: underlined text) as set forth in the pages of the Credit Agreement attached as Exhibit A hereto.

Section 2. Conditions to Effectiveness. The effectiveness of the amendments to the Existing Credit Agreement set forth in Section 1(a) hereof are each subject to the satisfaction of the following conditions precedent, each, in the case of documentary conditions, in form and substance reasonably satisfactory to the Required Lenders (the date of such satisfaction, the "Fourth Amendment Effective Date"):

(a) the Lenders party hereto shall have received duly executed counterparts of this Fourth Amendment from the Borrower, the other Loan Parties and the Lenders constituting the Required Lenders;

(b) the Fourth Amendment Effective Date PIK Fee (as defined below) shall have been paid in-kind by increasing the principal amount of the Term Loans on the date hereof in accordance with Section 3 hereof; and

(c) the representations and warranties made by the Loan Parties set forth in Section 5 below shall be true and correct on and as of the Fourth Amendment Effective Date.

Section 3. Amendment Fee. Each Lender executing this Fourth Amendment (each such Lender, a “Consenting Lender”) that holds outstanding Term Loans on the Fourth Amendment Effective Date shall receive a consent fee (such fee, the “Fourth Amendment Effective Date PIK Fee”) in an amount equal to 0.50% of the aggregate outstanding principal amount of the Term Loans held by such Consenting Lender immediately prior to the effectiveness of this Fourth Amendment on the Fourth Amendment Effective Date, which Fourth Amendment Effective Date PIK Fee shall be earned and paid in-kind on the date hereof by capitalizing and adding such Fourth Amendment Effective Date PIK Fee to the aggregate principal amount of the Term Loans held by such Consenting Lender.

Section 4. Costs and Expenses. Without limiting the obligations of the Borrower under the Amended Credit Agreement, the Borrower agrees to pay or reimburse all of the reasonable and documented out-of-pocket costs and expenses incurred by the Lenders in connection with the preparation, negotiation and execution of this Fourth Amendment and the other instruments and documents to be delivered hereunder in accordance with the terms of Section 11.03 of the Amended Credit Agreement, including all reasonable and documented fees, disbursements and other charges of Proskauer Rose LLP.

Section 5. Representations and Warranties. Each Loan Party hereby represents and warrants, on and as of the date hereof and the Fourth Amendment Effective Date, that:

(a) Each of the representations and warranties made by the Loan Parties set forth in Article III of the Amended Credit Agreement or in any other Loan Document shall be true and correct in all material respects (*provided* that any representation and warranty that is qualified by “materiality,” “material adverse effect” or similar language shall be true and correct in all respects (after giving effect to any such qualification therein)) on the date hereof and on the Fourth Amendment Effective Date with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects (or if any such representation and warranty is qualified by “materiality,” “material adverse effect” or similar language, shall be true and correct in all respects (after giving effect to any such qualification therein)) on and as of such earlier date).

(b) The transactions contemplated by this Fourth Amendment and the Amended Credit Agreement are within the Loan Parties’ powers and have been duly authorized by all necessary corporate or other organizational action on behalf of each Loan Party. This Fourth Amendment has been duly executed and delivered by each Loan Party and constitutes a legal, valid and binding obligation of each Loan Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) The execution, delivery and performance by each Loan Party of this Fourth Amendment and the Amended Credit Agreement will not (i) require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (A) such as have been obtained or made and are in full force and effect or (B) consents, approvals, registrations, filings, permits or actions the failure of which to obtain or perform could not reasonably be expected to result in a Material Adverse Effect, (ii) violate the Organizational Documents of such Loan Party, (iii) violate or result in a default or require any consent or approval under (x) any indenture, agreement, or other instrument binding upon any Loan Party or its Property or to which any Loan Party or its Property is

subject, or give rise to a right thereunder to require any payment to be made by any Loan Party, except for violations, defaults or the creation of such rights that could not reasonably be expected to result in a Material Adverse Effect or (y) any Organizational Document, (iv) violate any material Legal Requirement in any material respect or (v) result in the creation or imposition of any Lien on any Property of any Loan Party other than the Liens created by the Security Documents.

(d) As of the date hereof, both before and immediately after giving effect to this Fourth Amendment, no Default or Event of Default has occurred or is continuing.

Section 6. Reference to and Effect on the Existing Credit Agreement

(a) On and after the effectiveness of this Fourth Amendment, each reference in the Existing Credit Agreement to "this Agreement," "hereunder," "hereof" or words of like import referring to the Existing Credit Agreement shall mean and be a reference to the Amended Credit Agreement.

(b) The Existing Credit Agreement as specifically amended by this Fourth Amendment is and shall continue to be in full force and effect and is hereby in all respects ratified and confirmed. This Fourth Amendment shall be a "Loan Document" for purposes of the definition thereof in the Existing Credit Agreement.

(c) The execution, delivery and effectiveness of this Fourth Amendment shall not operate as a waiver of any right, power or remedy of any Lender or any Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

Section 7. [Reserved]

Section 8. [Reserved]

Section 9. Acknowledgement

(a) Each Loan Party hereby confirms that each Loan Document to which it is a party or otherwise bound and all Collateral encumbered thereby will continue to guarantee or secure, as the case may be, to the fullest extent possible in accordance with the Loan Documents the payment and performance of all Obligations and Secured Obligations under each of the Loan Documents to which it is a party (in each case as such terms are defined in the applicable Loan Document).

(b) Each Loan Party acknowledges and agrees that each Loan Document to which it is a party or otherwise bound shall continue in full force and effect and that all of its obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Fourth Amendment.

(c) Each Loan Party hereby acknowledges that it has reviewed the terms and provisions of this Fourth Amendment and consents to the amendment of each of the Existing Credit Agreement effected pursuant to this Fourth Amendment.

(d) Each Guarantor acknowledges and agrees that (i) notwithstanding the conditions to effectiveness set forth in this Fourth Amendment, such Guarantor is not required by the terms of the Existing Credit Agreement or any other Loan Document to consent to the amendments to the Existing Credit Agreement effected pursuant to this Fourth Amendment and (ii) nothing in the Amended Credit

Agreement, this Fourth Amendment or any other Loan Document shall be deemed to require the consent of such Guarantor to any future amendments to the Existing Credit Agreement.

(e) Each of the Borrower and each Guarantor hereby (i) acknowledges and agrees that all of its obligations under the Guarantees set out in the Amended Credit Agreement and any other guaranties in the Loan Documents to which it is a party are reaffirmed and remain in full force and effect on a continuous basis, (ii) reaffirms each Lien granted by each Loan Party to the Collateral Agent for the benefit of the Secured Parties and reaffirms the Guarantees made pursuant to the Amended Credit Agreement and (iii) acknowledges and agrees that the grants of security interests by and the Guarantees of the Loan Parties contained in the Amended Credit Agreement and the other Security Documents are, and shall remain, in full force and effect after giving effect to this Fourth Amendment. Nothing contained in this Fourth Amendment shall be construed as substitution or novation of the obligations outstanding under the Amended Credit Agreement or the other Loan Documents, which shall remain in full force and effect, except to any extent modified hereby.

Section 10. Execution in Counterparts. This Fourth Amendment may be executed in counterparts (and by different parties hereto on 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 Fourth Amendment by facsimile or other electronic transmission (e.g., "pdf" or "tif" format) shall be effective as delivery of a manually executed counterpart of this Fourth Amendment. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Fourth Amendment or any document to be signed in connection with this Fourth Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other state laws based on the Uniform Electronic Transactions Act, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means.

Section 11. Governing Law.

(a) THIS FOURTH AMENDMENT AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS FOURTH AMENDMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) Each party hereto hereby irrevocably and unconditionally submits, for itself and its Property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof (except to the extent any Agent requires submission to any other jurisdiction in connection with the exercise of any rights under any security document or the enforcement of any judgment), in any action or proceeding arising out of or relating to this Fourth Amendment, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by applicable Legal Requirements, in such federal court. Each of the parties hereto agrees that a final judgment in any such action or

proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Legal Requirements. The Borrower agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law and that nothing in this Fourth Amendment shall affect any right that the Administrative Agent or the Lenders may otherwise have to bring any action or proceeding relating to this Fourth Amendment against it or any of its assets in the courts of any jurisdiction.

(c) Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable Legal Requirements, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Fourth Amendment in any court referred to in Section 11(b) above. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable Legal Requirements, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Fourth Amendment irrevocably consents to service of process in any action or proceeding arising out of or relating to any Loan Document, in the manner provided for notices (other than facsimile or email) in Section 11.01 of the Existing Credit Agreement. Nothing in this Fourth Amendment will affect the right of any party to this Fourth Amendment to serve process in any other manner permitted by applicable Legal Requirements.

Section 12. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS FOURTH AMENDMENT OR THE OTHER TRANSACTIONS CONTEMPLATED HERETO OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS FOURTH AMENDMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 12.

Section 13. Headings. The headings of the sections and subsections used herein are for convenience of reference only, are not part of this Fourth Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Fourth Amendment.

Section 14. Severability. Any provision of this Fourth Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace any invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

INOTIV, INC.,
as the Borrower

By: _____
Name:
Title:

BAS EVANSVILLE, INC.,
as a Subsidiary Guarantor

By: _____
Name:
Title:

SEVENTH WAVE LABORATORIES, LLC,
as a Subsidiary Guarantor

By: _____
Name:
Title:

BRONCO RESEARCH SERVICES LLC,
as a Subsidiary Guarantor

By: _____
Name:
Title:

BASi GAITHERSBURG LLC,
as a Subsidiary Guarantor

By: _____
Name:
Title:

[Signature Page to the Fourth Amendment to Credit Agreement]

INOTIV BOULDER, LLC,
as a Subsidiary Guarantor

By: _____
Name:
Title:

INOTIV RESEARCH MODELS, LLC,
as a Subsidiary Guarantor

By: _____
Name:
Title:

ENVIGO RMS, LLC,
as a Subsidiary Guarantor

By: _____
Name:
Title:

ENVIGO RMS B.V., INC.,
as a Subsidiary Guarantor

By: _____
Name:
Title:

ENVIGO NEW HOLDCO, LLC,
as a Subsidiary Guarantor

By: _____
Name:
Title:

ENVIGO GLOBAL SERVICES INC.,
as a Subsidiary Guarantor

By: _____
Name:
Title:

ERPP, INC.,
as a Subsidiary Guarantor

By: _____
Name:
Title:

ENVIGO BIOPRODUCTS, INC.,
as a Subsidiary Guarantor

By: _____
Name:
Title:

ENVIGO HOLDING I, INC.,
as a Subsidiary Guarantor

By: _____
Name:
Title:

PLATO BIOPHARMA, INC.,
as a Subsidiary Guarantor

By: _____
Name:
Title:

INTEGRATED LABORATORY SYSTEMS, LLC,
as a Subsidiary Guarantor

By: _____
Name:
Title:

INOTIV LAMS WEST INC.,
as a Subsidiary Guarantor

By: _____
Name:
Title:

[Signature Page to the Fourth Amendment to Credit Agreement]

By signing below you have indicated your consent to this Fourth Amendment:

[•],
as a Lender

By: _____
Name:
Title:

[Signature Page to the Fourth Amendment to Credit Agreement]

[Signature Page to the Fourth Amendment to Credit Agreement]

Exhibit A

Amended Credit Agreement

CREDIT AGREEMENT

dated as of November 5, 2021,

(as amended by the First Amendment to Credit Agreement, dated as of January 27, 2022,
~~and~~ the Second Amendment to Credit Agreement, dated as of December 29, 2022,
~~and as further amended by~~ the Third Amendment to Credit Agreement,
dated as of January 9, 2023,

and as further amended by the Fourth Amendment to Credit Agreement, dated as of May 14, 2024

among

INOTIV, INC.,
as the Borrower,

THE OTHER GUARANTORS PARTY HERETO,
as Guarantors,

THE LENDERS PARTY HERETO,
and

JEFFERIES FINANCE LLC,

as Administrative Agent and Collateral Agent

JEFFERIES FINANCE LLC
as Sole Lead Arranger and Bookrunner

TABLE OF CONTENTS

Article I DEFINITIONS 1

Section 1.01	Defined Terms	1
Section 1.02	Classification of Loans and Borrowings	55
Section 1.03	Terms Generally	55
Section 1.04	Accounting Terms; GAAP	56
Section 1.05	Pro Forma Calculations	56
Section 1.06	Resolution of Drafting Ambiguities	57
Section 1.07	Rounding	57
Section 1.08	Currency Fluctuations	57
Section 1.09	Divisions	57

Article II THE CREDITS 57

Section 2.01	Commitments	57
Section 2.02	Loans	58
Section 2.03	Borrowing Procedure	59
Section 2.04	Evidence of Debt; Repayment of Loans	60
Section 2.05	Fees	61
Section 2.06	Interest on Loans	<u>62</u> <u>63</u>
Section 2.07	Termination and Reduction of Commitments	<u>63</u> <u>64</u>
Section 2.08	Interest Elections	<u>64</u> <u>65</u>
Section 2.09	Amortization of Term Borrowing	66
Section 2.10	Optional and Mandatory Prepayments of Loans	66
Section 2.11	Alternate Rate of Interest	<u>70</u> <u>71</u>
Section 2.12	Increased Costs; Change in Legality	72
Section 2.13	Breakage Payments	<u>73</u> <u>74</u>
Section 2.14	Payments Generally; Pro Rata Treatment; Sharing of Setoffs	<u>74</u> <u>75</u>
Section 2.15	Taxes	<u>75</u> <u>76</u>
Section 2.16	Mitigation Obligations; Replacement of Lenders	<u>78</u> <u>79</u>
Section 2.17	[reserved]	81
Section 2.18	[reserved]	81
Section 2.19	Increases of the Term Loan and Revolving Commitments	81
Section 2.20	Extensions of the Term Loan	<u>85</u> <u>86</u>
Section 2.21	Refinancing Facilities	<u>87</u> <u>88</u>

Article III REPRESENTATIONS AND WARRANTIES 89

Section 3.01	Existence, Qualification and Power	89
Section 3.02	Authorization; Enforceability	89
Section 3.03	No Conflicts	89
Section 3.04	Financial Statements; Projections; No Material Adverse Effect	90
Section 3.05	Properties	90
Section 3.06	Intellectual Property	92
Section 3.07	Equity Interests and Subsidiaries	92
Section 3.08	Litigation; Compliance with Laws	92
Section 3.09	Federal Reserve Regulations	93

Section 3.10	Investment Company Act	93
Section 3.11	Use of Proceeds	93
Section 3.12	Taxes	93 ⁹⁴
Section 3.13	No Material Misstatements	94
Section 3.14	Labor Matters	94
Section 3.15	Solvency	94
Section 3.16	Employee Benefit Plans	95
Section 3.17	Environmental Matters	95
Section 3.18	Insurance	96
Section 3.19	Security Documents	96
Section 3.20	Sanctions	97
Section 3.21	Anti-Terrorism Laws	98
Section 3.22	Anti-Corruption	98
Section 3.23	Animal Welfare Laws	99

Article IV CONDITIONS TO CREDIT EXTENSIONS 99

Section 4.01	Conditions to Initial Credit Extension	99
Section 4.02	Conditions to Revolving Loan Extensions	102
Section 4.03	Conditions to Delayed Draw Term Loan Extensions	103

Article V AFFIRMATIVE COVENANTS 103

Section 5.01	Financial Statements, Reports, etc	103
Section 5.02	Litigation and Other Notices	106
Section 5.03	Existence; Businesses and Properties	106
Section 5.04	Insurance	107
Section 5.05	Obligations and Taxes	108
Section 5.06	Employee Benefits	108
Section 5.07	Maintaining Records; Access to Properties and Inspections	108
Section 5.08	Use of Proceeds	109
Section 5.09	Compliance with Environmental Laws	109
Section 5.10	Additional Collateral; Additional Guarantors	110
Section 5.11	Security Interests; Further Assurances	112
Section 5.12	Information Regarding Collateral	113
Section 5.13	[reserved]	114
Section 5.14	[reserved]	114
Section 5.15	Fiscal Year	114
Section 5.16	Sanctions; Anti-Money Laundering; Anti-Corruption Compliance	114
Section 5.17	Line of Business	114 ¹¹⁵
Section 5.18	Post-Closing Obligations	114 ¹¹⁵
Section 5.19	Beneficial Ownership Certifications	114 ¹¹⁵

Article VI NEGATIVE COVENANTS 115

Section 6.01	Indebtedness	115
Section 6.02	Liens	118
Section 6.03	Sale and Leaseback Transactions	120 ¹²¹
Section 6.04	Investments, Loans and Advances	120 ¹²¹

Section 6.05	Mergers and Consolidations	123
Section 6.06	Asset Sales	124
Section 6.07	Dividends	125
Section 6.08	Transactions with Affiliates	126
Section 6.09	Prepayments of Other Indebtedness; Modifications of Organizational Documents, Acquisition and Certain Other Documents, etc.	127
Section 6.10	Limitation on Certain Restrictions on Subsidiaries	128
Section 6.11	Business	129
Section 6.12	[reserved]	129
Section 6.13	Fiscal Year	129
Section 6.14	No Further Negative Pledge	129
Section 6.15	Financial Covenants	<u>129</u> <u>130</u>
Section 6.16	Anti-Terrorism Law; Anti-Money Laundering; Sanctions; Anti-Corruption Law	130
Section 6.17	Sanctioned Persons	<u>130</u> <u>131</u>

Article VII GUARANTEE 131

Section 7.01	The Guarantee	131
Section 7.02	Obligations Unconditional	131
Section 7.03	Reinstatement	<u>132</u> <u>133</u>
Section 7.04	Subrogation; Subordination	133
Section 7.05	Remedies	133
Section 7.06	Instrument for the Payment of Money	133
Section 7.07	Continuing Guarantee	133
Section 7.08	General Limitation on Guarantee Obligations	133
Section 7.09	Release of Guarantors	133
Section 7.10	Right of Contribution	134
Section 7.11	Keepwell	135

Article VIII EVENTS OF DEFAULT 135

Section 8.01	Events of Default	135
Section 8.02	[reserved]	<u>139</u> <u>138</u>
Section 8.03	Right to Cure	139

Article IX APPLICATION OF COLLATERAL PROCEEDS 140

Section 9.01	Collateral Account	140
Section 9.02	Application of Proceeds	140

Article X THE ADMINISTRATIVE AGENT AND THE COLLATERAL AGENT 141

Section 10.01	Appointment	141
Section 10.02	Agent in Its Individual Capacity	142
Section 10.03	Exculpatory Provisions; Agent Acting at Direction of Required Lenders	142
Section 10.04	Reliance by Agent	143
Section 10.05	Delegation of Duties	143

Section 10.06	Successor Agent	143 <ins>144</ins>
Section 10.07	Non-Reliance on Agent and Other Lenders	144
Section 10.08	Name Agents	144
Section 10.09	Indemnification	144 <ins>145</ins>
Section 10.10	Withholding Taxes	145
Section 10.11	Lender's Representations, Warranties and Acknowledgements	145
Section 10.12	Collateral Documents and Guarantee	146
Section 10.13	Administrative Agent May File Bankruptcy Disclosure and Proofs of Claim	147
Section 10.14	Erroneous Payments	148

Article XI MISCELLANEOUS 150

Section 11.01	Notices	150
Section 11.02	Waivers; Amendment	154
Section 11.03	Expenses; Indemnity	157
Section 11.04	Successors and Assigns	159
Section 11.05	Survival of Agreement	165
Section 11.06	Counterparts; Integration; Effectiveness	165
Section 11.07	Severability	166
Section 11.08	Right of Setoff	166
Section 11.09	Governing Law; Jurisdiction; Consent to Service of Process	166
Section 11.10	Waiver of Jury Trial	167
Section 11.11	Headings; No Adverse Interpretation of Other Agreements	167 <ins>168</ins>
Section 11.12	Confidentiality	167 <ins>168</ins>
Section 11.13	Interest Rate Limitation	169
Section 11.14	Assignment and Assumption	169
Section 11.15	Obligations Absolute	169
Section 11.16	Waiver of Defenses; Absence of Fiduciary Duties	169 <ins>170</ins>
Section 11.17	Patriot Act	170
Section 11.18	Judgment Currency	170
Section 11.19	Acknowledgement and Consent to Bail-In of EEA Financial Institutions	171
Section 11.20	Acknowledgement Regarding Any Supported QFCs	171

ANNEXES

Annex I Term Loan Amortization Table

Annex II Lenders and Commitments

SCHEDULES

Schedule 1.01(a) Pledgors
Schedule 1.01(c) Subsidiary Guarantors
Schedule 3.05(b) Real Property
Schedule 3.05(h) Leases or Subleases of Owned Real Property
Schedule 3.07(a) Equity Interests and Subsidiaries
Schedule 3.07(c) Corporate Organizational Chart
Schedule 3.19(d) UCC Filing Jurisdictions
Schedule 4.01(a) Closing Date Security Documents
Schedule 5.18 Post-Closing Obligations
Schedule 6.01(b) Existing Indebtedness
Schedule 6.02(c) Existing Liens
Schedule 6.04(a) Existing Investments
Schedule 6.08(g) Transactions with Affiliates
Schedule 6.14 No Further Negative Pledge

EXHIBITS

Exhibit A Form of Assignment and Assumption
Exhibit B Form of Borrowing Request
Exhibit C Form of Compliance Certificate
Exhibit D Form of Interest Election Request
Exhibit E-1 Form of Term Note
Exhibit E-2 Form of Revolving Note
Exhibit E-3 Form of Delayed Draw Term Loan Note
Exhibit F-1 Form of Perfection Certificate
Exhibit F-2 Form of Perfection Certificate Supplement
Exhibit G-1 Form of U.S. Tax Certificate (For Non-U.S. Lenders that are not Partnerships for U.S. Federal Income Tax Purposes)
Exhibit G-2 Form of U.S. Tax Certificate (For Non-U.S. Participants that are not Partnerships for U.S. Federal Tax Purposes)
Exhibit G-3 Form of U.S. Tax Certificate (For Non-U.S. Participants that are Partnerships for U.S. Federal Tax Purposes)
Exhibit G-4 Form of U.S. Tax Certificate (For Non-U.S. Lenders that are Partnerships for U.S. Federal Tax Purposes)
Exhibit H Form of Solvency Certificate

CREDIT AGREEMENT

This CREDIT AGREEMENT (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, this **“Agreement”**), dated as of November 5, 2021, among INOTIV, INC., an Indiana corporation (the **“Borrower”**), the Subsidiary Guarantors (such term and each other capitalized term used but not defined herein having the meaning given to it in Article I), the Lenders from time to time party hereto and Jefferies Finance LLC, as administrative agent for the Lenders (in such capacity, together with its successors and permitted assigns, the **“Administrative Agent”**) and as collateral agent for the Secured Parties (in such capacity, together with its successors and permitted assigns, the **“Collateral Agent”**); with Jefferies Finance LLC, as sole lead arranger (in such capacity, the **“Arranger”**) and sole bookrunner (in such capacity, the **“Bookrunner”**).

WITNESSETH:

WHEREAS, pursuant to the Merger Agreement, (a) Dolphin Mergeco, Inc. (**“Merger Sub”**) will merge with and into Envigo RMS Holding Corp. (**“Envigo”**) on the Closing Date with Envigo as the surviving corporation (the **“First Merger”**) and (b) the surviving corporation will merge with and into Inotiv Research Models, LLC (**“Inotiv Research Models”**), with Inotiv Research Models as the surviving company (the **“Second Merger”**, and together with the First Merger, the **“Mergers”**) and as a result of the Mergers, Inotiv Research Models will become a direct, wholly-owned Subsidiary of the Borrower.

WHEREAS, on the Closing Date, the Borrower (a) has requested the Lenders to extend credit in the form of (i) term loans in an aggregate principal amount equal to \$165,000,000 and (ii) delayed draw term loan commitments in an aggregate principal amount equal to \$35,000,000 and (b) has requested that the Revolving Lenders extend Revolving Loans at any time and from time to time after the Closing Date and prior to the Revolving Maturity Date in an aggregate principal amount not in excess of \$15,000,000. The proceeds of the term loans will be used by the Borrower on the Closing Date (i) to finance, in part, the Mergers, (ii) to refinance the existing financing (the **“Refinancing”**) and (iii) pay fees, costs (including debt breakage costs in connection with the Refinancing) and expenses related to the transaction. The proceeds of the delayed draw term loans will be available after the Closing Date for (i) Permitted Acquisitions, (ii) Designated Capital Expenditures and (iii) replenish cash on the balance sheet or repay Revolving Loans that, in either case, were drawn to finance Permitted Acquisitions or Designated Capital Expenditures. The proceeds of the Revolving Loans will be available after the Closing Date for general corporate purposes.

WHEREAS, the Borrower and each other Loan Party desire to secure all of the Obligations by granting to the Collateral Agent, for the benefit of the Secured Parties, a security interest in and Lien upon substantially all of the property and assets of the Borrower and the other Loan Parties, subject to the limitations described herein and in the Security Documents.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and in the other Loan Documents, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

DEFINITIONS

(a) **Defined Terms**

- . As used in this Agreement, the following terms shall have the meanings specified below:

"2024 Settlement" means, collectively, (i) that certain resolution agreement, to be entered into in May 2024, between the United States Attorney's Office for the Western District of Virginia, the Environmental Crimes Section of the United States Department of Justice, Environment and Natural Resources Division and the Borrower, and (ii) that certain plea agreement, to be entered into in May 2024, between the United States Attorney's Office for the Western District of Virginia, the Environmental Crimes Section of the United States Department of Justice, Environment and Natural Resources Division, Envigo RMS, LLC and Envigo Global Services, Inc.

"2022 Delayed Draw Term Loan Commitment Expiration Date" shall have the meaning assigned to such term in Section 2.02(f).

"2022 Incremental Delayed Draw Term Loan Commitments" shall mean, with respect to each 2022 Incremental Delayed Draw Term Loan Lender, the commitment, if any, of such 2022 Incremental Delayed Draw Term Loan Lender to make a 2022 Incremental Delayed Draw Term Loan. The aggregate principal amount of the 2022 Incremental Delayed Draw Term Lenders' 2022 Incremental Delayed Draw Term Loan Commitments on the First Amendment Effective Date is \$35,000,000.

"2022 Incremental Delayed Draw Term Loans" shall have the meaning assigned to such term in the First Amendment and shall include, for the avoidance of doubt, any PIK Amounts.

"2022 Incremental Term Loan Commitments" shall mean, with respect to each 2022 Incremental Term Loan Lender, the commitment, if any, of such 2022 Incremental Term Loan Lender to make a 2022 Incremental Term Loan. The aggregate principal amount of the 2022 Incremental Term Loan Lenders' 2022 Incremental Term Loan Commitments on the First Amendment Effective Date is \$40,000,000.

"2022 Incremental Term Loan Lenders" shall mean any Lender with a 2022 Incremental Term Loan Commitment and/or a 2022 Incremental Term Loan outstanding hereunder.

"2022 Incremental Term Loans" shall have the meaning assigned to such term in the First Amendment and shall include, for the avoidance of doubt, any PIK Amounts.

"ABR", when used in reference to any Loan or Borrowing, is used when such Loan comprising such Borrowing is, or the Loans comprising such Borrowing are, bearing interest at a rate determined by reference to the Alternate Base Rate in accordance with the provisions of Article II.

"ABR Borrowing" shall mean a Borrowing comprised of ABR Loans.

"ABR Loan" shall mean any ABR Term Loan or ABR Revolving Loan.

"ABR Revolving Loan" shall mean any Revolving Loan bearing interest at a rate determined by reference to the Alternate Base Rate in accordance with the provisions of Article II.

"ABR Term Loan" shall mean any Term Loan bearing interest at a rate determined by reference to the Alternate Base Rate in accordance with the provisions of Article II.

"ABR Term SOFR Determination Day" shall have the meaning specified in the definition of "Term SOFR".

"Acquisition Consideration" shall mean the purchase consideration for a Permitted Acquisition and all other payments (but excluding any related acquisition fees, costs and expenses incurred in connection with any Permitted Acquisition), directly or indirectly, by any Company in exchange for, or as part of, or in connection with, a Permitted Acquisition, whether paid in cash or by exchange of Equity Interests or of any Property or otherwise and whether payable at or prior to the consummation of a Permitted Acquisition or deferred for payment at any future time (including Earn-Outs); *provided* that any such Earn-Out or other future payment that is subject to a contingency shall be considered Acquisition Consideration only to the extent of the reserve, if any, required under GAAP at the time of such sale to be established in respect thereof by the Borrower or any of its Subsidiaries; *provided, further*, that Acquisition Consideration shall not include (a) the portion of consideration or payment constituting salary payments pursuant to ordinary course employment agreements and salary bonuses payable thereunder to the extent relating to the applicable Permitted Acquisition and (b) cash and Cash Equivalents acquired by the Companies as part of the applicable Permitted Acquisition (except to the extent that such cash and Cash Equivalents were (x) directly or indirectly funded or financed by any of the Companies or (y) after giving effect to any repayment of, or incurrence of, Indebtedness (and the release of any Liens in connection therewith) with respect to, or in connection with, such Permitted Acquisition on, or immediately after, the date of consummation thereof, such cash and Cash Equivalents are subject to any Lien (other than the Liens created under the Security Documents).

"Additional Lender" shall have the meaning assigned to such term in Section 2.21(a).

"Adjusted Term SOFR" shall mean, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; *provided* that, notwithstanding the foregoing, for all purposes under the Loan Documents, in no event shall Adjusted Term SOFR be less than the Floor.

"Administrative Agent" shall have the meaning assigned to such term in the preamble hereto and includes each other person appointed as the successor administrative agent pursuant to Article X.

"Administrative Agent Fees" shall have the meaning assigned to such term in Section 2.05(c).

"Administrative Questionnaire" shall mean an administrative questionnaire in the form supplied from time to time by the Administrative Agent.

"Advisors" shall mean legal counsel (including foreign and local counsel, but excluding in-house counsel), auditors, engineers, accountants, consultants, appraisers or other advisors.

"Affected Financial Institution" shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" shall mean, when used with respect to a specified person, another person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the person specified; *provided, however*, that, (i) for purposes of Section 6.08, the term "Affiliate" shall also include (a) any person that directly or indirectly owns more than 10% of any class of Equity Interests of the person specified and (b) any person that is an executive officer or director of the

person specified and (ii) Jefferies LLC and its Affiliates shall be deemed to be Affiliates of Jefferies Finance LLC and its Affiliates.

“Agent Fee Letter” shall mean that certain Agent Fee Letter, dated as of September 21, 2021, by and between the Borrower and the Administrative Agent.

“Agents” shall mean the Arranger, the Bookrunner, the Administrative Agent and the Collateral Agent; and **“Agent”** shall mean any of them, as the context may require.

“Agreement” shall have the meaning assigned to such term in the preamble hereto.

“Alternate Base Rate” shall mean, for any day, a fluctuating rate per annum equal to the highest of (a) the Federal Funds Effective Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent as its “prime rate” and (c) Adjusted Term SOFR for a one-month tenor in effect on such day plus 1.00%; *provided that, notwithstanding the foregoing, in no event shall the Alternate Base Rate be less than 2.00% per annum. The “prime rate” is a rate set by the Administrative Agent based upon various factors including the Administrative Agent’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the Alternate Base Rate due to a change in the Federal Funds Effective Rate, the “prime rate” or Adjusted Term SOFR shall take effect at the opening of business on the day of such change.*

“Amendment Lead Arranger” shall have the meaning assigned to such term in the First Amendment.

“Amendment Relief Period” shall mean the period commencing on the Third Amendment Effective Date ~~and ending on the date that is the earlier to occur of (a) the date on which financial statements and the Compliance Certificate for the fiscal quarter ending March 31, 2024 have been or are required to be delivered pursuant to Sections 5.01(b) and 5.01(d) (the “Initial End Date”) to the extent no Default or Event of Default has occurred and is continuing on the Initial End Date and (b) the first date after the Initial End Date on which no Default or Event of Default has occurred and is continuing (in each such case, as certified by the Borrower to the Administrative Agent and the Lenders on such date).~~

“Animal Welfare Laws” shall mean any applicable U.S. domestic state and federal civil and criminal laws relating to animal welfare or animal importation, including, without limitation, the Animal Welfare Act, codified in Title 7, United States Code, §§ 2131-2159, the Lacey Act, codified in Title 16, United States Code, §§ 3372-3374, and the anti-smuggling laws, codified in Title 18, United States Code, § 545.

“Anti-Corruption Laws” shall have the meaning assigned to such term in Section 3.22(a).

“Anti-Terrorism Laws” shall have the meaning assigned to such term in Section 3.20(a).

“Applicable Margin” shall mean:

For any day prior to the Third Amendment Effective Date, as set forth in the Credit Agreement as in effect from time to time prior to the Third Amendment Effective Date.

For any day from (and including) the Third Amendment Effective Date and thereafter, a percentage *per annum* equal to (i) (A) in the case of Term Loans maintained as ABR Loans, 5.75% and (B) in the case of Term Loans maintained as Term SOFR Loans, 6.75% and (ii) (A) in the case of Revolving Loans maintained as ABR Loans, 8.50% and (B) in the case of Revolving Loans maintained as Term SOFR Loans, 9.50%.

Notwithstanding the foregoing, the Applicable Margin in respect of any Incremental Loans, Extended Term Loans, Extended Revolving Loans, Refinancing Term Loans or Refinancing Revolving Loans shall be the applicable percentages *per annum* set forth in the applicable Incremental Loan Amendment, Extension Offer or Refinancing Amendment, respectively.

“Approved Electronic Communications” shall mean any notice, demand, communication, information, document or other material that any Loan Party provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Agents or the Lenders by means of electronic communications pursuant to Section 11.01(b).

“Approved Fund” shall mean any person (other than a natural person) that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arranger” shall have the meaning assigned to such term in the preamble hereto.

“Asset Disposition Threshold” shall have the meaning assigned to such term in Section 2.10(c)(i).

“Asset Sale” shall mean (a) any Disposition of any Property by any Company (excluding sales and dispositions permitted by Section 6.06 (other than Section 6.06(b)) and (b) any sale or other Disposition of any Equity Interests in a Subsidiary of the Borrower to any person other than a Loan Party.

“Assignment and Assumption” shall mean an assignment and assumption entered into by a Lender, as assignor, and an assignee (with the consent of any party whose consent is required pursuant to Section 11.04), and accepted by the Administrative Agent, substantially in the form of Exhibit A, or such other form as shall be approved by the Administrative Agent from time to time.

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

“Bail-In Legislation” shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bank Product” shall mean each and any of the following bank products and services provided by any Bank Product Provider: (a) credit cards for commercial customers (including, without limitation, “commercial credit cards” and purchasing cards), (b) store value cards, and (c) depository, cash

management, and treasury management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, overdrafts and interstate depository network services).

"Bank Product Agreement" shall mean any agreement entered into by Borrower or any of its Subsidiaries in connection with Bank Products that has been designated as a "Bank Product Agreement" by Borrower in a written notice to the Administrative Agent.

"Bank Product Obligations" shall mean any and all of the obligations of the Borrower and its Subsidiaries, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Bank Products provided pursuant to a Bank Product Agreement.

"Bank Product Provider" shall mean any Person in its capacity as a provider of Bank Products, *provided* that such Person (i) is an Agent or a Lender or an Affiliate of any of the foregoing (or was an Agent or a Lender or an Affiliate of any of the foregoing at the time it provides a Bank Product) and (ii) executes and delivers to the Administrative Agent a letter agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which such counterparty (x) appoints the Administrative Agent and the Collateral Agent as its agents under the applicable Loan Documents and (y) agrees to be bound by the provisions of Section 11.03, Section 11.09 and Section 11.12 as if it were a Lender hereunder.

"Bankruptcy Code" shall mean Title 11 of the United States Code.

"Beneficial Ownership Certification" shall mean a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" shall mean 31 C.F.R § 1010.230

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States.

"Board of Directors" shall mean, with respect to any person, (a) in the case of any corporation, the board of directors of such person, (b) in the case of any limited liability company, the board of managers or board of directors, as applicable, of such person, or if such limited liability company does not have a board of managers or board of directors, the functional equivalent of the foregoing, (c) in the case of any partnership, the board of directors or board of managers, as applicable, of the general partner of such person and (d) in any other case, the functional equivalent of the foregoing.

"Bookrunner" shall have the meaning assigned to such term in the preamble hereto.

"Borrower" shall have the meaning assigned to such term in the preamble hereto.

"Borrowing" shall mean Loans of the same Class and Type, made, converted or continued on the same date and, in the case of Term SOFR Loans, as to which a single Interest Period is in effect.

"Borrowing Request" shall mean a request by Borrower in accordance with the terms of Section 2.03 and substantially in the form of Exhibit B, or such other form as shall be reasonably approved by the Administrative Agent from time to time.

"Business Day" shall mean any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in such state are authorized or required by law or other governmental action to close.

"Capital Expenditures" shall mean, without duplication, for any period (a) any expenditure or commitment to expend money made during such period for any purchase or other acquisition of any asset including capitalized leasehold improvements, which would be classified as a fixed or capital asset on a consolidated balance sheet of the Borrower and its Subsidiaries prepared in accordance with GAAP and (b) Capital Lease Obligations incurred by such persons during such period with respect to real or personal Property acquired during such period, or Synthetic Lease Obligations incurred by such persons during such period, but in each case, excluding (i) expenditures made in connection with the replacement, substitution or restoration of Property pursuant to Section 2.10(c), (ii) any Permitted Acquisitions, (iii) expenditures to the extent reimbursed within such period or paid for by a person who is not a Company (or any of Affiliates thereof) in the ordinary course of business (including, tenant improvements paid or reimbursed by landlords), (iv) the purchase price of equipment or other fixed assets that are purchased in the ordinary course of business substantially contemporaneously with the trade-in of existing assets in the ordinary course of business to the extent that the gross amount of such purchase price is reduced by the credit granted by the seller of such assets for the assets being traded-in at such time, (v) expenditures to the extent financed with the Net Cash Proceeds of Asset Sales that are reinvested in accordance with Section 2.10(c), and (vi) so long as no Default or Event of Default has occurred and is continuing or would immediately thereafter result therefrom, expenditures funded directly with the net cash proceeds of issuances of Equity Interests (other than Permitted Cure Securities) of the Borrower (or any direct or indirect parent thereof) to its shareholders and only to the extent that the net cash proceeds of such issuances of Equity Interests are immediately contributed to the Borrower as cash common equity, and in turn immediately contributed to the Borrower as cash common equity.

"Capital Lease Obligations" shall mean, as to any Person, the obligations of such person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal Property, or a combination thereof, which obligations are required to be classified and accounted for as financing leases on a balance sheet of such person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP; *provided* that, notwithstanding the foregoing, in no event will any lease that would have been categorized as an operating lease as determined in accordance with GAAP as of September 30, 2020 be considered a Capitalized Lease.

"Capital Requirements" shall mean, as to any person, any matter, directly or indirectly, (a) regarding capital adequacy, capital ratios, capital requirements, the calculation of such person's capital or similar matters, or (b) affecting the amount of capital required to be obtained or maintained by such person or any person controlling such person (including any direct or indirect holding company), or the manner in which such person or any person controlling such person (including any direct or indirect holding company), allocates capital to any of its contingent liabilities (including letters of credit), advances, acceptances, commitments, assets or liabilities.

"Cash Equivalents" shall mean, as to any person, (a) marketable securities issued, or directly, unconditionally and fully guaranteed or insured, by the United States or any agency or instrumentality thereof (*provided* that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than one year from the date of acquisition by such person, (b) time deposits and certificates of deposit of any Lender or any commercial bank having, or which is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or

the District of Columbia having, capital and surplus aggregating in excess of \$500,000,000 and a rating of "A" (or such other similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) with maturities of not more than one year from the date of acquisition by such person, (c) repurchase obligations with a term of not more than thirty (30) days for underlying securities of the types described in clause (a) above entered into with any person meeting the qualifications specified in clause (b) above, (d) commercial paper issued by any person incorporated in the United States having one of the two highest ratings obtainable from S&P or Moody's, in each case maturing not more than one year after the date of acquisition by such person, (e) investments in money market funds substantially all of whose assets are comprised of securities of the types described in clauses (a) through (d) above and (f) demand deposit accounts maintained in the ordinary course of business with any bank meeting the qualifications specified in clause (b) above.

"Cash Interest Expense" shall mean, for any period, Consolidated Interest Expense for such period, less the sum of (a) interest on any debt paid by the permanent increase in the principal amount of such debt including by issuance of additional debt of such kind for such period, (b) items described in clause (c) or, other than to the extent paid in cash, clause (g) of the definition of "Consolidated Interest Expense" for such period and (c) cash interest income received by the Borrower and its Subsidiaries in such period.

"Casualty Event" shall mean any involuntary loss of title or any involuntary loss of or damage to or destruction of, or any condemnation or other taking (including by any Governmental Authority) of, any Property of any Company. "Casualty Event" shall include any taking of all or any part of any Real Property of any person or any part thereof, in or by condemnation or other eminent domain proceedings pursuant to any Legal Requirement, or by reason of the temporary requisition of the use or occupancy of all or any part of any Real Property of any person or any part thereof by any Governmental Authority, or any settlement in lieu thereof.

"CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601 *et seq.*

"CFC" shall mean a Foreign Subsidiary that is a controlled foreign corporation under Section 957 of the Code.

"Change in Control" shall mean (a) an event or series of events by which any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person or group or its respective subsidiaries, and any person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) is or becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause such person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of Voting Stock of the Borrower representing more than 35% of the voting power of the total outstanding Voting Stock of the Borrower or (b) the occurrence of any "change of control" (or similar event, howsoever denominated) under any other Indebtedness with an aggregate principal amount equal to, or in excess of \$15,000,000.

"Change in Law" shall mean (a) the adoption of, or taking effect of, any law, treaty, order, rule or regulation after the Closing Date, (b) any change in any law, treaty, order, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or

(c) compliance by any Lender (or for purposes of Section 2.12(b), by any lending office of such Lender or by such Lender's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the Closing Date; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Charges" shall have the meaning assigned to such term in Section 11.13.

"Claims" shall have the meaning assigned to such term in Section 11.03(b).

"Class" (a) when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans, Initial Term Loans, Delayed Draw Term Loans, New Term Loans of any series established as a separate "Class" pursuant to Section 2.19 or Extended Term Loans, (b) when used in reference to any Commitment, refers to whether such Commitment is a Revolving Commitment, Initial Term Loan Commitment, Delayed Draw Term Loan Commitment, New Term Loan Commitment of any series established as a separate "Class" pursuant to Section 2.19 or refers to a Commitment made pursuant to an Extension Offer, and (c) when used in reference to any Lender, whether such Lender has a Loan or Commitment of a particular Class. Notwithstanding any provision herein to the contrary, the Term Loans existing on the Closing Date and the 2022 Incremental Term Loans shall be deemed to be, and treated as, part of a single Class of Term Loans for all purposes hereof, including for any purposes of any determination of Required Lenders and the application of repayments or prepayments to the Term Loans.

"Closing Date" shall mean the date of the initial Credit Extensions hereunder.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Collateral" shall mean, collectively, all of the Security Agreement Collateral, the Mortgaged Property and all other Property of whatever kind and nature, whether now existing or hereafter acquired, granted or purported to be granted as collateral or otherwise subject to a security interest or purported to be subject to a security interest under any Security Document.

"Collateral Account" shall mean a collateral account or sub-account established and maintained from time to time by the Collateral Agent for the benefit of the Secured Parties, in accordance with the provisions of Section 9.01.

"Collateral Agent" shall have the meaning assigned to such term in the preamble hereto.

"Commitment" shall mean, with respect to any Lender, such Lender's Revolving Commitment, Initial Term Loan Commitment, Delayed Draw Term Loan Commitment, New Term Loan Commitment or any commitment in connection with an Extended Term Loan.

"Commitment Fee" shall have the meaning assigned to such term in Section 2.05(a).

"Commitment Letter" shall mean that certain Commitment Letter, dated as of September 21, 2021, between the Borrower, Jefferies Finance LLC and the other Commitment Parties (as defined therein).

"Commodity Exchange Act" shall mean the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Communications" shall have the meaning assigned to such term in Section 11.01(d).

"Companies" shall mean the Borrower and the Subsidiaries; and **"Company"** shall mean any one of them.

"Compliance Certificate" shall mean a certificate of a Financial Officer of the Borrower substantially in the form of Exhibit C.

"Consenting Revolving Lender" shall have the meaning assigned to such term in the Third Amendment and shall include each Consenting Revolving Lender's successors and assigns.

"Consenting Term Lender" shall have the meaning assigned to such term in the Third Amendment and shall include each Consenting Term Lender's successors and assigns.

"Consolidated Amortization Expense" shall mean, for any period, the amortization expense of the Borrower and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP (including accelerated amortization from the write-off or write-down of tangible or intangible assets (other than the write-down of current assets) including capitalized software and organizational costs).

"Consolidated Current Assets" shall mean, as at any date of determination, the total assets of the Borrower and its Subsidiaries (other than cash and cash equivalents including Cash Equivalents, and excluding the effects of adjustments pursuant to GAAP resulting from the application of recapitalization accounting or purchase accounting, as the case may be, in relation to the Transactions or any consummated acquisition), which may properly be classified as current assets on a consolidated balance sheet of the Borrower and its Subsidiaries in accordance with GAAP.

"Consolidated Current Liabilities" shall mean, as at any date of determination, the total liabilities (excluding deferred taxes and taxes payable) of the Borrower and its Subsidiaries which may properly be classified as current liabilities (other than (w) the current portion of any Loans and other long-term liabilities, and liabilities in respect of Hedging Obligations, and, in each case, accrued interest thereon, (x) liabilities in respect of unpaid earnouts and accrued litigation settlement costs and (y) current liabilities consisting of deferred revenue) on a consolidated balance sheet of the Borrower and its Subsidiaries in accordance with GAAP, plus the amount of long-term deferred revenue of the Borrower and its Subsidiaries in accordance with GAAP and furthermore, excluding the effects of adjustments pursuant to GAAP resulting from the application of purchase accounting in relation to the Transactions or any consummated acquisition.

"Consolidated Depreciation Expense" shall mean, for any period, the depreciation expense of the Borrower and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP (including accelerated depreciation from the write-off or write-down of tangible or intangible

assets (other than the write-down of current assets) including capitalized software and organizational costs).

"Consolidated EBITDA" shall mean, for any period, Consolidated Net Income for such period, adjusted by (y) *adding thereto*, without duplication, in each case, only to the extent deducted in determining Consolidated Net Income and not added back pursuant to the definition of Consolidated Net Income, and *provided* that to the extent the ability to add back any item is capped or otherwise limited pursuant to one clause of this definition, no other clause herein shall operate to permit an amount in excess of such cap or limitation to be added back:

Consolidated Interest Expense for such period;

Consolidated Amortization Expense for such period;

Consolidated Depreciation Expense for such period;

Consolidated Tax Expense for such period;

(1) the amount of cost savings, operating expense reductions, other operating improvements and initiatives and synergies incurred, in each case, in connection with the applicable Transaction or another Subject Transaction and which are projected by Borrower in good faith to be reasonably anticipated to be realized from actions taken or with respect to which substantial steps have been taken within eighteen (18) months of the date of the Transactions or the applicable Subject Transaction (which will be added to Consolidated EBITDA as so projected until fully realized and calculated on a Pro Forma Basis as though such cost savings, operating expense reductions, other operating improvements and initiatives and synergies had been realized on the first day of such period) net of the amount of actual benefits realized during such period from such actions; *provided* that all steps have been taken or with respect to which substantial steps have been taken for realizing such cost savings and such cost savings are reasonably identifiable and factually supportable (in the good faith determination of the Borrower and certified by a Financial Officer of the Borrower); and (2) the amount of any restructuring charge, reserve, integration cost, new product start-up cost or other business optimization expense or cost (including charges directly related to implementation of cost-savings initiatives), that is deducted (and not added back) in such period in computing Consolidated Net Income including, without limitation, those related to severance, retention, signing bonuses, relocation, litigation transition costs and expenses, recruiting and other similar employee related costs, future lease commitments, lease breakage and costs related to the opening and closure and/or consolidation of facilities or offices and to exiting lines of business; *provided* that the aggregate amount pursuant to this clause (e) or the definition of "Pro Forma Basis" in any period of four consecutive fiscal quarters, together with the aggregate amount of extraordinary or nonrecurring losses and expenses excluded from Consolidated Net Income pursuant to clause (h) of the definition thereof for such period, shall not exceed 25% of Consolidated EBITDA prior to giving effect to such add-backs and adjustments for such period; *provided, further*, that (x) such 25% limitation will not apply to the extent the adjustments in this clause (e) are determined on a basis consistent with Article 11 of Regulation S-X promulgated under the Exchange Act and as interpreted by the staff of the Securities and Exchange Commission (or any successor agency) and (y) amounts added back or adjusted pursuant to this clause (e) shall be without duplication of (and shall not be in addition to) any amounts added back or adjusted pursuant to the definition of "Pro Forma Basis" set forth in this Agreement;

[reserved];

out-of-pocket fees, costs and expenses (including legal, tax, structuring and other similar costs and expenses) payable to third parties in connection with (except as provided below) any Investment, acquisition (including costs and expenses in connection with the de-listing of public targets and compliance with public company requirements), disposition (including, without limitation, a sale of (1) the equity of the Borrower (or its direct or indirect parent) and its Subsidiaries or (2) substantially all of the assets of the Borrower and its Subsidiaries), recapitalization, Dividend, Equity Issuance, consolidation, restructurings, or the incurrence, registration (actual or proposed), repayments or amendments of Indebtedness (including, without limitation, letter of credit fees and, in connection with any refinancing of such Indebtedness, unamortized fees, costs and expenses paid in cash in connection with repayment of Indebtedness) (in each case, whether or not consummated or successful), including, without limitation, (t) deferred commission or similar payments paid in cash in connection with any transaction not prohibited by this Credit Agreement, (u) any breakage costs incurred in connection with the termination of any Hedging Agreement as a result of the prepayment of Indebtedness, (v) such out-of-pocket fees, costs or expenses related to the execution, delivery, maintenance and closing of any Loans or any Permitted Refinancing and this Agreement and (w) any amendment, waiver or other modification of Loans or any Permitted Refinancing, any Loan Document, any other Indebtedness or any Equity Interests, in each case, whether or not consummated, deducted (and not added back) in computing Consolidated Net Income;

[reserved];

(A) non-cash costs and expenses relating to any equity-based compensation or equity-based incentive plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, in each case, of the Borrower or any Subsidiary for such period and (B) any cash costs or expenses relating to any equity-based compensation or equity-based incentive plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement in each case, of the Borrower or any Subsidiary for such period, to the extent that such costs or expenses are funded with net cash proceeds from the issuance of Equity Interests of, or a contribution to the capital of, the Borrower as cash common equity and/or Qualified Stock and which are in turn contributed to the Borrower as cash common equity;

cash expenses of the Borrower and its Subsidiaries incurred during such period to the extent (x) deducted in determining Consolidated Net Income and (y) reimbursed in cash by any person (other than any of the Borrower, the Companies or any of their Subsidiaries or any owners, directly or indirectly, of Equity Interests, respectively, therein) during such period (or reasonably expected to be so reimbursed within 365 days of the end of such period to the extent not accrued) pursuant to an indemnity or guaranty or any other reimbursement agreement in favor of the Borrower or any of its Subsidiaries to the extent such reimbursement has not been accrued (provided that, (A) if not so reimbursed or received by the Borrower or such Subsidiary within such 365 day period, such expenses or losses shall be subtracted in the subsequent calculation period or (B) if reimbursed or received by the Borrower or such Subsidiary in a subsequent period, such amount shall not be permitted to be added back in determining Consolidated EBITDA for such subsequent period);

(x) the aggregate amount of all other non-cash items, write-downs, non-cash expenses, or non-cash losses (including, to the extent not taken into account when calculating Consolidated EBITDA, (i) purchase accounting adjustments under ASC 805 and (ii) deferred revenue which would reasonably have been included in determining Consolidated Net Income for such period, but for the application of purchase accounting rules) otherwise reducing Consolidated Net Income (other than with respect to the

preceding clause (ii)) and excluding any such non-cash items, write-downs, expenses, or losses that are reasonably expected to result in, or require pursuant to GAAP, an accrual of a reserve for cash charge, costs and/or expenses in any future period, (y) net non-cash exchange, translation or performance losses relating to foreign currency transactions and currency fluctuations and (z) cash charges resulting from the application of ASC 805 (including with respect to Earn-Outs incurred by the Borrower or any of its Subsidiaries in connection with any Permitted Acquisition);

costs and expenses related to the administration of this Agreement and the other Loan Documents and paid or reimbursed by or on behalf of any of the Loan Parties to the Administrative Agent, the Collateral Agent or any of the Lenders or other third parties paid or engaged by the Administrative Agent, the Collateral Agent or any of the Lenders or paid by any of the Loan Parties;

the unamortized fees, costs and expenses paid in cash in connection with the repayment of Indebtedness to persons that are not Affiliates of the Borrower or any of its Subsidiaries;

the aggregate amount of expenses or losses incurred by the Borrower or any Subsidiary relating to business interruption to the extent covered by insurance and (x) actually reimbursed or otherwise paid to the Borrower or such Subsidiary or (y) so long as such amount for any calculation period is reasonably expected to be received by the Borrower or such Subsidiary in a subsequent calculation period and within one year of the date of the underlying loss and, in each case, the amount of such increase is not otherwise included in Consolidated Net Income for such period (*provided* that, (A) if not so reimbursed or received by the Borrower or such Subsidiary within such one-year period, such expenses or losses shall be subtracted in the subsequent calculation period or (B) if reimbursed or received by the Borrower or such Subsidiary in a subsequent period, such amount shall not be permitted to be added back in determining Consolidated EBITDA for such subsequent period);

any net loss included in Consolidated Net Income attributable to non-controlling interests pursuant to the application of Accounting Standards Codification Topic 810-10-45 ("**Topic 810**");

the amount of any minority interest expense of the Borrower or any of its Subsidiaries consisting of Subsidiary income attributable to minority equity interests of third parties in any non-wholly owned Subsidiary deducted in calculating Consolidated Net Income (and not added back in such period to Consolidated Net Income), but only to the extent income attributable to such non-wholly owned Subsidiary would be permitted to be included in Consolidated Net Income;

losses, charges and expenses attributable to Asset Sales or other dispositions or the sale or other disposition of any Equity Interests of any Person other than in the ordinary course of business;

payments to employees, directors or officers of the Borrower and its Subsidiaries paid in connection with Dividends that are otherwise permitted hereunder to the extent such payments are not made in lieu of, or as a substitution for, ordinary salary, ordinary fees or ordinary payroll payments;

the difference between rental payments actually paid in cash and deferred rental expense deducted in determining consolidated net income;

the difference between commissions actually paid in cash and commission expense deducted in determining consolidated net income;

the difference between initiation fees actually received in cash and the amount included in determining consolidated net income; **and**

the difference between paid-in-full dues actually received in cash and the amount included in determining consolidated net income; **and**

(a) solely for purposes of determining actual compliance with Section 6.15, charges or expenses attributable to the 2024 Settlement incurred by the Borrower or any Subsidiary (including for the avoidance of doubt, any out-of-pocket fees, costs and expenses payable to third parties in connection therewith); provided that the aggregate amount added back pursuant to this clause (w) shall not exceed \$26,500,000.

• and (z) *subtracting therefrom* the aggregate amount of, without duplication and solely to the extent added to Consolidated Net Income, (A) all non-cash items increasing Consolidated Net Income (other than the accrual of revenue or recording of receivables in the ordinary course of business and any non-cash gains with respect to cash actually received in a prior period so long as such cash was not included in Consolidated EBITDA in such prior period pursuant to sub-clauses (s) through (v) above), (B) all gains (whether cash or non-cash) resulting from the early termination or extinguishment of Indebtedness, (C) net realized gains from Hedging Agreements or embedded derivatives that require similar accounting treatment and the application of Accounting Standard Codification Topic 815 and related pronouncements, (D) the amount of any minority interest income consisting of Subsidiary loss attributable to minority equity interests of third parties in any non-wholly owned Subsidiary added to Consolidated Net Income (and not deducted in such period from Consolidated Net Income), (E) any net income included in Consolidated Net Income attributable to non-controlling interests pursuant to the application of Topic 810, (F) any amounts added to Consolidated EBITDA pursuant to sub-clause (j) above in the prior calculation period with respect to expected reimbursements to the extent such reimbursements are not received within such 365 day period following such prior calculation period and (G) the aggregate amount of all other non-cash gains resulting from purchase price accounting adjustments.

• *provided* that Consolidated EBITDA for the fiscal quarters ended September 30, 2020, December 31, 2020, March 31, 2021 and June 30, 2021 shall be deemed to be \$11,199,000, \$13,857,000, \$12,858,000 and 13,218,000, respectively, in each case, as adjusted on a Pro Forma Basis, as applicable; it being agreed that for purposes of calculating any financial ratio or test on a Pro Forma Basis (after the end of any of the four quarterly periods set forth above) in connection with a Subject Transaction, Consolidated EBITDA shall be calculated in a manner consistent with Consolidated EBITDA for such quarterly period and the adjustments set forth above in this definition. Other than for purposes of calculating Excess Cash Flow, Consolidated EBITDA shall be calculated on a Pro Forma Basis to give effect to any Subject Transaction, and for the purposes of calculating Excess Cash Flow, the pro forma adjustments set forth in the preceding clause (e) shall not be taken into account in the calculation of Consolidated EBITDA.

• Other than for purposes of calculating Excess Cash Flow, Consolidated EBITDA shall be calculated on a Pro Forma Basis to give effect to any Subject Transaction, and for the purposes of calculating Excess Cash Flow, the pro forma adjustments set forth in the preceding clause (e) shall not be taken into account in the calculation of Consolidated EBITDA.

"Consolidated First Lien Indebtedness" shall mean, as of any date of determination, without duplication, the aggregate amount of Consolidated Indebtedness of the Borrower and its Subsidiaries that, as of such date, is secured by a first priority Lien on any asset or property of the Borrower or any of its Subsidiaries.

"Consolidated Indebtedness" shall mean, at any date, the aggregate outstanding principal amount, determined on a consolidated basis, without duplication, in accordance with GAAP, of (i) all Indebtedness of the Borrower and its Subsidiaries of the types referred to in clauses (a) (but only in respect of the principal amount thereof), (b) (but only in respect of the principal amount thereof and excluding, for the avoidance of doubt, surety bonds), (d) (*provided that, in the case of purchase price adjustments or Earn-Outs, solely to the extent due and payable*), (f) and (i) (but only in respect of the drawn amount thereof) of the definition of "Indebtedness" in this Section 1.01 (giving effect to the proviso to such definition) and (ii) without duplication, all Indebtedness of the Borrower and its Subsidiaries of the type referred to in clause (j) of the definition of "Indebtedness" to the extent that such Contingent Obligations relate to liabilities under clauses (a) (but only in respect of the principal amount thereof), (b) (but only in respect of the principal amount thereof and excluding, for the avoidance of doubt, surety bonds), (d), (f) and (i) (but only in respect of the drawn amount thereof) of the definition of "Indebtedness" (giving effect to the proviso to such definition) but, in each case, excluding, for the avoidance of doubt, any Bank Product Obligations (other than any overdrafts incurred in respect of the foregoing) and Swap Obligations.

"Consolidated Interest Expense" shall mean, for any period, the total consolidated interest expense of the Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP *plus*, without duplication:

imputed interest on Capital Lease Obligations of the Borrower and its Subsidiaries for such period;

commissions, discounts and other fees and charges owed by the Borrower or any of its Subsidiaries with respect to letters of credit securing financial obligations, bankers' acceptance financing and receivables financings for such period;

amortization of Debt Issuance costs, debt discount or prepayment or other premiums and other financing fees and expenses incurred by the Borrower or any of its Subsidiaries for such period;

cash contributions to any employee stock ownership plan or similar trust made by the Borrower or any of its Subsidiaries to the extent such contributions are used by such plan or trust to pay interest or fees to any person (other than the Borrower or a Wholly Owned Subsidiary which is a Subsidiary) in connection with Indebtedness incurred by such plan or trust for such period;

all interest paid or payable with respect to discontinued operations of the Borrower or any of its Subsidiaries for such period;

the interest portion of any deferred payment obligations of the Borrower or any of its Subsidiaries for such period; and

all interest on any Indebtedness of the Borrower or any of its Subsidiaries of the type described in clause (e) or (j) of the definition of "Indebtedness" for such period;

- *provided that (a) to the extent directly and exclusively related to the consummation of the Transactions, Debt Issuance costs, debt discount or premium and other financing fees and expenses shall be excluded from the calculation of Consolidated Interest Expense and (b) Consolidated Interest Expense shall be calculated after giving effect to Hedging Agreements (including associated costs) intended to protect against fluctuations in interest rates, but excluding unrealized gains and losses with respect to any such Hedging Agreements. For the purposes of determining the Consolidated Interest Expense, for any period, such determination shall be made on a Pro Forma Basis to give effect to any Indebtedness (other than Indebtedness incurred for ordinary course working capital needs under ordinary course revolving credit facilities) incurred, assumed or permanently repaid or prepaid or extinguished at any time on or after the first day of the Test Period and prior to the date of determination in connection with any Permitted Acquisition, Asset Sale or other Disposition (other than any Dispositions in the ordinary course of business), and discontinued lines of business or operations as if such incurrence, assumption, repayment or extinguishing had been effected on the first day of such period.*

“Consolidated Net Income” shall mean, for any period, the consolidated net income (or loss) of the Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP; *provided that there shall be excluded from such net income (to the extent otherwise included therein), without duplication:*

the net income (or loss) of any person (other than a Subsidiary of the Borrower) in which any person other than the Borrower or any of its Subsidiaries has an ownership interest, except to the extent that cash in an amount equal to any such income has actually been received by the Borrower or (subject to clause (b) below) any of its Subsidiaries during such period;

the net income of any Subsidiary of the Borrower during such period to the extent that (A) the declaration or payment of dividends or similar distributions by such Subsidiary of that income is not permitted by operation of the terms of its Organizational Documents or any agreement (other than this Agreement or any other Loan Document), instrument, Order or other Legal Requirement applicable to that Subsidiary or its equity holders during such period (unless such restriction or limitation has been effectively waived), except that the Borrower’s equity in net loss of any such Subsidiary for such period shall be included in determining Consolidated Net Income, or (B) such net income, if dividend or distributed to the equity holders of such Subsidiary in accordance with the terms of its Organizational Documents, would be received by any Person other than a Loan Party;

any gain (or loss), together with any related provisions for taxes on any such gain (or the tax effect of any such loss), realized during such period by the Borrower or any of its Subsidiaries upon any Disposition of assets by the Borrower or any of its Subsidiaries;

gains and losses due solely to (i) exchange, translation or performance gains or losses relating to foreign currency transactions, fluctuations in currency values and the related tax effects determined in accordance with GAAP for such period and (ii) the cumulative effect of any change in accounting principles;

(x) non-cash gains and losses resulting from any reappraisal, revaluation, write-down or write-up of assets (including intangible assets, goodwill and deferred financing costs) (including pursuant to the application of ASC 350 and ASC 360) and (y) cash and non-cash income, earnings, charges, expenses, gains and losses resulting from the application of ASC 805 with respect to Earn-Outs incurred by the Borrower or any of its Subsidiaries in connection with any Permitted Acquisition;

any net unrealized gains or losses from Hedging Agreements or embedded derivatives that require similar accounting treatment and the application of Accounting Standard Codification Topic 815 and related pronouncements for such period;

all deferred financing costs written off and premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (or loss) from any write-off or forgiveness of Indebtedness;

any extraordinary (as determined in accordance with GAAP) or nonrecurring gain, loss, income and expense, together with any related provision for taxes on any such gain (or the tax effect of any such loss), recorded or recognized by the Borrower or any of its Subsidiaries during such period; *provided* that, notwithstanding anything to the contrary contained herein, with respect to any extraordinary or non-recurring gain (or loss, expense or charge) that is also described or referenced in the definition of "Consolidated EBITDA", such extraordinary or non-recurring gain (or loss, expense or charge) shall instead be subtracted from (and/or added back to) Consolidated Net Income in the calculation of Consolidated EBITDA in accordance with the definition of such term set forth in this Agreement; *provided* that the aggregate amount of extraordinary or nonrecurring losses and expenses excluded from Consolidated Net Income pursuant to this clause (h) in any period of four consecutive fiscal quarters, together with the aggregate amount increasing Consolidated EBITDA pursuant to clause (e) of the definition thereof and the definition of "Pro Forma Basis" for such period, shall not exceed 25% of Consolidated EBITDA prior to giving effect to such add-backs and adjustments for such period;

any (i) non-cash compensation charge or expense arising from any grant of stock, stock options or other equity based awards and any non-cash deemed finance charges in respect of any pension liabilities or other provisions or on the re-valuation of any benefit plan obligation and (ii) income (loss) attributable to deferred compensation plans or trusts;

the cumulative effect of a change in accounting principles;

any purchase accounting effects including adjustments to inventory, property and equipment, software and other intangible assets and deferred revenue in component amounts required or permitted by GAAP and related authoritative pronouncements (including the effects of such adjustments pushed down to the Borrower and the Subsidiaries), as a result of any consummated acquisition, or the amortization or write-off of any amounts thereof (including any write-off of in process research and development); and

accruals and reserves that are established within twelve (12) months after the Closing Date that are so required to be established as a result of the Transactions in accordance with GAAP.

- For purposes of this definition of "Consolidated Net Income," (w) **'nonrecurring'** shall mean any gain or loss as of any date that (i) did not occur in the ordinary course of the Borrower's or its Subsidiaries' business and (ii) is of a nature and type that has not occurred in the prior twenty-four month period and is not reasonably expected to occur in the future, (x) **"ASC 805"** shall mean the Financial Accounting Standards Board Accounting Standards Codification 805 (Business Combinations), issued by the Financial Accounting Standards Board in December 2007, (y) **"ASC 350"** shall mean the Financial Accounting Standards Board Accounting Standards Codification 350 (Intangibles, Goodwill and Other Intangible Assets), issued by the Financial Accounting Standards Board in June 2001 and (z) **"ASC 360"** shall mean the Financial Accounting Standards Board Accounting Standards Codification 360 (Property, Plant and Equipment).

"Consolidated Secured Indebtedness" shall mean, as of any date of determination, without duplication, the aggregate amount of Consolidated Indebtedness of the Borrower and its Subsidiaries that, as of such date, is secured by a Lien on any asset or property of the Borrower or any of its Subsidiaries.

"Consolidated Tax Expense" shall mean, for any period, the tax expense of the Borrower and its Subsidiaries, for such period, determined on a consolidated basis in accordance with GAAP and net of any applicable credits or reimbursements received by the Borrower or any of its Subsidiaries during such period (to the extent such credit or reimbursement (as applicable) is otherwise included in the calculation of Consolidated Net Income or Consolidated EBITDA (as applicable)).

"Consolidated Total Assets" shall mean at any date of determination, the net book value of all assets of the Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP.

"Contingent Obligation" shall mean, as to any person, any obligation, agreement, understanding or arrangement 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, agreement, understanding or arrangement 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 or lease 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; (d) with respect to bankers' acceptances, letters of credit and similar credit arrangements, until a reimbursement obligation arises (which reimbursement obligation shall constitute Indebtedness); or (e) otherwise to assure or hold harmless the holder of such primary obligation against loss (in whole or in part) in respect thereof; *provided, however,* that the term "Contingent Obligation" shall not include endorsements of instruments for deposit or collection in the ordinary course of business or any product warranties or other contingent obligations (other than with respect to borrowed money or capital leases) incurred in the ordinary course of business, including indemnities. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made (or, if less, the maximum amount of such primary obligation for which such person may be liable, whether singly or jointly, pursuant to the terms of the instrument evidencing such Contingent Obligation) 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.

"Contribution Share" shall have the meaning assigned to such term in Section 7.10(a).

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

"Control Agreement" shall have the meaning assigned to such term in the Security Agreement.

"Convertible Indebtedness" shall mean Indebtedness of the Borrower permitted to be incurred under the terms of this Agreement that is either (a) convertible into common stock of the Borrower (and cash in lieu of fractional shares) and/or cash (in an amount determined by reference to the price of such

common stock) or (b) sold as units with call options, warrants or rights to purchase (or substantially equivalent derivative transactions) that are exercisable for common stock of the Borrower and/or cash (in an amount determined by reference to the price of such common stock).

"Credit Extension" shall mean the making of a Loan by a Lender.

"Cumulative Amount" shall mean, on any date of determination (the "**Reference Date**"), the sum of (without duplication):

\$10,000,000; *provided* that, during the Amendment Relief Period, the amount under this clause (a) shall equal \$0; *plus*

the portion of Excess Cash Flow, determined on a cumulative basis for all fiscal years of the Borrower and its Subsidiaries, commencing with the fiscal year ending on September 30, 2024, that was not required to be applied to prepay Loans pursuant to Section 2.10(e); *minus* the aggregate amount of all voluntary prepayments made during such period that reduced on a dollar-for-dollar basis the amount required to be applied to prepay Loans pursuant to Section 2.10(e) in respect of such period; *plus*

an amount determined on a cumulative basis from the Closing Date equal to the net cash proceeds from the issuance of Equity Interests of, or a contribution to the capital of, the Borrower (other than (I) to the extent constituting a Cure Amount or (II) proceeds from a Permitted Warrant Transaction or (III) to the extent that such cash proceeds have been previously applied or used for another purpose); *plus*

an amount determined on a cumulative basis equal to the net cash proceeds received by the Borrower from Indebtedness or Disqualified Stock issued after the Closing Date and subsequently converted or exchanged into Qualified Stock of the Borrower or any direct or indirect parent company of the Borrower (other than to the extent constituting a Cure Amount); *plus*

to the extent not included in the calculation of Consolidated Net Income, an amount determined on a cumulative basis equal to the net cash proceeds of sales of Investments previously made pursuant to Section 6.04(q) using the Cumulative Amount, up to a maximum amount of such original Investment; *plus*

to the extent not included in the calculation of Consolidated Net Income, the aggregate amount of Dividends, profits, returns or similar amounts received in cash or Cash Equivalents on Investments previously made pursuant to Section 6.04(q) using the Cumulative Amount, up to a maximum amount of such original Investment; *plus*

[reserved];

the aggregate amount of prepayments which are declined or waived by any Lender pursuant to Section 2.10(j); *minus*

the aggregate amount of (i) Investments made pursuant to Section 6.04(q) using the Cumulative Amount, (ii) dividends made pursuant to Section 6.07(e) using the Cumulative Amount, (iii) payments in respect of Junior Indebtedness made pursuant to Section 6.09(a)(i) using the Cumulative Amount and (iv) any other payment made hereunder using the Cumulative Amount, in each case during the period from and including the Business Day immediately following the Closing Date through and including the

Reference Date (without taking account of the intended usage of the Cumulative Amount on such Reference Date).

"Cure Amount" shall have the meaning assigned to such term in [Section 8.03\(a\)](#).

"Cure Notice" shall have the meaning assigned to such term in [Section 8.03\(a\)](#).

"Cure Right" shall have the meaning assigned to such term in [Section 8.03\(a\)](#).

"Cure Specified Date" shall mean, with respect to any of the first three fiscal quarters of the Borrower in a fiscal year, within forty five (45) days after the end of such fiscal quarter, and with respect to the fourth fiscal quarter of the Borrower in a fiscal year, within ninety (90) days after the end of such fiscal quarter, in each case, commencing with the fiscal quarter ending March 31, 2022.

"Debt Issuance" shall mean the incurrence by any Company of any Indebtedness after the Closing Date (other than as permitted by [Section 6.01](#)).

"Debt Service" shall mean, for any period, Cash Interest Expense for such period plus scheduled principal amortization (and other scheduled mandatory prepayments and repayments (whether pursuant to this Agreement or otherwise)) of all Indebtedness for such period (including the implied principal component of scheduled payments made in respect of permitted Capital Lease Obligations).

"Debtor Relief Laws" shall mean the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

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

"Default Excess" shall have the meaning assigned to such term in [Section 2.16\(c\)](#).

"Default Period" shall have the meaning assigned to such term in [Section 2.16\(c\)](#).

"Default Rate" shall have the meaning assigned to such term in [Section 2.06\(c\)](#).

"Defaulted Loan" shall have the meaning assigned to such term in the definition of Defaulting Lender.

"Defaulting Lender" shall mean any Lender that has (a) failed to fund its portion of any Borrowing within two Business Days of the date on which it shall have been required to fund the same (such Loan being a **"Defaulted Loan"**), unless the subject of a good faith dispute between Borrower and such Lender related hereto, (b) notified Borrower, the Administrative Agent or any other Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under agreements in which it commits to extend credit generally, unless such notification or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such

notification or public statement) cannot be satisfied, (c) failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Loans (unless the subject of a good faith dispute between Borrower and such Lender); *provided* that any such Lender shall cease to be a Defaulting Lender under this clause (c) upon receipt of such confirmation by the Administrative Agent or the Borrower, (d) otherwise failed to pay over to the Borrower the, the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within one Business Day of the date when due (unless such amount is subject to a good faith dispute), (e) (i) been adjudicated as, (or whose direct or indirect parent company has been adjudicated as), or determined by any Governmental Authority having regulatory authority over such person (or such person's direct or indirect parent company) or its Properties or assets to be, insolvent or (ii) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar person charged with reorganization or liquidation of its business or custodian, appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment, unless, in the case of any Lender referred to in this clause (e), the Borrower and the Administrative Agent shall be satisfied that such Lender intends, and has all approvals required to enable it, to continue to perform its obligations as a Lender hereunder. For the avoidance of doubt, a Lender shall not be deemed to be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in such Lender or its parent by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States of America or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender or (f) become, or has a direct or indirect parent company that has become, the subject of a Bail-in Action; *provided* that, as of any date of determination, the determination of whether any Lender is a Defaulting Lender hereunder shall not take into account, and shall not otherwise impair, any amounts funded by such Lender which have been assigned by such Lender to an SPC pursuant to [Section 11.04\(i\)](#). Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (f) above shall be conclusive and binding absent manifest error and such Lender shall be deemed to be a Defaulting Lender) upon delivery of written notice of such determination to the Borrower and each Lender.

"Delayed Draw Term Loan Commitment" shall mean, with respect to each Delayed Draw Term Loan Lender, the commitment, if any, of such Delayed Draw Term Loan Lender to make a Delayed Draw Term Loan. The aggregate principal amount of the Delayed Draw Term Loan Lenders' Delayed Draw Term Loan Commitments on the Closing Date is \$35,000,000. The aggregate principal amount of the 2022 Incremental Delayed Draw Term Loan Lenders' 2022 Incremental Delayed Draw Term Loan Commitments on the First Amendment Effective Date is \$35,000,000.

"Delayed Draw Term Loan Commitment Expiration Date" shall have the meaning assigned to such term in [Section 2.02\(f\)](#).

"Delayed Draw Term Loan Commitment Fee Rate" shall mean (a) with respect to each Delayed Draw Term Loan Lender, for the period from (and including) the Closing Date to (but excluding) the Delayed Draw Term Loan Commitment Expiration Date, a rate per annum equal to 1.00% of the average daily unused portion of the Delayed Draw Term Loan Commitments of non-defaulting Lenders with Delayed Draw Term Loan Commitments, payable quarterly in arrears, and calculated on the basis of a 360-day year and shall be payable for the actual days elapsed (including the first day but excluding the last day) and (b) with respect to each 2022 Incremental Delayed Draw Term Loan Lender, for the period

from (and including) the First Amendment Effective Date to (but excluding) the Delayed Draw Term Loan Commitment Expiration Date, a rate per annum equal to 1.00% of the average daily unused portion of the Delayed Draw Term Loan Commitments of non-defaulting Lenders with Delayed Draw Term Loan Commitments, payable quarterly in arrears, and calculated on the basis of a 360-day year and shall be payable for the actual days elapsed (including the first day but excluding the last day).

“Delayed Draw Term Loan Extension” shall mean the making of a Delayed Draw Term Loan.

“Delayed Draw Term Loan Lender” shall mean a Lender with a Delayed Draw Term Loan Commitment or an outstanding Delayed Draw Term Loan, including any 2022 Incremental Delayed Draw Term Loan Lender with a 2022 Incremental Delayed Draw Term Loan Commitment or an outstanding 2022 Incremental Delayed Draw Term Loan.

“Delayed Draw Term Loans” shall mean the delayed draw term loans made by the Delayed Draw Term Loan Lenders to the Borrower pursuant to Section 2.01(c) and shall include, for the avoidance of doubt, any PIK Amounts. From and after the date of any borrowing of any Delayed Draw Term Loans, each Delayed Draw Term Loan shall be deemed a Term Loan hereunder and part of the same Class as the Initial Term Loans for all purposes hereunder.

“Delayed Draw Ticking Fee” shall have the meaning assigned to such term in Section 2.05(b).

“Designated Capital Expenditures” shall mean Capital Expenditures in amounts included in the Projections.

“Discharge of the Guaranteed Obligations” shall mean and shall have occurred when (i) all Guaranteed Obligations shall have been paid in full in cash and all other obligations under the Loan Documents shall have been performed (other than (a) those expressly stated to survive termination, (b) contingent obligations as to which no claim has been asserted and (c) obligations and liabilities under Specified Hedging Agreements and Bank Product Agreements as to which arrangements satisfactory to the applicable counterparties have been made) and (ii) all Commitments shall have terminated or expired.

“Disposition” shall mean, with respect to any Property, any conveyance, sale, lease, sublease, assignment, transfer or other disposition (including by way of merger or consolidation and including any Sale and Leaseback Transaction) of such Property, and the terms **“Dispose”**, **“Disposed”** and **“Disposing”** shall have meanings correlative thereto.

“Disqualified Institution” shall mean any Person (or its subsidiaries and affiliates) who is an operating competitor of the Borrower or its subsidiaries and that is separately identified by the Borrower to the Administrative Agent by name in writing prior to the Closing Date (which list of operating competitors may be supplemented by the Borrower after the Closing Date by means of a written notice to the Administrative Agent; provided that (i) such supplementation shall not apply retroactively to disqualify any persons that have previously acquired an assignment or participation in the Loans or commitments hereunder and (ii) such list and any supplement thereto may be posted by the Administrative Agent for the Lenders).

“Disqualified Stock” shall mean any equity interest that, by its terms (or by the terms of any security or instrument into which it is convertible or for which it is exchangeable or exercisable), or upon the happening of any event, (a) matures (excluding any maturity as the result of an optional redemption by the issuer thereof) or is mandatorily redeemable (other than for shares of equity that are not

Disqualified Stock), pursuant to a sinking fund obligation or otherwise, or is redeemable (other than for shares of equity that are not Disqualified Stock) at the option of the holder thereof, in whole or in part, or requires the payment of any cash dividend or any other scheduled payment (other than in shares of equity that are not Disqualified Stock) constituting a return of capital, in each case, on a date that is prior to 91 days after the Final Maturity Date, or (b) is convertible into or exchangeable or exercisable for (i) debt securities or other indebtedness or (ii) any equity interest referred to in clause (a) above or (c) contains any repurchase or payment obligation (other than payments or dividends solely in shares of equity that are not Disqualified Stock); *provided, however,* that any equity interests that would not constitute Disqualified Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such equity interests is convertible, exchangeable or exercisable) the right to require the issuer thereof to redeem such equity interests upon the occurrence of a Change in Control shall not constitute Disqualified Stock if such equity interests provide that the issuer thereof will not redeem any such equity interests pursuant to such provisions prior to the repayment in full of the Facilities (or any refinancing thereof).

“Dividend” shall mean, with respect to any person, that such person has declared or paid a dividend or returned any equity capital to the holders of its Equity Interests or authorized or made any other distribution, payment or delivery of Property (other than common equity of such person) or cash to the holders of its Equity Interests as such, or redeemed, retired, purchased or otherwise acquired, directly or indirectly, for consideration any of its Equity Interests outstanding (or any options or warrants issued by such person with respect to its Equity Interests), or set aside or otherwise reserved, directly or indirectly, any funds for any of the foregoing purposes, or shall have permitted any of its Subsidiaries to purchase or otherwise acquire for consideration any of the outstanding Equity Interests of such person (or any options or warrants issued by such person with respect to its Equity Interests). Without limiting the foregoing, **“Dividends”** with respect to any person shall also include all payments made or required to be made by such person with respect to any stock appreciation rights, plans, equity incentive or achievement plans or any similar plans or setting aside of or otherwise reserving any funds for the foregoing purposes.

“Dollar Equivalent” shall mean, as to any amount denominated in a Judgment Currency as of any date of determination, the amount of Dollars that would be required to purchase the amount of such Judgment Currency based upon the spot selling rate at which the Administrative Agent (or another financial institution designated by the Administrative Agent from time to time) offers to sell such Judgment Currency for Dollars in the London foreign exchange market at approximately 11:00 a.m. London time on such date for delivery two Business Days later.

“Dollars” or **“\$”** shall mean lawful money of the United States.

“Domestic Subsidiary” shall mean any Subsidiary organized under the laws of any jurisdiction within the United States.

“Earn-Outs” shall mean, with respect to a Permitted Acquisition or any other acquisition of any assets or Property by any Company, that portion of the purchase consideration therefor and that portion of all other payments and liabilities (whether payable in cash or by exchange of Equity Interests or of any Property or otherwise), directly or indirectly, payable by any Company in exchange for, or as part of, or in connection with, such Permitted Acquisition or such other acquisition, as the case may be, that is deferred for payment to a future time after the consummation of such Permitted Acquisition or such other acquisition, as the case may be, whether or not any such future payment is subject to the occurrence of any contingency, and includes any and all payments representing the purchase price and any assumptions

of Indebtedness, "earn-outs" and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any person or business.

"EEA Financial Institution" shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

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

"Employee Benefit Plan" shall mean any Pension Plan and any other "employee benefit plan" as defined in Section 3(3) of ERISA (other than a Multiemployer Plan and other than a Foreign Plan) which is or was maintained, contributed to or required to be contributed to by any Company.

"Engagement Letter" shall mean the Engagement Letter, dated as of August 22, 2021 between Inotiv, Inc. and Jefferies Finance LLC (as amended, restated, amended and restated, supplemented or modified from time to time in accordance with its terms).

"Envigo Israel Sale" shall mean the sale of Envigo CRS (Israel) Ltd and/or Envigo RMS (Israel) Ltd and/or their respective assets that do not constitute Collateral.

"Environment" shall mean any surface or subsurface physical medium or natural resource, including air, land, soil, surface waters, ground waters, sediments (including stream and river sediments), biota and any indoor surface area, surface or physical medium, and any ecological systems and living organisms supported by these media.

"Environmental Claim" shall mean any claim, notice, demand, Order, action, suit, investigation, proceeding, or other communication or legal proceeding alleging or asserting liability or obligations under Environmental Law, including liability or obligation for investigation, enforcement proceedings, governmental response, assessment, remediation, removal, cleanup, Response, corrective action, monitoring, post-remedial or post-closure studies, investigations, operations and maintenance, injury, damage, destruction or loss to natural resources, personal injury, medical monitoring, wrongful death, property damage, fines, penalties or other costs resulting from, related to or arising out of (a) the presence, Release or threatened Release of Hazardous Materials in, on, into, through or from the Environment at any location or (b) any violation of or non-compliance with Environmental Law, and shall include any claim, notice, demand, Order, action, suit or proceeding seeking damages (including the costs of remediation), contribution, indemnification, cost recovery, penalties, fines, indemnities, compensation or injunctive relief resulting from, related to or arising out of the presence, Release or threatened Release of Hazardous Material or alleged injury or threat of injury to human health and safety (as it relates to exposure to Hazardous Materials) or the Environment.

"Environmental Law" shall mean any and all applicable Legal Requirements relating to or imposing liability or standards of conduct concerning human health and safety (as it relates to exposure to Hazardous Materials) or pollution, preservation, or protection of the Environment, the Release, threatened Release, or the generation, manufacture, use, labeling, treatment, storage, handling, or transportation of Hazardous Material, natural resources or natural resource damages, or occupational safety or health (as it relates to exposure to Hazardous Materials).

"Environmental Permit" shall mean any permit, license, approval, consent, notifications, exemptions, registration or other authorization required by or from a Governmental Authority under any Environmental Law.

"Equity Interest" shall mean, with respect to any person, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents, including membership interests (however designated, whether voting or nonvoting), of equity of such person, including, if such person is a partnership, partnership interests (whether general or limited), or if such person is a limited liability company, membership interests, and any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of Property of, such partnership, whether outstanding on the Closing Date or issued on or after the Closing Date, but excluding Convertible Indebtedness.

"Equity Issuance" shall mean, without duplication, (a) any issuance or sale by the Borrower of any Equity Interests in the Borrower (including any Equity Interests issued upon exercise of any warrant or option or equity-based derivative) or any warrants or options or equity-based derivatives to purchase Equity Interests of the Borrower or (b) any contribution to the capital of the Borrower.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder by any Governmental Authority, as from time to time in effect.

"ERISA Affiliate" shall mean, with respect to any person, any trade or business (whether or not incorporated) that, together with such person, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001 of ERISA, or solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" shall mean (i) a "reportable event" within the meaning of Section 4043(c) of ERISA (other than any such event with respect to which the notice requirement has been waived) with respect to any Pension Plan; (ii) the failure of any Company or any ERISA Affiliate to meet the minimum funding standard of Section 412 or 430 of the Code or Section 302 or 303 of ERISA with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Code) or the failure of any Company or any ERISA Affiliate to make by its due date a required installment under Section 430(j) of the Code with respect to any Pension Plan or the failure of any Company or any ERISA Affiliate to make any required contribution to a Multiemployer Plan, or the filing of any request for or receipt of a minimum funding waiver under Section 412 of the Code with respect to any Pension Plan; (iii) a determination that any Pension Plan is, or is expected to be, in "at risk" status (as defined in Section 430 of the Code or Section 303 of ERISA); (iv) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such Pension Plan in a distress termination described in Section 4041(c) of ERISA, the termination of any Pension Plan under Section 4041(c) of ERISA or the provision by the administrator of any Pension Plan pursuant to Section

4041(a)(2) of ERISA of a notice of intent to terminate such Pension Plan, if such termination would require material additional contributions in order to be considered a standard termination within the meaning of Section 4041(b) of ERISA; (v) a determination that any Multiemployer Plan is, or is expected to be, in “critical” or “endangered” status under Section 432 of the Code or Section 305 of ERISA; (vi) the withdrawal by any Company or any ERISA Affiliate from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability of any Company or any ERISA Affiliate pursuant to Section 4063 or 4064 of ERISA; (vii) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which could reasonably be expected to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (viii) the imposition of liability on any Company or any ERISA Affiliate pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (ix) the complete or partial withdrawal of any Company or any ERISA Affiliate from any Multiemployer Plan (within the meaning of Sections 4203 and 4205 of ERISA) if there is any potential liability therefor, or the receipt by any Company or any ERISA Affiliate of notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (x) the failure of any Pension Plan (or any other Employee Benefit Plan intended to be qualified under Section 401(a) of the Code) to qualify under Section 401(a) of the Code, or the failure of any trust forming part of any Pension Plan to qualify for exemption from taxation under Section 501(a) of the Code; (xi) the imposition of a Lien pursuant to Section 430(k) of the Code or pursuant to ERISA or a violation of Section 436 of the Code with respect to any Pension Plan; or (xii) a Foreign Plan Event.

“Erroneous Payment” shall have the meaning assigned to it in [Section 10.14\(a\)](#).

“Erroneous Payment Deficiency Assignment” shall have the meaning assigned to it in [Section 10.14\(d\)](#).

“Erroneous Payment Impacted Class” shall have the meaning assigned to it in [Section 10.14\(d\)](#).

“Erroneous Payment Return Deficiency” shall have the meaning assigned to it in [Section 10.14\(d\)](#).

“Erroneous Payment Subrogation Rights” shall have the meaning assigned to it in [Section 10.14\(d\)](#).

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

“Event of Default” shall have the meaning assigned to such term in [Section 8.01](#).

“Excess Cash Flow” shall mean, for any Excess Cash Flow Period:

the sum, without duplication, of

Consolidated EBITDA for such Excess Cash Flow Period;

cash items of income actually received by the Borrower or any of its Subsidiaries during such Excess Cash Flow Period not included (or deducted) in calculating Consolidated EBITDA; and

the decrease, if any, in Net Working Capital from the start to the end of such Excess Cash Flow Period;*minus*

the sum, in each case without duplication, of:

the aggregate amount of cash Consolidated Tax Expense paid or payable by the Borrower and its Subsidiaries with respect to such Excess Cash Flow Period and, if payable, for which, to the extent required under GAAP, reserves have been established;

the aggregate amount of Debt Service for such Excess Cash Flow Period;

the aggregate amount of permanent repayments and prepayments of Indebtedness (including the Voluntary Loan Prepayment Amount made during such Excess Cash Flow Period that is applied by Borrower to Term Loans that are due and payable within the same fiscal year that such amortization payment is due pursuant to Section 2.09, as applicable, but excluding, in each case, the Voluntary Loan Prepayment Amount for such Excess Cash Flow Period that is applied by Borrower to Term Loans that are due and payable during such Excess Cash Flow Period in any fiscal quarter following the date such Voluntary Loan Prepayment Amount is made) made by the Borrower and its Subsidiaries during such Excess Cash Flow Period but only to the extent that (x) such repayments and prepayments by their terms cannot be reborrowed or redrawn, (y) such repayments and prepayments do not occur in connection with a refinancing of all or a portion of such Indebtedness, and (z) such repayments and prepayments are funded with Internally Generated Funds (other than to the extent made using the Cumulative Amount);

the aggregate amount of Capital Expenditures actually paid or committed to be paid in cash during such Excess Cash Flow Period and anticipated to be made prior to the date the mandatory prepayment is required by Section 2.10(e) to the extent funded from Internally Generated Funds (other than to the extent made using the Cumulative Amount); *provided* that any such amounts not actually used shall be added to the calculation of Excess Cash Flow in the subsequent Excess Cash Flow Period;

the aggregate amount of Acquisition Consideration with respect to Permitted Acquisitions, other Investments permitted hereunder, other than Investments of a type permitted under Section 6.04(b) (other than clause (iv) therein) or (f) in each case, paid in cash during such Excess Cash Flow Period (or committed to be paid in cash during such Excess Cash Flow Period and anticipated to be made prior to the date the mandatory prepayment is required by Section 2.10(e); *provided* that any such amounts not actually used shall be added to the calculation of Excess Cash Flow in the subsequent Excess Cash Flow Period) to the extent funded from Internally Generated Funds (other than to the extent made using the Cumulative Amount);

the aggregate amount of expenditures, other than Capital Expenditures, made in cash during such Excess Cash Flow Period and capitalized in accordance with GAAP during such Excess Cash Flow Period to the extent such expenditures are funded from Internally Generated Funds (other than to the extent made using the Cumulative Amount);

the aggregate amount of cash items of expense (including losses) during such Excess Cash Flow Period not deducted in calculating Consolidated EBITDA;

the aggregate amount of any Dividends (other than Dividends of a type permitted under Section 6.07(a) or (e)) paid during such Excess Cash Flow Period;

the aggregate amount of any cash paid to repurchase Term Loans to the extent funded from Internally Generated Funds;

the aggregate amount of cash items included in the calculation of Consolidated EBITDA for such period to the extent paid in cash by the Borrower and its Subsidiaries during such Excess Cash Flow Period;

the amount of any severance costs and expenses, restructuring expenses, charges, accruals and reserves, cost synergies and operating expense reductions, in each case, to the extent constituting adjustments included in the calculation of Consolidated EBITDA for such Excess Cash Flow Period;

the increase, if any, in Net Working Capital from the start to the end of such Excess Cash Flow Period;

the amount of any non-cash gain included in Consolidated EBITDA for such Excess Cash Flow Period recognized as a result of any Dispositions; and

cash payments by the Borrower and its Subsidiaries during such Excess Cash Flow Period in respect of long-term liabilities of the Borrower and its Subsidiaries (other than obligations described in clause (v) above or Indebtedness) to the extent such payments are not expensed during any Excess Cash Flow Period or are not deducted in calculating Consolidated EBITDA;

- *provided*, that, for purposes of calculating Excess Cash Flow for any Excess Cash Flow Period, for each Permitted Acquisition or other Investment consummated during such Excess Cash Flow Period, the Consolidated EBITDA of a target of any Permitted Acquisition or other Investment shall be included in such calculation only from and after the date of the consummation of such Permitted Acquisition or Investment, as applicable.

“Excess Cash Flow Period” shall mean, commencing with the fiscal year ending on September 30, 2024, each fiscal year of the Borrower.

“**Excess Payment**” shall have the meaning assigned to such term in Section 7.10(a).

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended.

“**Excluded Assets**” shall have the meaning assigned to such term in the Security Agreement.

“**Excluded Subsidiary**” shall mean (i) any Subsidiary that is prohibited by applicable law at the time such Subsidiary becomes a Subsidiary from becoming a Guarantor, (ii) (A) any Subsidiary that is a CFC, to the extent making such CFC a Guarantor would result in material adverse tax consequences to the Borrower (as mutually determined by the Required Lenders and the Borrower) and any and all direct

or indirect subsidiaries of such excluded CFC or CFC Holding Company (as defined below) and (B) any Subsidiary that has no material assets other than equity (or equity and indebtedness) of excluded CFCs described in the foregoing clause (ii)(A) (a “**CFC Holding Company**”) and/or excluded CFC Holding Companies, (iii) any Immaterial Subsidiary and (iv) any Subsidiary acquired pursuant to a Permitted Acquisition or other similar Investment permitted by this Agreement that is an obligor in respect of secured indebtedness that is permitted pursuant to this Agreement and not incurred in contemplation of such Permitted Acquisition or other similar investment and any Subsidiary thereof that Guarantees such secured Indebtedness, in each case to the extent (and for so long as) such secured indebtedness prohibits such subsidiary from becoming a Guarantor. For the avoidance of doubt, the Borrower shall at no time constitute an Excluded Subsidiary.

“**Excluded Swap Obligation**” shall mean any obligation of any Guarantor to pay or perform under any agreement, contract, or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act (a “**Swap**”), if, and to the extent that, all or a portion of the guarantee by such Guarantor of, or the grant by such Guarantor or the Borrower of a security interest to secure, such Swap (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation, or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder.

“**Excluded Taxes**” shall mean, with respect to the Administrative Agent or any Lender, as applicable (each, a “**Recipient**”), of any payment to be made by or on account of any obligation of any Loan Party hereunder, or under any Loan Document, (a) Taxes imposed on (or measured by) its net income (however denominated), franchise Taxes, and branch profits Taxes, in each case (i) imposed by the jurisdiction under the laws of which such Recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or (ii) that are Other Connection Taxes, (b) in the case of a Lender (other than an assignee pursuant to a request by Borrower under Section 2.16), any U.S. federal withholding Tax that (i) is imposed on amounts payable to such Recipient at the time such Recipient becomes a party to this Agreement (or designates a new lending office) or (ii) is attributable to such Lender’s failure to comply with Section 2.15(e), in each case except to the extent that such Recipient (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts with respect to such withholding Tax pursuant to Section 2.15(a), and (c) any United States federal withholding Taxes imposed under FATCA.

“**Executive Order**” shall have the meaning assigned to such term in Section 3.20(a).

“**Existing Lien**” shall have the meaning assigned to such term in Section 6.02(b).

“**Extended Term Loans**” shall have the meaning specified in Section 2.20(a).

“**Extending Lender**” shall have the meaning specified in Section 2.20(a).

“**Extension**” shall have the meaning specified in Section 2.20(a).

“**Extension Offer**” shall have the meaning specified in Section 2.20(a).

“**Extraordinary Receipts**” shall mean any cash received by the Borrower or any of its Subsidiaries not in the ordinary course of business (and not constituting Net Cash Proceeds subject to Section 2.10(c) or Cure Amount subject to Section 2.10(g)), including, without limitation, (i) judgments,

proceeds of settlements, or other consideration of any kind in connection with any cause of action, (ii) indemnity payments (except to the extent used to pay related liabilities owing to third parties unaffiliated with the Loan Parties), (iii) proceeds of tax refunds or tax credits (including any Employee Retention Tax Credit under the CARES Act) and (iv) any purchase price adjustment, escrow payment or holdback amount or similar amount received in connection with any purchase agreement (other than a working capital adjustment).

“Facilities” shall mean the Term Loan Facility and the Revolving Credit Facility.

“Fair Market Value” shall mean, with respect to any asset (including any Equity Interests of any person), the price at which a willing buyer (that is not an Affiliate of the seller), and a willing seller who does not have to sell, would agree to purchase and sell such asset, as determined in good faith by the Board of Directors of the Borrower or, pursuant to a specific delegation of authority by such Board of Directors or a designated senior executive officer, of the Borrower (or the Subsidiary of the Borrower selling such asset).

“FATCA” shall mean sections 1471 through 1474 of the Code, as of the Closing Date (or any amended or successor version to the extent such version is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, and any intergovernmental agreements or agreements implementing the foregoing entered into pursuant to Section 1471(b) of the Code.

“Federal Funds Effective Rate” shall mean, for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System of the United States arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary to the next 1/100th of 1%) of the quotations for the day for such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

“Fees” shall mean the Commitment Fees, the Administrative Agent Fees and the other fees referred to in Section 2.05(d).

“Final Maturity Date” shall mean the later of (i) the Revolving Maturity Date and (ii) the Term Loan Maturity Date.

“Financial Officer” of any person shall mean any of the president, chief operating officer, chief financial officer, principal accounting officer, treasurer, or controller of such person.

“FIRREA” shall mean the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as amended.

“First Amendment” shall mean that certain First Amendment to Credit Agreement, dated as of January 27, 2022, by and among the Borrower, the Subsidiary Guarantors party thereto and the Administrative Agent.

“First Amendment Effective Date” shall mean the date on which the conditions precedent set forth in Section 3 of the First Amendment are satisfied.

"First Lien Leverage Ratio" shall mean, at any date of determination, the ratio of (a) the Consolidated First Lien Indebtedness outstanding on such date *minus* Unrestricted Cash and Cash Equivalents of the Borrower and its Subsidiaries that are Domestic Subsidiaries in an aggregate amount not to exceed \$35,000,000 to (b) Consolidated EBITDA for the Test Period then most recently ended.

"Fixed Charge Coverage Ratio" shall mean, as of the last day of any specified Test Period, the ratio of: (a) (i) Consolidated EBITDA for the Test Period ending on such date, *minus* (ii) Capital Expenditures other than Capital Expenditures made in cash in such period that are financed with cash proceeds of (A) Delayed Draw Term Loans or (B) Equity Issuances (other than Permitted Cure Securities), *plus* (iii) the aggregate amount of Unrestricted Cash and Cash Equivalents in excess of \$35,000,000 to (b) *the sum of* (i) Consolidated Interest Expense paid in cash for such period, *plus* (ii) scheduled amortization principal payments of Indebtedness that have been made or required to have been made during such period pursuant to this Agreement (including scheduled principal payments in respect of the Term Loans and scheduled reductions of the Revolving Commitments to the extent accompanied by a reduction in the amount of Revolving Exposure, but excluding any mandatory prepayments pursuant to Section 2.10(c), 2.10(e), 2.10(f) and 2.10(g) of this Agreement), *plus* (iii) Taxes based on income paid in cash in such period, *plus* (iv) without duplication of the foregoing, payments made during such Test Period on account of principal of Indebtedness of the Borrower and its Subsidiaries.

"Floor" shall mean 1.00%.

"Foreign Lender" shall mean any Lender that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code.

"Foreign Plan" shall mean any employee pension benefit plan, fund, program, policy, arrangement, or agreement, or other similar program established, maintained or contributed to by any Company on behalf of (or for the benefit of) its employees, officers or directors employed, or otherwise engaged, outside the United States.

"Foreign Plan Event" shall mean, with respect to any Foreign Plan, (i) the existence of unfunded liabilities in excess of the amount permitted under any applicable Legal Requirement, or in excess of the amount that would be permitted absent a waiver from a Governmental Authority, (ii) the failure to make the required contributions or payments, under any applicable Legal Requirement, on or before the due date for such contributions or payments, (iii) the receipt of a notice from a Governmental Authority relating to the intention to terminate such Foreign Plan or to appoint a trustee or similar official to administer such Foreign Plan, or alleging the insolvency of such Foreign Plan, or (iv) the incurrence of any liability by any Company under applicable Legal Requirements on account of the complete or partial termination of such Foreign Plan or the complete or partial withdrawal of any participating employer therein.

"Foreign Subsidiary" shall mean a Subsidiary that is not a Domestic Subsidiary.

"Fourth Amendment" shall mean that certain Fourth Amendment to Credit Agreement, dated as of May 14, 2024 by and among the Borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and the Administrative Agent.

"Fourth Amendment Effective Date" shall mean the date on which the conditions precedent set forth in Section 2 of the Fourth Amendment are satisfied.

"Funding Default" shall have the meaning assigned to such term in Section 2.16(c).

"GAAP" shall mean generally accepted accounting principles in the United States applied on a consistent basis.

"Governmental Authority" shall mean any federal, state, local or foreign (whether civil, administrative, criminal, military or otherwise) court, central bank or governmental agency, tribunal, authority, instrumentality or regulatory body or any subdivision thereof or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Granting Lender" shall have the meaning assigned to such term in Section 11.04(i).

"Guaranteed Obligations" shall have the meaning assigned to such term in Section 7.01.

"Guarantees" shall mean the guarantees issued pursuant to Article VII by each of the Guarantors.

"Guarantors" shall mean the Subsidiary Guarantors and, with respect to Hedging Obligations and Bank Product Obligations, the Borrower.

"Hazardous Materials" shall mean any substances, chemicals, or wastes that are listed, regulated, or otherwise defined as hazardous, toxic, radioactive, a pollutant or a contaminant (or words of similar regulatory intent or meaning), under any Environmental Laws, or which could give rise to liability under any Environmental Law, including but not limited to, polychlorinated biphenyls ("PCBs") or any substance or compound containing PCBs, asbestos or any asbestos-containing materials in any form or condition, lead-based paint, pesticides, radon or any other radioactive materials including any source, special nuclear or by-product material, petroleum, petroleum by-products, crude oil or any fraction thereof, toxic mold, or per- or polyfluoroalkyl substances (PFAS).

"Hedging Agreement" shall mean (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, currency swap transactions, cross-currency rate swap transactions, currency options, cap transactions, floor transactions, collar transactions, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options or warrants to enter into any of the foregoing), whether or not any such transaction is governed by, or otherwise subject to, any master agreement or any netting agreement, and (b) any and all transactions or arrangements of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement (or similar documentation) published from time to time by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such agreement or documentation, together with any related schedules, a **"Master Agreement"**), including any such obligations or liabilities under any Master Agreement.

"Hedging Obligations" shall mean obligations under or with respect to Hedging Agreements.

"Historical Financial Statements" shall mean (a) the audited consolidated balance sheet of the Borrower and certain of its Affiliates (as specified therein) as at the end of the fiscal years ended

September 30, 2020, 2019 and 2018, (b) the unaudited consolidated balance sheet of the Borrower and certain of its Affiliates (as specified therein) as at the end of the fiscal quarter ended June 30, 2021, (c) the unaudited consolidated balance sheet of Envigo and certain of its Affiliates (as specified therein) as of the dates specified therein and, in each case, the related consolidated statements of income or operations, changes in stockholders' equity and cash flows for such fiscal periods, including the notes thereto.

"Immaterial Subsidiary" shall mean, as of any date, any Subsidiary (x) whose total assets, in the aggregate with the total assets of all other Subsidiaries constituting Immaterial Subsidiaries, in each case, as measured as of the last day of the fiscal quarter of the Borrower most recently ended for which financial statements have been delivered, equal or are less than 2.5% of Consolidated Total Assets, (y) whose total revenue in the aggregate with the total revenue of all other Subsidiaries constituting Immaterial Subsidiaries, in each case, as measured as of the last day of the fiscal quarter of the Borrower most recently ended for which financial statements have been delivered, equal or are less than 2.5% of consolidated total revenues of the Borrower and its Subsidiaries and (z) whose Consolidated EBITDA, in the aggregate with Consolidated EBITDA of all other Subsidiaries constituting Immaterial Subsidiaries, in each case, as measured as of the last day of the fiscal quarter of the Borrower most recently ended for which financial statements have been delivered, equal or are less than 2.5% of Consolidated EBITDA; *provided* that a Subsidiary will not be considered to be an Immaterial Subsidiary if it directly or indirectly, guarantees or otherwise provides direct credit support for any Indebtedness of any Loan Party, or if it owns any Intellectual Property that is material to the business of the Borrower or any other Subsidiary.

"Increased Amount Date" shall have the meaning assigned to such term in Section 2.19(a).

"Increasing Lenders" shall have the meaning assigned to such term in Section 2.19(b).

"Incremental Excess Yield" shall have the meaning assigned to such term in Section 2.19(a).

"Incremental Facility" shall have the meaning assigned to such term in Section 2.19(a).

"Incremental Loan Amendment" shall have the meaning assigned to such term in Section 2.19(c).

"Indebtedness" of any person shall mean, without duplication, (a) all obligations of such person for borrowed money or advances (including unreimbursed amounts outstanding under letters of credit and any Convertible Indebtedness); (b) all obligations of such person evidenced by loan agreements, bonds, debentures, notes or similar instruments; (c) all obligations of such person under conditional sale or other title retention agreements relating to Property purchased by such person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such Property); (d) all obligations of such person issued or assumed as part of the deferred purchase price of Property or services (excluding (w) trade accounts payable and accrued obligations incurred in the ordinary course of business on normal trade terms, (x) deferred rent obligations, (y) customary obligations under employment arrangements and (z) purchase price adjustments or Earn-Outs that have not yet become liabilities on the balance sheet of such person in accordance with GAAP); (e) all Indebtedness of others secured by any Lien on Property owned or acquired by such person, whether or not the obligations secured thereby have been assumed, but limited to the lower of (i) the Fair Market Value of such Property and (ii) the amount of the Indebtedness secured; (f) all Capital Lease Obligations, Purchase Money Obligations and Off-Balance Sheet Obligations of such person; (g) the amount of all obligations of such person with respect to the redemption, repayment or other repurchase of Disqualified

Stock; (h) all Hedging Obligations to the extent required to be reflected on a balance sheet of such person; (i) all obligations of such person for the reimbursement of any obligor in respect of letters of credit (but only to the extent of drawn but unreimbursed amounts thereunder), letters of guaranty, bankers' acceptances and similar credit transactions; and (j) all Contingent Obligations of such person in respect of Indebtedness or obligations of others of the kinds referred to in clauses (a) through (i) above. The Indebtedness of any person shall include the Indebtedness of any other entity (including any partnership in which such person is a general partner) to the extent such person is liable therefor as a result of such person's ownership interest in or other relationship with such entity, except (other than in the case of general partner liability) to the extent that terms of such Indebtedness expressly provide that such person is not liable therefor; *provided* that Indebtedness shall not include accrued expenses, deferred revenue, deferred rent, deferred taxes and deferred compensation and customary obligations under employment arrangements.

"Indemnified Taxes" shall mean (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitee" shall have the meaning assigned to such term in [Section 11.03\(b\)](#).

"Information" shall have the meaning assigned to such term in [Section 11.12](#).

"Initial Term Lender" shall mean any Lender with an Initial Term Loan Commitment or holding Initial Term Loans.

"Initial Term Loan Commitment" shall mean, with respect to each Initial Term Lender, the commitment of such Initial Term Lender to make Initial Term Loans. The aggregate amount of the Initial Term Loan Commitments on the Closing Date is \$165,000,000.

"Initial Term Loans" shall mean the term loans made by the Initial Term Lenders to the Borrower pursuant to [Section 2.01\(a\)](#) and shall include, for the avoidance of doubt, any PIK Amounts.

"Insolvency Law" shall mean the Bankruptcy Code of the United States, and all other insolvency, bankruptcy, receivership, liquidation, conservatorship, assignment for the benefit of creditors, moratorium, rearrangement, reorganization, or similar Legal Requirements of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Insurance Policies" shall mean the insurance policies and coverages required to be maintained by each Loan Party that is an owner or lessee of Mortgaged Property with respect to the applicable Mortgaged Property pursuant to [Section 5.04](#) and all renewals and extensions thereof.

"Insurance Requirements" shall mean, collectively, all material provisions of the Insurance Policies, all material requirements of the issuer of any of the Insurance Policies and all material Orders, rules, regulations and any other requirements of the National Board of Fire Underwriters (or any other body exercising similar functions) binding upon any Loan Party that is an owner of Mortgaged Property and applicable to the Mortgaged Property or any use or condition thereof.

"Intellectual Property" shall have the meaning assigned to such term in [Section 3.06\(a\)](#).

"Interest Election Request" shall mean a request by Borrower to convert or continue a Revolving Borrowing, Term Borrowing in accordance with Section 2.08(b), substantially in the form of Exhibit D.

"Interest Payment Date" shall mean (a) with respect to any ABR Loan, the last Business Day of each fiscal quarter to occur during any period in which such Loan is outstanding, (b) with respect to any Term SOFR Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term SOFR Loan with an Interest Period of more than three months' duration, each day that would have been an Interest Payment Date had successive Interest Periods of three months' duration been applicable to such Borrowing, (c) with respect to any Revolving Loan, the Revolving Maturity Date or such earlier date on which the Revolving Commitments are terminated and (d) with respect to any Term Loan, the applicable Term Loan Maturity Date.

"Interest Period" shall mean, with respect to any SOFR Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter, as the Borrower may elect; *provided* that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Internally Generated Funds" shall mean funds not constituting the proceeds of any Indebtedness, Debt Issuance, Equity Issuance, Asset Sale or Casualty Event (in each case, without regard to the exclusions from the definitions thereof).

"Investments" shall have the meaning assigned to such term in Section 6.04.

"Joinder Agreement" shall mean a joinder agreement substantially in the form of Exhibit 3 to the Security Agreement.

"Judgment Currency" shall have the meaning assigned to such term in Section 11.18.

"Judgment Currency Conversion Date" shall have the meaning assigned to such term in Section 11.18.

"Junior Indebtedness" shall mean any Indebtedness of any Company that is (x) secured by a Lien that is junior in priority to the Lien securing the Obligations, (y) by its terms subordinated in right of payment to all or any portion of the Obligations or (z) unsecured.

"LCA Election" shall mean the Borrower's election to treat a specified acquisition as a Limited Condition Acquisition.

"Leases" shall mean any and all leases, subleases, tenancies, options, concession agreements, rental agreements, occupancy agreements, franchise agreements, access agreements and any other agreements (including all amendments, extensions, replacements, renewals, modifications and/or

guarantees thereof), whether or not of record and whether now in existence or hereafter entered into, affecting the use or occupancy of all or any portion of any Real Property.

"Legal Requirements" shall mean, as to any person, the Organizational Documents of such person, and any treaty, law (including the common law), statute, ordinance, code, rule, regulation, license, permit, guidelines, decrees, requirement, Order or determination of an arbitrator or a court or other Governmental Authority, or other legally binding requirements, in each case would reasonably be interpreted to be applicable to or binding upon such person or any of its Property or to which such person or any of its Property would reasonably be interpreted to be subject.

"Lender Presentation" shall mean that certain lender presentation furnished to the initial Lenders in connection with the syndication of the Facilities on or around the August 2021.

"Lenders" shall mean (a) each financial institution and other persons party hereto as "Lenders" on the date hereof, (b) each Additional Lender and (c) each financial institution or other person that becomes a party hereto pursuant to an Assignment and Assumption (including pursuant to Section 2.19 and Section 2.20), other than, in each case, any such financial institution or person that has ceased to be a party hereto pursuant to an Assignment and Assumption.

"Lien" shall mean, with respect to any Property, (a) any mortgage, deed of trust, lien (statutory or otherwise), pledge, encumbrance, claim, charge, assignment, hypothecation, security interest or encumbrance of any kind, including any easement, right-of-way or other encumbrance on title to Real Property, in each of the foregoing cases whether voluntary or imposed by law, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such Property, and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities; provided, that in no event shall an operating lease be deemed to constitute a Lien.

"Limited Condition Acquisition" shall mean any acquisition or investment permitted hereunder by any Borrower or one or more of its Subsidiaries whose consummation is not conditioned on the availability of, or on obtaining, third party financing; provided that solely for the purpose of (i) measuring the relevant ratios and baskets with respect to the incurrence of any Indebtedness (including any Incremental Facilities) or Liens or the making of any acquisitions or other Investments, Dividends, Restricted Debt Payments, Asset Sales or other sales or dispositions of assets or fundamental changes or (ii) determining compliance with representations and warranties or the occurrence of any Default or Event of Default, in each case, in connection with a Limited Condition Acquisition after giving effect thereto, if the Borrower has made an LCA Election with respect to such Limited Condition Acquisition, the date of determination of whether any such action is permitted hereunder shall be deemed to be the date the definitive agreements for such Limited Condition Acquisition are entered into (the "**LCA Test Date**"), and, if after giving pro forma effect to the Limited Condition Acquisition and the other transactions to be entered into in connection therewith as if they had occurred at the beginning of the most recent Test Period ending prior to the LCA Test Date, the Borrower could have taken such action on the relevant LCA Test Date in compliance with such ratio, basket, representation or warranty, such ratio, basket, representation or warranty shall be deemed to have been complied with. If the Borrower has made an LCA Election for any Limited Condition Acquisition, then in connection with any subsequent calculation of any ratio or basket on or following the relevant LCA Test Date and prior to the earliest to occur of (i) the date on which such Limited Condition Acquisition is consummated, (ii) the date that the definitive

agreement for such Limited Condition Acquisition is terminated or expires without consummation of such Limited Condition Acquisition or (iii) the date that is 120 days after the relevant LCA Test Date, any such ratio or basket shall be calculated (A) on a Pro Forma Basis assuming such Limited Condition Acquisition and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have been consummated until such time as the applicable Limited Condition Acquisition has actually closed, the acquisition agreement with respect thereto has been terminated or such 120-day period has expired and (B) on a standalone basis without giving effect to such Limited Condition Acquisition and the other transactions in connection therewith.

"Loan" or **"Loans"** shall mean, as the context may require, any Revolving Loan, Initial Term Loan, Extended Term Loan, New Term Loan or Delayed Draw Term Loan and, in each case, including any PIK Amounts.

"Loan Documents" shall mean this Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Notes (if any), the Security Documents and each Joinder Agreement, but excluding any Hedging Agreement. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to this Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative.

"Loan Parties" shall mean the Borrower and the Subsidiary Guarantors.

"Main Street Credit Agreement" shall mean that certain Credit Agreement, dated as of November 4, 2020, by and among Envigo, the guarantors party thereto and Harbor Bankshares Asset Management, LLC, as lender.

"Margin Stock" shall have the meaning assigned to such term in Regulation U.

"Material Adverse Effect" shall mean, any event, change or condition that, individually or in the aggregate, has had, or could reasonably be expected to have (a) a material adverse effect on the business, operations or financial condition of the Borrower and its Subsidiaries, taken as a whole, (b) a material and adverse effect on the rights and remedies of the Administrative Agent under this Agreement or the other Loan Documents (other than solely due to the extent of the action or inaction of the Administrative Agent, or any of the Lenders), or (c) a material and adverse effect on the ability of the Borrower and Guarantors to perform their payment obligations under this Agreement and the other Loan Documents; *provided* that, until the Initial End Date of the Amendment Relief Period, any effect on the business, operations or financial condition of the Borrower and its Subsidiaries directly resulting from the impact of the matters occurring prior to the Second Amendment Effective Date and described in the Section 5.02(c) Notice dated December 14, 2022, delivered by the Borrower to the Administrative Agent pursuant to Section 5.02(c), shall be deemed not to constitute a Material Adverse Effect under clause (a) of the definition hereof; it being understood and agreed that any updates, developments or events occurring after the Second Amendment Effective Date relating to such matters (or prior to the Second Amendment Effective Date but not disclosed to the Lenders on or prior to such date in writing) that, individually or in the aggregate, has had, or could reasonably be expected to have, a material adverse effect on the business, operations or financial condition of the Borrower and its Subsidiaries, taken as a whole, shall constitute a Material Adverse Effect.

"Material Foreign Subsidiary" shall mean, as of any date, any Foreign Subsidiary of the Borrower that is not an Immaterial Subsidiary.

"Maximum Incremental Facilities Amount" shall mean the sum of the following:

\$35,000,000, *plus*

an unlimited additional amount of New Term Loans and New Revolving Commitments so long as, on a Pro Forma Basis, the First Lien Leverage Ratio shall not exceed 3.25:1.00; *provided* that (x) for purposes of determining compliance with the foregoing First Lien Leverage Ratio, any New Revolving Commitments and any incremental facilities in the form of delayed draw term loans shall be deemed to be drawn in full, all New Term Loans and the cash proceeds of any New Term Loans and New Revolving Commitments (assuming the full amount thereof is drawn) shall be excluded for cash netting purposes and (y) to the extent the proceeds of any New Term Loans are intended to be applied to finance a Limited Condition Acquisition, the First Lien Leverage Ratio shall be tested in accordance with the last sentence of the definition of "Limited Condition Acquisition";

- *provided* that, from and after the Third Amendment Effective Date, the Maximum Incremental Facilities Amount shall equal \$0.

"Maximum Rate" shall have the meaning assigned to such term in Section 11.13.

"Merger" shall have the meaning assigned to such term in the preamble.

"Merger Agreement" shall mean that certain Agreement and Plan of Merger, made and entered into as of September 21, 2021, by and among, *inter alios*, Merger Sub, LLC, Merger Sub, the Borrower and Envigo, together with the schedules and exhibits thereto.

"Minimum Extension Condition" shall have the meaning assigned to such term in Section 2.20(b).

"Moody's" shall mean Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" shall mean an agreement, including a mortgage, deed of trust or any other document, creating and evidencing a first priority Lien in favor of the Collateral Agent on Mortgaged Property in a form reasonably satisfactory to the Collateral Agent (including with respect to requirements for title, flood and other insurance and surveys), with such schedules and including such provisions as shall be necessary to conform such document to applicable local or foreign law or as shall be customary under applicable local or foreign Legal Requirements.

"Mortgaged Property" shall mean each Real Property that is (or shall be) subject to a Mortgage delivered on the Closing Date or after the Closing Date pursuant to Section 4.01(o), Section 5.18 or Section 5.10(d).

"Multiemployer Plan" shall mean a multiemployer plan within the meaning of Section 4001(a)(3) of ERISA to which any Company or any ERISA Affiliate has an obligation to contribute or with respect to which any Company or ERISA Affiliate has incurred any undischarged liability or could reasonably be expected to incur any liability (whether contingent or otherwise).

"Net Cash Proceeds" shall mean:

with respect to any Asset Sale (other than any issuance or sale of Equity Interests), the proceeds thereof in the form of cash, cash equivalents (including Cash Equivalents) and marketable securities (including any such proceeds received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable, or by the sale, transfer or other Disposition of any non-cash consideration received in connection therewith or otherwise, but only as and when received) received by any Company (including cash proceeds subsequently received (as and when received by any Company) in respect of non-cash consideration initially received) net of, without duplication, (i) selling fees and expenses (including brokers' fees or commissions, legal, accounting and other professional and transactional fees, transfer and similar taxes and the Borrower's good faith estimate of income taxes paid or payable in connection with such sale and in connection with any repatriation of such proceeds (after taking into account any available tax credits or deductions and any tax sharing arrangements)), (ii) amounts provided as a reserve, in accordance with GAAP, against (x) any liabilities under any indemnification obligations, earn-out obligations or purchase price adjustments associated with such Asset Sale or (y) any other liabilities retained or payable by any Company associated with the Properties sold in such Asset Sale (*provided* that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds), (iii) if applicable, the principal amount of any Indebtedness secured by a Permitted Lien on the assets subject to such Asset Sale (other than Indebtedness secured under the Security Documents or otherwise subject to an intercreditor agreement pursuant to this Agreement) that has been repaid or refinanced in accordance with its terms with the proceeds of such Asset Sale or Casualty Event and (iv) the Borrower's good faith estimate of the amount of payments required to be made with respect to unassumed liabilities relating to the properties sold within thirty (30) days of such Asset Sale (*provided* that (x) the funds described in this clause (iv) are deposited into escrow with a third party escrow agent or set aside in a separate deposit account that is subject to a Control Agreement entered into with the Collateral Agent and (y) to the extent such cash proceeds are not used to make payments in respect of such unassumed liabilities within the earlier of thirty (30) days after such Asset Sale or at such time when such amounts are no longer required to be set aside as such a reserve, such reserved amounts shall constitute Net Cash Proceeds);

with respect to any Debt Issuance or any issuance or sale of Equity Interests by the Borrower or any of its Subsidiaries that is not an Equity Issuance, the cash proceeds thereof received by, or on behalf of, any Company, net of fees, commissions, costs and other expenses incurred in connection therewith; and

with respect to any Casualty Event, the cash insurance proceeds, condemnation awards and other compensation received by, or on behalf of, any Company in respect thereof, net of all costs and expenses incurred in connection with the collection of such proceeds, awards or other compensation in respect of such Casualty Event (including, in respect of any such Casualty Event, transfer and similar taxes and the Borrower's good faith estimate of income taxes paid or payable in connection with such sale (after taking into account any available tax credits or deductions and any tax sharing arrangements) (*provided* that, to the extent and at the time that any such taxes are no longer required to be paid or payable, such amounts shall then constitute Net Cash Proceeds)).

"Net Working Capital" shall mean, at any time, Consolidated Current Assets at such time minus Consolidated Current Liabilities at such time.

"New Lender" shall have the meaning assigned to such term in Section 2.19(b).

"New Revolving Commitments" shall have the meaning assigned to such term in Section 2.19(a).

"New Term Loan Commitments" shall have the meaning assigned to such term in Section 2.19(a).

"New Term Loans" shall have the meaning assigned to such term in Section 2.19(a).

"Non-Guarantor Subsidiary" shall mean any Subsidiary of the Borrower that is not a Subsidiary Guarantor.

"Non-Public Information" shall mean material non-public information (within the meaning of United States federal, state or other applicable securities laws) with respect to the Borrower or its Subsidiaries or their respective securities.

"Notes" shall mean any notes evidencing the Term Loans, Delayed Draw Term Loans or Revolving Loans, in each case issued pursuant to Section 2.04(e) of this Agreement, if any, substantially in the form of Exhibit E-1, E-2 or E-3 respectively.

"Obligations" shall mean (a) all obligations and guarantees thereof of the Borrower and the other Loan Parties from time to time arising under or in respect of the due and punctual payment of (i) the principal of and premium, if any, and interest (including any PIK Interest and any interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations, including fees (including the Third Amendment Term Loan Effective Date PIK Fee, the Third Amendment Term Loan Deferred Fee and the Third Amendment RCF Deferred Fee), costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Borrower and the other Loan Parties under this Agreement and the other Loan Documents and (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Borrower and the other Loan Parties under or pursuant to this Agreement and the other Loan Documents, in each case, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising.

"OFAC" shall mean the Office of Foreign Asset Control of the Department of Treasury of the United States of America.

"Off-Balance Sheet Obligations" of a person shall mean, without duplication, (a) any repurchase obligation or liability of such person with respect to accounts or notes receivable sold by such person, (b) any Synthetic Lease Obligations of such person, or (c) any indebtedness, liability or obligation arising with respect to any other transaction which is the functional equivalent of or takes the place of borrowing but which does not constitute a liability on the balance sheets of such person (other than operating leases).

"Offer Process" shall have the meaning assigned to such term in Section 11.04(c)(ii).

"Officers' Certificate" shall mean a certificate executed by (a) the chairman of the Board of Directors (if an officer), the chief executive officer, the president or the chief operating officer or (b) one of the Financial Officers, each in his or her official (and not individual) capacity.

"Order" shall mean any judgment, decree, verdict, order, consent order, consent decree, writ, declaration or injunction.

"Organizational Documents" shall mean, collectively, with respect to any person, (a) in the case of any corporation, the certificate of incorporation and by-laws (or similar constitutive documents) of such person, (b) in the case of any limited liability company, the certificate of formation and operating agreement (or similar constitutive documents) of such person, (c) in the case of any limited partnership, the certificate of formation and limited partnership agreement (or similar constitutive documents) of such person, (d) in the case of any general partnership, the partnership agreement (or similar constitutive document) of such person, (e) in any other case, the functional equivalent of the foregoing, and (f) any shareholder, voting trust or similar agreement between or among any holders of Equity Interests of such person.

"Other Connection Taxes" shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" shall mean any and all present or future stamp, court, intangible, recording, property, filing or documentary Taxes or any similar Taxes, charges or levies arising from any payment made or required to be made under any Loan Document or from the execution, delivery, performance, registration or enforcement of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document.

"Partial Third Amendment RCF Deferred Fee Amount" shall mean, with respect to any permanent reduction or termination in part of the Revolving Commitments (including any automatic acceleration or termination as a result of any Event of Default) of the Consenting Revolving Lenders on any date of determination, the amount equal to (a) the Total Third Amendment RCF Deferred Fee Amount *multiplied* by (b) a percentage, determined by *dividing* (i) the aggregate amount of the Revolving Commitments of the Consenting Revolving Lenders so reduced or terminated (including any automatic acceleration or termination as a result of any Event of Default) on such date by (ii) the aggregate amount of the Revolving Commitments held by the Consenting Revolving Lenders immediately prior to the effectiveness of the Third Amendment on the Third Amendment Effective Date.

"Partial Third Amendment Term Loan Deferred Fee Amount" shall mean, with respect to any prepayment or repayment in part of the Term Loans of the Consenting Term Lenders on any date of determination, the amount equal to (a) the Total Third Amendment Term Loan Deferred Fee Amount *multiplied* by (b) a percentage, determined by *dividing* (i) the aggregate principal amount of the Term Loans of the Consenting Term Lenders so prepaid or repaid on such date by (ii) the aggregate outstanding principal amount of the Term Loans held by the Consenting Term Lenders immediately prior to the effectiveness of the Third Amendment on the Third Amendment Effective Date.

"Participant" shall have the meaning assigned to such term in Section 11.04(f).

"Participant Register" shall have the meaning assigned to such term in Section 11.04(f).

"Patriot Act" shall have the meaning assigned to such term in Section 3.21(a).

"Payment Recipient" shall have the meaning assigned to it in Section 10.14(a).

"PBGC" shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA.

"Pension Plan" shall mean any "employee pension benefit plan" (as defined in Section 3(2) of ERISA) (other than a Multiemployer Plan and other than a Foreign Plan) subject to the provisions of Title IV of ERISA or Section 412 or 430 of the Code or Section 302 of ERISA (a) which is maintained, sponsored, contributed to or required to be contributed to by any Company or any ERISA Affiliate or (b) with respect to which any Company or ERISA Affiliate has incurred any undischarged liability or could reasonably be expected to incur any liability (whether contingent or otherwise) including under Section 4062 or Section 4069 of ERISA.

"Perfection Certificate" shall mean a perfection certificate in the form of Exhibit F-1 or any other form approved by the Collateral Agent, as the same shall be supplemented from time to time by a Perfection Certificate Supplement or otherwise.

"Perfection Certificate Supplement" shall mean a perfection certificate supplement in the form of Exhibit F-2 or any other form approved by the Collateral Agent.

"Periodic Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR."

"Permitted Acquisition" shall mean any consensual transaction or series of related transactions for the direct or indirect (a) acquisition of all or substantially all of the Property of any person, or all or substantially all of any business or division of any person, (b) acquisition of all or substantially all of the Equity Interests of any person, and otherwise causing such person to become a Subsidiary of such person, if each of the following conditions is met, or (c) merger or consolidation or any other combination with any person if the Required Lenders have otherwise consented in writing thereto; in the case of clauses (a) through (c), so long as each of the following conditions are satisfied:

no Default or Event of Default has occurred and is continuing immediately prior to an after giving effect to the consummation of such acquisition (or in the case of a Limited Condition Acquisition, no Default or Event of Default has occurred and is continuing at the time the definitive agreement for such acquisition is executed);

the persons or business to be acquired shall be, or shall be engaged in, a business of the type that the Borrower and its Subsidiaries are then permitted to be engaged in under Section 6.11;

to the extent that any Specified Acquired Property is to be acquired (or is acquired) pursuant to such proposed transaction or series of related proposed transactions, the Acquisition Consideration paid (or payable) with respect to such Specified Acquired Property shall not exceed, together with the amount of Acquisition Consideration paid (or payable) for any other Specified Acquired Property acquired pursuant to a Permitted Acquisition after the Closing Date, \$20,000,000 in the aggregate;

(a) in the case of an acquisition of all or substantially all of the Property of any person or all or substantially all of any business or division of any person (other than, in either case, Specified Acquired Property), the person making such acquisition is Borrower or a Subsidiary Guarantor, or upon consummation of the Permitted Acquisition becomes a Subsidiary Guarantor pursuant to the requirements of and only to the extent required by Section 5.10, (b) in the case of an acquisition of the Equity Interests of any person (other than Specified Acquired Property), both the person making such acquisition and the person directly so acquired is Borrower or a Subsidiary Guarantor, or upon consummation of the Permitted Acquisition becomes a Subsidiary Guarantor pursuant to the requirements of and only to the extent required by Section 5.10 and (c) in the case of a merger or consolidation or any other combination with any person (other than Specified Acquired Property), the person surviving such merger, consolidation or other combination is Borrower or a Subsidiary Guarantor, or upon consummation of the Permitted Acquisition becomes a Subsidiary Guarantor pursuant to the requirements of and only to the extent required by Section 5.10;

if the Acquisition Consideration for such acquisition is greater than \$10,000,000, Administrative Agent shall have received a copy of any quality of earnings report prepared in respect of any such transaction;

after giving effect to such Permitted Acquisition, the Borrower or the applicable Subsidiary shall be in compliance on a Pro Forma Basis with the financial covenants set forth in Section 6.15 applicable for the four (4) consecutive fiscal quarters of the Borrower ended on, or most recently preceding, the date of such Permitted Acquisition for which financial statements have been (or were required to have been) delivered to the Administrative Agent pursuant to Section 5.01(a) or (b); provided, that, with respect to any Limited Condition Acquisition, the Borrower or the applicable Subsidiary shall be, as of the date of the execution and delivery of the applicable definitive purchase agreement in connection with such Limited Condition Acquisition, in compliance on a Pro Forma Basis with the financial covenants applicable for the four (4) consecutive fiscal quarters of the Borrower ended on, or most recently preceding, such date for which financial statements have been (or were required to have been) delivered to the Administrative Agent pursuant to Section 5.01(a) or (b); and

within seven (7) Business Days after the consummation of the transaction or first of the series of related transactions, the Borrower shall have delivered to the Administrative Agent for distribution to the Lenders an Officer's Certificate (A) certifying that such transaction or series of related transactions complies with all provisions of this definition (which shall have attached thereto reasonably detailed backup data and calculations showing such compliance) and (B) identifying all Persons acquired in connection therewith and whether each such Person will be a Loan Party or a non-Loan Party following its acquisition, and, if a non-Loan Party, the basis on which the Borrower has determined that such Person is an Excluded Subsidiary or otherwise not required to become a Subsidiary Guarantor pursuant to the Guarantee (including, if applicable, reasonably detailed backup data and calculations with respect to any necessary calculations for such determination (e.g., for any determination that a Person constitutes an Immaterial Subsidiary, calculation of total assets, Consolidated Total Assets, total revenue and Consolidated EBITDA in accordance with the definition of "Immaterial Subsidiary")); *provided*, that if the transaction or series of related transactions constitutes a Limited Condition Acquisition, the requirement under this clause (vii) shall be bifurcated and the Borrower shall have delivered to the Administrative Agent for distribution to the Lenders within seven (7) Business Days after the

definitive agreement for such acquisition being executed, an Officer's Certificate certifying that such transaction or series of related transactions complies with clauses (i) and (vi) of this definition (which shall have attached thereto reasonably detailed backup data and calculations showing such compliance);

- *provided* that, during the Amendment Relief Period, the Borrower and its Subsidiaries shall not be permitted to, and shall not, make any Permitted Acquisitions.

"Permitted Bond Hedge Transaction" shall mean any call or capped call option (or substantively equivalent derivative transaction) on the Borrower's common stock purchased by the Borrower in connection with the issuance of any Permitted Convertible Indebtedness; provided that the purchase price for such Permitted Bond Hedge Transaction, less the proceeds received by the Borrower from the sale of any related Permitted Warrant Transaction, does not exceed the net proceeds received by the Borrower from the sale of such Permitted Convertible Indebtedness issued in connection with the Permitted Bond Hedge Transaction.

"Permitted Convertible Indebtedness" shall mean unsecured Convertible Indebtedness that satisfies each the following conditions: (i) such Indebtedness shall not, until 180 days or more after the Term Loan Maturity Date, (x) require any amortization or other scheduled cash repayment (other than cash interest payments and payments of cash in lieu of any fraction shares upon conversion, and cash payments in connection with a "fundamental change" (defined as is typical for public company Convertible Indebtedness) (all of which, shall, for the avoidance of doubt, be subject to the covenants and limitations contained in the Loan Documents, including, without limitation, Section 6.07 and Section 6.09); and (y) have any put rights, redemption, repayment or other conditions that cause payment that are not customary redemption or repayment events for public company Convertible Indebtedness (provided that any put rights, redemption, repayment or other conditions that cause payment shall, for the avoidance of doubt, be subject to the covenants and limitations contained in the Loan Documents, including, without limitation, Section 6.07 and Section 6.09); (ii) other than provided in (i)(x) above, such Indebtedness shall not require any cash payments until at least 180 days after the Term Loan Maturity Date; provided, that any such cash payments, shall, for the avoidance of doubt, be subject to the covenants and limitations contained in the Loan Documents); (iii) such Indebtedness shall have no (x) events of default other than those that are typical for public company Convertible Indebtedness; provided that any events of defaults of the type set forth in the Loan Documents shall be set back with at least a 25% cushion relative to such event of default under the Loan Documents; *provided, further*, that in no event shall any events of default in such Indebtedness be more burdensome for the Borrower and its Subsidiaries, taken as a whole, than those events of default set forth in the Loan Documents; provided, however, that such Convertible Indebtedness shall only cross-accelerate and shall not cross-default to the Loan Documents, (y) financial covenants or (z) other covenants other than covenants customary for public company Convertible Indebtedness; provided that any covenants of the type set forth in the Loan Documents shall be set back with at least a 25% cushion relative to such covenants under the Loan Documents; provided, further, that in no event shall the covenants in such Indebtedness be more burdensome for the Borrower and its Subsidiaries, taken as a whole, than those covenants set forth in the Loan Documents; (iv) the interest payable on account of such Indebtedness shall not exceed 4.25% per annum, (v) the maturity date of such Indebtedness shall be at least 180 days after the Term Loan Maturity Date and (vi) such Indebtedness shall be issued by the Borrower and only guaranteed by BAS Evansville Inc. and no other Subsidiary.

"Permitted Cure Securities" shall mean Equity Interests of the Borrower issued (in the form of common equity and/or other Qualified Stock) to the extent (and only to the extent) necessary to fund the Cure Right, as the same is immediately contributed as cash common equity to the Borrower.

"Permitted Liens" shall have the meaning assigned to such term in Section 6.02.

"Permitted Refinancing" shall have the meaning assigned to such term in Section 6.01(k).

"Permitted Warrant Transaction" shall mean any call option, warrant or right to purchase (or substantively equivalent derivative transaction) on the Borrower's common stock sold by the Borrower substantially concurrently with any purchase by the Borrower of a related Permitted Bond Hedge Transaction.

"Person" shall mean any natural person, corporation, business trust, joint venture, association, company, company (whether limited in liability or otherwise), partnership (whether limited in liability or otherwise) or Governmental Authority, or any other entity, in any case, whether acting in a personal, fiduciary or other capacity.

"PIK Amounts" shall mean, collectively, the Third Amendment Term Loan Effective Date PIK Fee and any PIK Interest, in each case, as applicable, that have been capitalized and added to the principal amount of the Term Loans pursuant to, and in accordance with, Section 3(a) of the Third Amendment and Section 2.06(f).

"PIK Interest" shall have the meaning assigned to such term in Section 2.06(f).

"PIK Rate" shall mean, with respect to any Term Loan, a portion of the Applicable Margin equal to 0.25% per annum.

"Platform" shall mean IntraLinks, SyndTrak or a substantially similar electronic transmission system.

"Pledgor" shall mean each Company listed on Schedule 1.01(a), and each other Subsidiary of any Company that is or becomes a party to this Agreement (in its capacity as a Subsidiary Guarantor) and the Security Documents pursuant to Section 5.10.

"Premises" shall have the meaning assigned thereto in the applicable Mortgage.

"Pro Forma Basis" shall mean, with respect to compliance with any test or covenant hereunder (excluding Section 2.10(e)), that all Subject Transactions (including, to the extent applicable, the Transactions, but excluding any investments, acquisitions and dispositions in the ordinary course of business), restructuring or other cost saving actions and the following transactions in connection therewith (if any) shall be deemed to have occurred as of the first day of the applicable period of measurement in such test or covenant and all definitions (including Consolidated EBITDA) used for purposes of the financial covenants or tests hereunder (excluding Section 2.10(e)) shall be determined subject to pro forma adjustments which are attributable to such event or events, which may include the amount of run rate cost savings, operating expense reductions and cost synergies projected by the Borrower in good faith to result from or relating to any Subject Transaction which is being given pro forma effect that have been realized or are expected to be realized and for which the actions necessary to realize such cost savings, operating expense reductions and cost synergies are taken or with respect to which substantial steps have

been taken or are reasonably expected to be taken for realizing such cost savings and such cost savings are reasonably identifiable and factually supportable (in the good faith determination of the Borrower and certified by a Financial Officer of the Borrower) (calculated on a pro forma basis as though such cost savings, operating expense reductions, other operating improvements and initiatives and synergies had been realized on the first day of such period and "run rate" means the full recurring benefit for a period that is associated with any action taken, committed to be taken or with respect to which substantial steps have been taken or are reasonably expected to be taken for realizing such cost savings and such cost savings are reasonably identifiable and factually supportable (including any savings expected to result from the elimination of a public target's compliance costs with public company requirements) net of the amount of actual benefits realized during such period from such actions, and any such adjustments shall be included (without duplication of any amounts that are otherwise added back in computing Consolidated EBITDA or any other components thereof) in the initial pro forma calculations of such financial ratios or tests and during any subsequent period in which the effects thereof are expected to be realized)) relating to such Subject Transaction, restructuring or other cost saving actions; *provided* that such amounts are (A) certified by the Borrower as having been determined in good faith to be reasonably anticipated to be realized from actions taken or with respect to which substantial steps have been taken within eighteen (18) months following such Subject Transaction, restructuring or other cost saving actions or (B) determined on a basis consistent with Article 11 of Regulation S-X promulgated under the Exchange Act and as interpreted by the staff of the Securities And Exchange Commission (or any successor agency); *provided, further*, that, the aggregate amount pursuant to clause (A) of the preceding proviso and clause (e) of the definition of "Consolidated EBITDA" in any period of four consecutive fiscal quarters, together with the aggregate amount of extraordinary or nonrecurring losses and expenses excluded from Consolidated Net Income pursuant to clause (h) of the definition thereof for such period, shall not exceed 25% of Consolidated EBITDA prior to giving effect to such add-backs and adjustments for such period.

"Pro Rata Percentage" of any (a) Revolving Lender at any time shall mean the percentage of the total Revolving Commitments of all Revolving Lenders represented by such Lender's Revolving Commitment, (b) Initial Term Lender at any time shall mean the percentage of the total Initial Term Loan Commitments of all Initial Term Lenders represented by such Lender's Initial Term Loan Commitment or (c) Delayed Draw Term Loan Lender at any time shall mean the percentage of the total Delayed Draw Term Loan Commitments of all Delayed Draw Term Loan Lenders represented by such Lender's Delayed Draw Term Loan Commitment; *provided* that, in the case of the Revolving Credit Facility, if such Commitments have been terminated or have expired, then the Pro Rata Percentage of each Lender shall be determined based on the Pro Rata Percentage of such Lender immediately prior to such termination or expiration and after giving effect to any subsequent assignments made pursuant to the terms hereof.

"**Pro Rata Share**" shall have the meaning assigned to such term in Section 7.10(a).

"**Projections**" shall have the meaning assigned to such term in Section 3.04(b).

"Property" shall mean any right, title or interest in or to property or assets of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible and including Equity Interests of any person and whether now in existence or owned or hereafter entered into or acquired, including all Real Property, cash, securities, accounts, revenues and contract rights.

"**Public Lenders**" shall mean any Lender that does not wish to receive Non-Public Information with respect to the Borrower or its Subsidiaries or their respective securities.

"Public Official" shall mean (i) any officer, employee or representative of any regional, federal, state, provincial, county or municipal government or government department, agency, or other division; (ii) any officer, employee or representative of any commercial enterprise that is owned or controlled by a government, including any state-owned or controlled veterinary or medical facility; (iii) any officer, employee or representative of any public international organization, such as the African Union, the International Monetary Fund, the United Nations or the World Bank; (iv) any person acting in an official capacity for any government or government entity, enterprise, or organization identified above; and (v) any political party, party official or candidate for political office.

"Purchase Money Obligation" shall mean, for any person, the obligations of such person in respect of Indebtedness (including Capital Lease Obligations) incurred for the purpose of financing all or any part of the purchase price of any fixed or capital assets (including Equity Interests of any person owning fixed or capital assets) or the cost of installation, construction or improvement of any fixed or capital assets (including capitalized leasehold improvements); *provided, however,* that (a) such Indebtedness is incurred prior to or within 90 days after such acquisition, installation, construction or improvement of such fixed or capital assets by such person and (b) the amount of such Indebtedness does not exceed 100% of the cost of such acquisition, installation, construction or improvement, as the case may be.

"Qualified ECP Guarantor" shall mean, in respect of any Swap Obligations, each Loan Party that has total assets exceeding \$10,000,000 at the time the relevant Guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Qualified Stock" of any person shall mean any Equity Interest of such person that does not constitute Disqualified Stock.

"Real Property" shall mean, collectively, all right, title and interest (including any leasehold estate) in and to any and all parcels of or interests in real property owned, leased or operated by any person, whether by lease, license or other means, together with, in each case, all easements, hereditaments and appurtenances relating thereto, all improvements and appurtenant fixtures and equipment, all general intangibles and contract rights and other Property and rights incidental to the ownership, lease or operation thereof.

"Reference Date" shall have the meaning assigned to such term in the definition of "Cumulative Amount".

"Refinancing" shall have the meaning assigned to such term in the preamble hereto.

"Refinancing Amendment" shall mean an amendment to this Agreement in form and substance reasonably satisfactory to the Administrative Agent and the Borrower executed by each of (a) the Borrower, (b) the Administrative Agent and (c) each Additional Lender that agrees to provide any portion of the extending, renewing or refinancing Indebtedness being incurred pursuant thereto.

"Refinancing Revolving Loan Commitments" shall mean one or more tranches of Revolving Loan commitments hereunder that result from a Refinancing Amendment.

"Refinancing Revolving Loans" shall mean one or more tranches of Revolving Loans that result from a Refinancing Amendment.

"Refinancing Term Commitments" shall mean one or more tranches of Term Loan Commitments hereunder that result from a Refinancing Amendment.

"Refinancing Term Loans" shall mean one or more tranches of Term Loans that result from a Refinancing Amendment.

"Register" shall have the meaning assigned to such term in Section 11.04(d).

"Regulation D" shall mean Regulation D of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Regulation T" shall mean Regulation T of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Regulation U" shall mean Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Regulation X" shall mean Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Reinvestment Funds" shall mean, with respect to any Net Cash Proceeds of any Asset Sale or Casualty Event in respect of the single event or series of related events giving rise thereto, that portion of such funds as shall be reinvested (or be subject to a binding commitment for any such reinvestment) within 365 days after receipt thereof by the Borrower or any Subsidiary in assets (other than ordinary course current assets) useful in the business of the Borrower and its Subsidiaries; provided that, if any such Net Cash Proceeds are not actually so reinvested within 365 days of such receipt (or 545 days of receipt if committed to be so reinvested pursuant to a binding agreement entered into on or prior to such 365th day), such unreinvested portion shall no longer constitute Reinvestment Funds and shall be applied on the last day of such period as a mandatory prepayment as provided in Section 2.10(c).

"Related Person" shall mean, with respect to any person, (a) each Affiliate of such person and each of the officers, directors, partners, trustees, employees, affiliates, shareholders, Advisors, agents, administrators, managers, representatives, attorneys-in-fact and Controlling persons of each of the foregoing, and (b) if such person is an Agent, each other person designated, nominated or otherwise mandated by or assisting such Agent pursuant to Section 10.05 or any comparable provision of any Loan Document.

"Release" shall mean any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, depositing, dispersing, migrating, dumping or disposing in, on, into, through or from the Environment or any Real Property (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material).

"Required Lenders" shall mean, at any date of determination, Lenders (other than Defaulting Lenders) having Loans and unused Revolving Commitments, outstanding Initial Term Loans and Initial Term Loan Commitments and outstanding Delayed Draw Term Loans and Delayed Draw Term Loan Commitments representing more than 50% of the sum of all Loans outstanding and unused Revolving

Commitments, outstanding Initial Term Loans and Initial Term Loan Commitments, outstanding Delayed Draw Term Loans and Delayed Draw Term Loan Commitments at such time; *provided* that, if there are two (2) or more unaffiliated Lenders, "Required Lenders" shall also be required to include two (2) such unaffiliated Lenders.

"Required Revolving Lenders" shall mean, at any date of determination, Revolving Lenders (other than Defaulting Lenders) having Revolving Commitments representing more than 50% of the sum of all Revolving Commitments at such time; *provided* that, if there are two (2) or more unaffiliated Revolving Lenders, "Required Revolving Lenders" shall also be required to include two (2) such unaffiliated Revolving Lenders.

"Resolution Authority" shall mean an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Response" shall mean (a) "response" as such term is defined in CERCLA, 42 U.S.C. § 9601(25) or any other applicable Environmental Law, or (b) all other actions required pursuant to Environmental Law to (i) clean up, remove, treat, abate, monitor or in any other way address any Release or presence of Hazardous Materials at, in, on, under or from any Real Property, or otherwise in the Environment, (ii) prevent the Release or threat of Release, or minimize the further Release, of any Hazardous Material, or (iii) perform studies and investigations in connection with, or as a precondition to, clause (i) or (ii) above.

"Responsible Officer" of any person shall mean any executive officer, any executive vice president or Financial Officer of such person.

"Revolving Borrowing" shall mean a Borrowing comprised of Revolving Loans.

"Revolving Commitment" shall mean, with respect to each Lender, the commitment, if any, of such Lender to make Revolving Loans hereunder up to the amount set forth on Annex II or on Schedule 1 to the Assignment and Assumption pursuant to which such Lender assumed its Revolving Commitment, as applicable, as the same may be (a) increased from time to time pursuant to Section 2.19, (b) reduced from time to time pursuant to Section 2.07 and (c) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 11.04. The aggregate principal amount of the Lenders' Revolving Commitments on the Closing Date is \$15,000,000.

"Revolving Commitment Increase" shall have the meaning assigned to such term in Section 2.19(d).

"Revolving Credit Facility" shall mean the credit facility represented by the Revolving Commitments and the Revolving Loans.

"Revolving Exposure" shall mean, with respect to any Lender at any time, the aggregate principal amount at such time of all outstanding Revolving Loans of such Lender.

"Revolving Increasing Lender" shall have the meaning assigned to such term in Section 2.19(d).

"Revolving Lender" shall mean a Lender with a Revolving Commitment.

"Revolving Loan" shall mean a Loan made by the Lenders to the Borrower pursuant to Section 2.01(b) and Section 2.19. Each Revolving Loan shall either be an ABR Revolving Loan or a Term SOFR Revolving Loan.

"Revolving Maturity Date" shall mean November 5, 2026.

"S&P" shall mean Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc., and any successor thereto.

"Sale and Leaseback Transaction" shall have the meaning assigned to such term in Section 6.03.

"Sanctioned Country" shall mean, at any time, a country or territory which is itself the subject or target of comprehensive Sanctions (as of the date of this Agreement, Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic).

"Sanctioned Person" shall mean, at any time, any Person that is the target of Sanctions, including (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, or by the United Nations Security Council, the European Union, any European Union member state or the United Kingdom, (b) any Person operating, organized or resident in a Sanctioned Country, (c) the government of a Sanctioned Country or the Government of Venezuela; or (d) any Person 50% or more owned or controlled by any such Person or Persons or acting for or on behalf of such Person or Persons as described in the foregoing clauses (a) (b), or (c).

"Sanctions" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state or the United Kingdom (including His Majesty's Treasury).

"Sarbanes-Oxley Act" shall mean the United States Sarbanes-Oxley Act of 2002, as amended, and all rules and regulations promulgated thereunder.

"SEC" shall mean the Securities and Exchange Commission or any Governmental Authority succeeding to any of its principal functions.

"Second Amendment" shall mean that certain Second Amendment to Credit Agreement, dated as of December 29, 2022, by and among the Borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and the Administrative Agent.

"Second Amendment Effective Date" shall mean the date on which the conditions precedent set forth in Section 2 of the Second Amendment are satisfied.

"Secured Leverage Ratio" shall mean, at any date of determination, the ratio of (a) the Consolidated Secured Indebtedness outstanding on such date *minus* Unrestricted Cash and Cash Equivalents of the Borrowers and its Subsidiaries that are Domestic Subsidiaries in an aggregate amount not to exceed \$35,000,000 to (b) Consolidated EBITDA for the Test Period then most recently ended.

"Secured Obligations" shall mean (a) the Obligations, (b) the Specified Hedging Agreement Obligations, (c) the Bank Product Obligations and (d) Erroneous Payment Subrogation Rights.

"Secured Parties" shall mean, collectively, the Administrative Agent, the Collateral Agent, each other Agent, the Lenders, each Bank Product Provider and each counterparty to a Specified Hedging Agreement and such counterparty executes and delivers to the Administrative Agent a letter agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which such counterparty (i) appoints the Administrative Agent and the Collateral Agent as its agents under the applicable Loan Documents and (ii) agrees to be bound by the provisions of Section 11.03, Section 11.09 and Section 11.12 as if it were a Lender hereunder.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Securities Collateral" shall have the meaning assigned to such term in the Security Agreement.

"Security Agreement" shall mean that certain Security Agreement, dated as of the date hereof, among the Loan Parties and the Collateral Agent for the benefit of the Secured Parties, as amended, restated, amended and restated, supplemented or otherwise modified from time to time by one or more Joinder Agreements, or otherwise, in accordance with the terms hereof and thereof.

"Security Agreement Collateral" shall mean all Property pledged or granted as collateral pursuant to the Security Agreement delivered on the Closing Date or thereafter pursuant to Section 5.18 or Section 5.10.

"Security Documents" shall mean, collectively, the Security Agreement, the Mortgages (if any), each Control Agreement, and each other security document or pledge agreement delivered in accordance with applicable local or foreign Legal Requirements to grant a valid, enforceable, perfected security interest (with the priority required under the Loan Documents) in any Property as collateral for the Secured Obligations, and all UCC or other financing statements or instruments of perfection required by this Agreement, the Security Agreement, any Mortgage, any Control Agreement or any other such security document or pledge agreement to be filed with respect to the security interests in Property created pursuant to the Security Agreement, any Mortgage, any Control Agreement and any other document or instrument utilized to pledge any Property as collateral for all (or any of) the Secured Obligations.

"SOFR" shall mean a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" shall mean the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Borrowing" shall mean a Borrowing comprised of Term SOFR Loans.

"SOFR Screen Rate" shall mean the SOFR quote on the applicable screen page the Administrative Agent designates to determine SOFR (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).

"SOFR Successor Rate" shall have the meaning assigned to such term in Section 2.11(b).

"SOFR Successor Rate Conforming Changes" shall mean, with respect to any proposed SOFR Successor Rate, any conforming changes to the definition of "Alternate Base Rate", "SOFR" or "Interest Period", timing and frequency of determining rates and making payments of interest and other administrative matters as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption of such SOFR Successor Rate and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such SOFR Successor Rate exists, in such other manner of administration as the Administrative Agent determines in consultation with the Borrower).

"SPC" shall have the meaning assigned to such term in [Section 11.04\(i\)](#).

"Specified Acquired Property" shall mean (a) any person that does not, upon the consummation of the Permitted Acquisition, become a Subsidiary Guarantor and (b) Property acquired in connection with any Permitted Acquisition that is not made subject to the Lien of the Security Documents in accordance with [Section 5.10](#).

"Specified Extraordinary Receipts" shall mean any Extraordinary Receipts (i) described in clause (i) of the definition thereof arising from litigation commenced prior to the Third Amendment Effective Date or (ii) described in clause (iv) of the definition thereof arising from purchase agreements entered into prior to the Third Amendment Effective Date.

"Specified Guarantor Release Provision" shall have the meaning assigned to such term in [Section 10.12\(c\)](#).

"Specified Hedging Agreement" shall mean each Hedging Agreement (to the extent the Hedging Obligations thereunder are permitted pursuant to [Section 6.01\(c\)](#)) entered into with any counterparty that was an Agent, a Lender or an Affiliate of an Agent or a Lender at the time that such Hedging Agreement was entered into and that has been designated as a "Specified Hedging Agreement" by the Borrower in a written notice to the Administrative Agent.

"Specified Hedging Agreement Obligations" shall mean (a) all obligations of the Borrower and its Subsidiaries from time to time arising under or in respect of the due and punctual payment of each amount (including all liabilities) required to be paid by Borrower and its Subsidiaries under each Specified Hedging Agreement (and under each Loan Document with respect thereto), when and as due, including payments in respect of interest thereon (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) and obligations to provide cash collateral and all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Borrower under each Specified Hedging Agreement (and under each Loan Document with respect thereto), and (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Borrower and its Subsidiaries under or pursuant to each Specified Hedging Agreements (and under each Loan Document with respect thereto); *provided*, that the Specified Hedging Agreement Obligations shall exclude any Excluded Swap Obligations.

"Specified Merger Agreement Representations" shall mean the representations and warranties made by or on behalf of (or related to) Envigo, its subsidiaries or their respective businesses in the Merger

Agreement which are material to the interests of the Lenders, but which are required to be true and correct only to the extent that the Borrower (or its applicable Affiliate party to the Merger Agreement) has the right to terminate, taking into account any cure provisions, its obligations under the Merger Agreement or to decline to consummate the Mergers as a result of a breach of such representations and warranties.

“Specified Representations” shall mean the representations and warranties set forth in Section 3.01 (as it relates to corporate or other organizational existence, organizational power and authority), 3.02 (as it relates to the due authorization execution, delivery and performance of the Loan Documents and the enforceability thereof), 3.15, 3.03 (as it relates to no conflicts resulting from the entering into and performance of the Loan Documentation with charter documents, existing agreements and legal proceedings), 3.09, 3.10, the last sentence of 3.11(a), Section 3.19 (as it relates to the creation, validity and perfection of the security interests in the Collateral) and Section 3.21.

“Subject Transaction” shall mean, (a) any Permitted Acquisition or similar Investment that is otherwise permitted by this Agreement, (b) any disposition of all or substantially all of the assets or all the Equity Interests of any Subsidiary (or any business unit, line of business or division of any of the Subsidiaries of the Borrower for which financial statements are available) not prohibited by this Agreement, (c) discontinued divisions or lines of business or operations or (d) the proposed incurrence of Indebtedness or making of a restricted payment or payment in respect of Indebtedness in respect of which compliance with any financial ratio is by the terms of this Agreement required to be calculated on a Pro Forma Basis.

“Subsidiary” shall mean, with respect to any person (the “**parent**”) at any date, (a) any person the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, (b) any other corporation, limited liability company, association or other business entity of which securities or other ownership interests representing more than 50% of the voting power of all Equity Interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Board of Directors (or similar governing body) thereof are, as of such date, owned, controlled or held by the parent and/or one or more subsidiaries of the parent, (c) any partnership (i) the sole general partner or the managing general partner of which is the parent and/or one or more subsidiaries of the parent or (ii) the only general partners of which are the parent and/or one or more subsidiaries of the parent and (d) any other person that is otherwise Controlled by the parent and/or one or more subsidiaries of the parent. Unless the context requires otherwise, “**Subsidiary**” refers to a Subsidiary of the Borrower.

“Subsidiary Guarantor” shall mean each Subsidiary of any Loan Party that (i) is a Domestic Subsidiary and (ii) is or becomes a party to this Agreement and the Security Documents pursuant to and in compliance with all the requirements set forth in Section 5.10, including the Subsidiaries listed on Schedule 1.01(c) and specified on such schedule as a Subsidiary Guarantor.

“Survey” shall mean American Land Title Association/American Congress on Surveying and Mapping form surveys, for which all necessary fees (where applicable) have been paid, reasonably acceptable to the Administrative Agent, showing all buildings and other improvements, any off-site improvements, the location of any easements, parking spaces, rights of way, building set-back lines and other dimensional regulations and the absence of encroachments, either by such improvements or on to such property, and other defects, other than encroachments and other defects reasonably acceptable to the Administrative Agent and (i) dated or redated no more than 30 days before the relevant date, certified to the Administrative Agent and the issuer of the Mortgage policies in a manner reasonably satisfactory to

the Administrative Agent by a land surveyor duly registered and licensed in the States in which the property described in such surveys is located, or (ii) dated or redated no more than five (5) years before the relevant date, with an affidavit from the Borrower confirming that since the date of such survey no material exterior construction has occurred on the applicable property nor any material easement, right of way or other interest in such property has been granted or become effective through operation of law or otherwise which can be depicted on a survey which survey is sufficient for the Title Company to remove all standard survey exceptions from the Title Policy for such Property.

"Swap Agreement" shall mean (i) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement and (ii) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Obligation" shall mean, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"Synthetic Lease" shall mean, as to any person, any lease (including leases that may be terminated by the lessee at any time) of any Property (a) that is accounted for as an operating lease under GAAP and (b) in respect of which the lessee retains or obtains ownership of the Property so leased for U.S. federal income tax purposes, other than any such lease under which such person is the lessor.

"Synthetic Lease Obligations" shall mean, as to any person, an amount equal to the capitalized amount of the remaining lease payments under any Synthetic Lease that would appear on a balance sheet of such person in accordance with GAAP if such obligations were accounted for as Capital Lease Obligations.

"Tax Returns" shall mean all returns, statements, filings, attachments and other documents or certifications required to be filed in respect of Taxes.

"Taxes" shall mean any and all present or future taxes, duties, levies, imposts, assessments, fees, deductions, withholdings (including backup withholding) or other similar charges, whether computed on a separate, consolidated, unitary, combined or other basis and any and all liabilities (including interest, fines, penalties or additions to tax) with respect to the foregoing.

"Term Borrowing" shall mean a Borrowing comprised of Term Loans.

"Term Loan" shall mean an Initial Term Loan made by a Lender to the Borrower pursuant to Section 2.01(a), any term loan made by a Term Loan Lender to the Borrower pursuant to Section 2.19 or Section 2.20 or any delayed draw term loan made by a Delayed Draw Term Loan Lender to the

Borrower pursuant to Section 2.01(c), and, in each case, including any PIK Amounts. Each Term Loan shall be either an ABR Term Loan or a Term SOFR Term Loan.

“Term Loan Commitment” shall mean, (a) with respect to each Lender, the commitment, if any, of such Lender to make a Term Loan on the Closing Date and (b) with respect to any 2022 Incremental Term Loan Lender, the commitment of such Lender to make 2022 Incremental Term Loans to the Borrower on the First Amendment Effective Date.

“Term Loan Facility” shall mean the credit facility represented by the Term Loans made under this Agreement.

“Term Loan Lender” shall mean a Lender with a Term Loan Commitment or an outstanding Term Loan, including any 2022 Incremental Term Loan Lender with a 2022 Incremental Term Loan Commitment or an outstanding 2022 Incremental Term Loan.

“Term Loan Maturity Date” shall mean (a) with respect to (i) the Initial Term Loans advanced on the Closing Date, (ii) the 2022 Incremental Term Loans advanced on the First Amendment Effective Date and (iii) any Delayed Draw Term Loans (including the 2022 Incremental Delayed Draw Term Loans), November 5, 2026, (b) with respect to any tranche of New Term Loans made pursuant to Section 2.19, the final maturity date as specified in the applicable Incremental Loan Amendment and accepted by the respective Increasing Lenders and New Lenders and (c) with respect to any tranche of Extended Term Loans made pursuant to Section 2.20, the final maturity date as specified in the applicable Extension Offer accepted by the respective Lender or Lenders.

“Term Loan Repayment Date” shall have the meaning assigned to such term in Section 2.09.

“Term SOFR” shall mean:

for any calculation with respect to a Term SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the **“Periodic Term SOFR Determination Day”**) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; *provided, however*, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; and

for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the **“ABR Term SOFR Determination Day”**) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; *provided, however*, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR

Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day;

provided that to the extent a comparable or successor rate is determined in accordance with Section 2.11 in connection herewith, the approved rate shall be applied in a manner consistent with market practice; *provided, further*, that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

“Term SOFR Adjustment” shall mean a percentage equal to (a) 0.11448% per annum for Interest Periods of up to (and including) 1 month, (b) 0.26161% per annum for Interest Periods longer than 1 month and up to (and including) 3 months and (c) 0.42826% per annum for Interest Periods longer than 3 months.

“Term SOFR Administrator” shall mean CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Loan” shall mean a Loan that bears interest at a rate based on Adjusted Term SOFR, other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Term SOFR Reference Rate” shall mean the forward-looking term rate based on SOFR.

“Test Period” shall mean, at any time, the four consecutive fiscal quarters of the Borrower then last ended (in each case taken as one accounting period) for which financial statements have been or are required to be delivered pursuant to Section 5.01(a) or (b).

“Third Amendment” shall mean that certain Third Amendment to Credit Agreement, dated as of January 9, 2023, by and among the Borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and the Administrative Agent.

“Third Amendment Effective Date” shall mean the date on which the conditions precedent set forth in Section 2 of the Third Amendment are satisfied.

“Third Amendment RCF Deferred Fee” shall have the meaning assigned to such term in the Third Amendment.

“Third Amendment Term Loan Deferred Fee” shall have the meaning assigned to such term in the Third Amendment.

“Third Amendment Term Loan Effective Date PIK Fee” shall have the meaning assigned to such term in the Third Amendment.

“Title Company” shall mean any title insurance company as shall be retained by Borrower and reasonably acceptable to the Collateral Agent.

“Title Policy” shall mean, with respect to each Mortgage, a policy of title insurance (or marked-up title insurance commitment having the effect of a policy of title insurance) insuring the Lien of such Mortgage as a valid first mortgage Lien on the Mortgaged Property and fixtures described therein in an

amount equal to not less than 100% of the Fair Market Value of such Mortgaged Property and fixtures (or such lesser amount as may be required by the Collateral Agent), which policy (or such marked-up commitment) shall be issued by a Title Company, and contain such endorsements as shall be reasonably requested by the Collateral Agent and no exceptions to title other than Permitted Liens and additional exceptions reasonably acceptable to the Collateral Agent.

"Total Third Amendment RCF Deferred Fee Amount" shall mean the aggregate amount of the Third Amendment RCF Deferred Fees of the Consenting Revolving Lenders earned on the Third Amendment Effective Date.

"Total Third Amendment Term Loan Deferred Fee Amount" shall mean the aggregate amount of the Third Amendment Term Loan Deferred Fees of the Consenting Term Lenders earned on the Third Amendment Effective Date.

"Transaction Costs" shall mean any fees, premiums, expenses and other transaction costs incurred or paid by the Loan Parties in connection with the Transactions, including those amounts set forth in the Engagement Letter.

"Transactions" shall mean, collectively, (a) the transactions to occur on or prior to the Closing Date pursuant to, or contemplated by, the Loan Documents, including the execution, delivery and performance of the Loan Documents and the initial Credit Extensions hereunder, (b) the Mergers and the other transactions contemplated by the Merger Agreement and (c) the Refinancing.

"Transferred Guarantor" shall have the meaning assigned to such term in Section 7.09.

"Transition Date" shall have the meaning assigned to such term in the Second Amendment.

"Treasury Regulations" shall mean the regulations promulgated by the United States Department of the Treasury under the Code, as amended from time to time.

"Type" shall mean, when used in reference to any Loan or Borrowing, a reference to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to Adjusted Term SOFR or the Alternate Base Rate.

"UK Financial Institution" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFRPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unfunded Pension Liability" shall mean the excess of a Pension Plan's benefit liabilities under Section 4001(a)(16) of ERISA, over the current value of that Pension Plan's assets, determined in accordance with the assumptions used for funding the Pension Plan pursuant to Section 412 of the Code for the applicable plan year.

"Uniform Commercial Code" or **"UCC"** shall mean the Uniform Commercial Code, as in effect from time to time in any applicable jurisdiction.

"United States" and **"U.S."** shall mean the United States of America.

"Unrestricted Cash and Cash Equivalents" shall mean, at any time, the aggregate amount of unrestricted cash and Cash Equivalents (i) held in accounts of the Borrower and its Subsidiaries that are Domestic Subsidiaries that are subject to Deposit Account Control Agreements (as defined in the Security Agreement) or (ii) that are free and clear of all Liens (other than Liens permitted pursuant to Section 6.02(j) or pursuant to this Agreement).

"Unsecured Notes Offering" shall mean the issuance and sale of senior unsecured notes of the Borrower.

"U.S. Foreign Holdco" shall mean any Domestic Subsidiary that (i) is disregarded as an entity separate from its owner for U.S. federal income tax purposes and (ii) does not own any material assets other than Equity Interests (or any debt instrument, option, warrant or other instrument treated as equity for U.S. federal income tax purposes) that have the power to vote under Treasury Regulation Section 1.956-2(c)(2) of one or more CFCs.

"U.S. Government Securities Business Day" shall mean any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"USCO" shall mean the United States Copyright Office.

"USPTO" shall mean the United States Patent and Trademark Office.

"Voluntary Loan Prepayment Amount" shall mean, with respect to any Excess Cash Flow Period, the aggregate amount of voluntary prepayments made in respect of (a) Term Loans and (b) Revolving Loans (to the extent, other than as provided in Section 2.10(e), accompanied by a concurrent and concomitant permanent reduction of the Revolving Commitment), in each case, to the extent that such voluntary prepayments are made with Internally Generated Funds (that the Borrower certifies, to the Administrative Agent and the Lender, shall not be included in the Cumulative Amount).

"Voting Stock" shall mean, with respect to any person, any class or classes of Equity Interests pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the Board of Directors of such person.

"Weighted Average Life to Maturity" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing: (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (ii) the then-outstanding principal amount of such Indebtedness.

"Weighted Average Yield" shall mean, with respect to any Loan, on any date of determination, the weighted average yield to maturity, in each case, based on the interest rate applicable to such Loan on

such date and giving effect to interest rate floors, upfront fees, original issue discount or similar yield-related discounts or deductions payable with respect to such Loans (but, excluding, for the avoidance of doubt, any customary arranging, underwriting, structuring or similar fees not paid to all of the Lenders providing such Loans) based on (i) an assumed four-year average life for the applicable Loans or (ii) if the stated maturity of the applicable Loans is less than four years, the actual life of such Loans.

"Wholly Owned Subsidiary" shall mean, as to any person, (a) any corporation 100% of whose capital stock (other than directors' qualifying shares) is at the time owned by such person and/or one or more Wholly Owned Subsidiaries of such person and (b) any partnership, association, joint venture, limited liability company or other entity in which such person and/or one or more Wholly Owned Subsidiaries of such person have a 100% equity interest (other than immaterial directors' qualifying shares to the extent required by applicable law) at such time.

"Write-Down and Conversion Powers" shall mean, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

(b) **Classification of Loans and Borrowings**

. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a "Revolving Loan") or by Type (e.g., a "Term SOFR Loan") or by Class and Type (e.g., a "Term SOFR Revolving Loan"). Borrowings also may be classified and referred to by Class (e.g., a "Revolving Borrowing," "Borrowing of Term Loans") or by Type (e.g., a "SOFR Borrowing") or by Class and Type (e.g., a "SOFR Revolving Borrowing").

(c) **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 phrase "Material Adverse Effect" shall be deemed to be followed by the phrase ", individually or in the aggregate." The word "asset" shall be construed to have the same meaning and effect as the word "Property." 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 Loan Document, agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, amended and restated, refinanced, extended, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, amendments and restatements, refinancing, extensions, supplements or modifications set forth in any Loan Document), (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 hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, unless otherwise indicated, (e) any references to any law or regulation shall (i) include all statutory and regulatory provisions consolidating, amending, replacing or interpreting or supplementing such law or regulation, and (ii) unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (f) all references to "knowledge" in this Agreement or any other Loan Document refers to the actual knowledge (after reasonable inquiry) of such Responsible Officer or other Person making such certification. This Section 1.03 shall apply, *mutatis mutandis*, to all Loan Documents. Any Responsible Officer executing any Loan Document or any certificate or other document made or delivered pursuant hereto or thereto, so executes or certifies in his/her capacity as a Responsible Officer on behalf of the applicable Loan Party and not in any individual capacity. Notwithstanding anything to the contrary, (a) unless specifically stated otherwise herein, any dollar, number, percentage or other amount available under any basket set forth in any affirmative, negative or other covenant in this Agreement or the other Loan Documents may be accumulated, added, combined, aggregated or used together by any Loan Party and its Subsidiaries with any other basket in the same such covenant; *provided* that such accumulation, addition, combination or aggregation may only occur to the extent such Loan Party would be permitted to use each such basket for the same transaction or occurrence, and (b) any action or event permitted by this Agreement or the other Loan Documents need not be permitted solely by reference to one provision permitting such action or event but may be permitted in part by one such provision and in part by one or more other provisions of this Agreement and the other Loan Documents; *provided* that such action or event complies with each such provision applicable to such action or event.

(d) **Accounting Terms; GAAP**

. Except as otherwise expressly provided herein, all financial statements to be delivered pursuant to this Agreement shall be prepared in accordance with GAAP as in effect from time to time and all terms of an accounting or financial nature shall be construed and interpreted in accordance with GAAP, as in effect on the Closing Date. If at any time any change in GAAP would affect the computation of any financial ratio set forth in any Loan Document, and the Borrower or the Administrative Agent shall so request, the Administrative Agent and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to approval by the Required Lenders and the Borrower); *provided* that, until so amended, such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and the Borrower shall provide to the Administrative Agent and the Lenders within five days after delivery of each certificate or financial report required hereunder that is affected thereby a written statement of a Financial Officer of the Borrower setting forth in reasonable detail the differences (including any differences that would affect any calculations relating to the financial covenants as set forth in Section 6.15). For purposes of calculations made pursuant to the terms of this Agreement, GAAP will be deemed to treat operating leases and capital leases in a manner consistent with their current treatment under generally accepted accounting principles as in effect on the Closing Date, notwithstanding any modifications or interpretive changes thereto that may occur thereafter.

(e) **Pro Forma Calculations**

. Notwithstanding anything to the contrary herein, all financial ratios and tests (including the First Lien Leverage Ratio, the Secured Leverage Ratio and the amount of Consolidated Total Assets and Consolidated EBITDA) contained in this Agreement (other than for purposes of calculating Excess Cash

Flow) that are calculated with respect to any Test Period during which any Subject Transaction occurs shall be calculated with respect to such Test Period and such Subject Transaction on a Pro Forma Basis. Further, if since the beginning of any such Test Period and on or prior to the date of any required calculation of any financial ratio or test (x) any Subject Transaction shall have occurred or (y) any Person that subsequently became a Subsidiary or was merged, amalgamated or consolidated with or into the Borrower or any of its Subsidiaries since the beginning of such Test Period shall have consummated any Subject Transaction, then, in each case, any applicable financial ratio or test shall be calculated on a Pro Forma Basis for such Test Period as if such Subject Transaction had occurred at the beginning of the applicable Test Period (it being understood, for the avoidance of doubt, that solely for purposes of calculating quarterly compliance with Section 6.15, the date of the required calculation shall be the last day of the Test Period, and no Subject Transaction occurring thereafter shall be taken into account).

(f) **Resolution of Drafting Ambiguities**

. Each Loan Party acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of the Loan Documents to which it is a party, that it and its counsel reviewed and participated in the preparation and negotiation hereof or thereof and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation hereof or thereof.

(g) **Rounding**

. Any financial ratios required to be satisfied in order for a specific action to be permitted under this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

(h) **Currency Fluctuations**

. For purposes of determining compliance with Section 6.01, Section 6.02, Section 6.04, Section 6.06 or Section 6.09, with respect to any Indebtedness, Liens, Investments, Asset Sales or other dispositions, or prepayments of other Indebtedness in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of currency exchange occurring after the time the Borrower or one of its Subsidiaries is contractually obligated to incur, make or acquire such Indebtedness, Liens, Investments, Asset Sales or other dispositions or prepayments of other Indebtedness (so long as, at the time of entering into the contract to incur, make or acquire such Indebtedness, Liens, Investments, Asset Sales or other dispositions or prepayments of other Indebtedness, it was permitted hereunder) and once contractually obligated to be incurred, made or acquired, the amount of such Indebtedness, Liens, Investments, Asset Sales or other dispositions or prepayments of other Indebtedness, shall be always deemed to be at the Dollar amount on such date, regardless of later changes in currency exchange rates.

(i) **Divisions**

. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent

Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

THE CREDITS

(j) Commitments

(i) Term Loan. Subject to the terms and conditions set forth herein and relying upon the representations and warranties set forth herein, (i) the Initial Term Lenders agree, severally and not jointly, to make Initial Term Loans to the Borrower on the Closing Date in the original aggregate principal amount of \$165,000,000 and (ii) the 2022 Incremental Term Loan Lenders agree, severally and not jointly, to make 2022 Incremental Term Loans to Borrower on the First Amendment Effective Date in the original aggregate principal amount of \$40,000,000.

(ii) Revolving Loans. Subject to the terms and conditions set forth herein and relying upon the representations and warranties set forth herein, each Revolving Lender agrees, severally and not jointly, to make Revolving Loans to the Borrower, at any time and from time to time on or after the Closing Date until the earlier of the Revolving Maturity Date and the termination of the Revolving Commitment of such Lender in accordance with the terms hereof, in an aggregate principal amount at any time outstanding that will not result in such Lender's Revolving Exposure exceeding such Lender's Revolving Commitment.

(iii) Delayed Draw Term Loans. Subject to the terms and conditions set forth herein and relying upon the representations and warranties set forth herein, each Delayed Draw Term Loan Lender agrees, severally and not jointly, to make Delayed Draw Term Loans to the Borrower, at any time and from time to time on or after the Closing Date until the earlier of the Term Loan Maturity Date and the termination of the Delayed Draw Term Loan Commitment of such Lender in accordance with the terms hereof.

Amounts paid or prepaid in respect of Term Loans may not be reborrowed. Subject to the terms, conditions and limitations set forth herein, the Borrower may borrow, pay or prepay and reborrow Revolving Loans.

(k) Loans

(a) Each Loan shall be made as part of a Borrowing consisting of Loans made by the Lenders ratably in accordance with their applicable Commitments; *provided* that the failure of any Lender to make any Loan shall not in itself relieve any other Lender of its obligation to lend hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to make any Loan required to be made by such other Lender).

(i) Subject to Section 2.11 and Section 2.12, each Borrowing shall be comprised entirely of ABR Loans or Term SOFR Loans as the Borrower may request pursuant to Section 2.03. Each Lender may at its option make any Term SOFR Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; *provided* that any exercise of such option shall not affect the obligation of the Lender to make such Loan and the Borrower to repay such Loan in accordance with the terms of this Agreement. Borrowings of more than one Type may be outstanding at the same time; *provided* that the Borrower shall not be entitled to request any Borrowing that, if made, would result in more than ten SOFR Borrowings outstanding hereunder at any one time. For purposes of the foregoing, Borrowings having different Interest Periods, regardless of whether they commence on the same date, shall be considered separate Borrowings.

(ii) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds to such account in New York City as the Administrative Agent may designate from time to time not later than 11:00 a.m., New York City time, and the Administrative Agent shall promptly credit the amounts so received to an account as directed by the Borrower in the applicable Borrowing Request or, if a Borrowing shall not occur on such date because any condition precedent herein specified shall not have been met, return the amounts so received to the respective Lenders within two Business Days.

(iii) Unless the Administrative Agent shall have received written notice from a Lender prior to the date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's portion of such Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the date of such Borrowing in accordance with paragraph (c) above, and the Administrative Agent may (but shall not be obligated to), in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If the Administrative Agent shall have so made funds available, then, to the extent that such Lender shall not have made such portion available to the Administrative Agent, each of such Lender and the Borrower severally agrees to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules or practices on interbank compensation, and (ii) in the case of the Borrower, the interest rate applicable to the Borrowing pursuant to which the Borrower received such funds. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement, and the Borrower's obligation to repay the Administrative Agent such corresponding amount pursuant to this Section 2.02(d) shall cease.

(iv) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Revolving Maturity Date or the Term Loan Maturity Date, as applicable

(v) The Delayed Draw Term Loans may be borrowed in up to ten (10) borrowings commencing on the Closing Date until the date that is the earlier of (x) eighteen (18) months after the Closing Date and (y) the date on which the Delayed Draw Term Loan Commitments are reduced to zero (the “**Delayed Draw Term Loan Commitment Expiration Date**”). The 2022 Incremental Delayed Draw Term Loans may be borrowed in up to ten (10) borrowings commencing on the First Amendment Effective Date until the date that is the earlier of (x) twenty four (24) months after the First Amendment Effective Date and (y) the date on which the 2022 Incremental Delayed Draw Term Loan Commitments are reduced to zero (the “**2022 Incremental Delayed Draw Term Loan Commitment Expiration Date**”). Each Borrowing in respect thereof shall comprise an aggregate principal amount that is not less than \$500,000.

(vi) The availability and funding of Delayed Draw Term Loans shall, to the extent used as contemplated by Section 5.07, be subject to customary “SunGard” conditionality provisions and limitations, including in a manner consistent with Section 4.01. If the Borrower has made an LCA Election prior to the Delayed Draw Term Loan Commitment Expiration Date with respect to any Permitted Acquisition or similar Investment (and related transactions) that the Borrower in good faith believes be consummated after the Delayed Draw Term Loan Commitment Expiration Date, the associated Delayed Draw Term Loans may be funded into escrow on the Delayed Draw Term Loan Commitment Expiration Date pending the consummation of such Permitted Acquisition or similar Investment (and related transactions), subject to terms and conditions reasonably acceptable to the Administrative Agent.

(I) **Borrowing Procedure**

. To request a Revolving Borrowing or Term Borrowing, the Borrower shall deliver, by hand delivery, email through a “pdf” copy or facsimile transmission (or transmit by other electronic transmission if arrangements for doing so have been approved in writing by the Administrative Agent), a duly completed and executed Borrowing Request to the Administrative Agent (i) in the case of a SOFR Term Borrowing, not later than 12:00 p.m., New York City time, on the third Business Day before the date of the proposed Borrowing (or such later time as may be reasonably acceptable to the Administrative Agent, in the case of any Borrowing), (ii) in the case of an ABR Term Borrowing, not later than 4:00 p.m., New York City time, on the Business Day prior to the proposed Borrowing (or such later time on such Business Day as may be reasonably acceptable to the Administrative Agent) and (iii) in the case of any Revolving Borrowing, not later than 12:00 p.m., New York City time, on the fifth Business Day before the date of the proposed Borrowing (or such later time as may be reasonably acceptable to the Administrative Agent). Each Borrowing Request shall be irrevocable and shall specify the following information in compliance with Section 2.02:

- (i) whether the requested Borrowing is to be a Borrowing of Revolving Loans or Term Loans;
- (ii) the aggregate amount of such Borrowing;
- (iii) the date of such Borrowing, which shall be a Business Day;
- (iv) whether such Borrowing is to be an ABR Borrowing or a SOFR Borrowing;

(v) in the case of a SOFR Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period";

(vi) the location and number of the Borrower's account to which funds are to be disbursed;

(vii) that, in the case of a Revolving Borrowing, the conditions set forth in Section 4.02(b), Section 4.02(c) and Section 4.02(d) are satisfied as of the date of the notice and, in the case of a Delayed Draw Term Loan Borrowing, the conditions set forth in Section 4.03(b), 4.03(c) and 4.03(d) (with supporting calculations demonstrating the satisfaction of the condition set forth in Section 4.03(d) attached thereto) are satisfied as of the date of the notice; and

(viii) a reasonably detailed description of the planned use of proceeds of such Borrowing (which use shall comply with Sections 3.11 and 5.08).

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested SOFR Borrowing, then Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request any Borrowing of Revolving Loans if, after giving pro forma effect to such Borrowing and the scheduled use of proceeds thereof, together with any other Borrowings and other scheduled use of cash and Cash Equivalents on hand, in each case, through the third Business Day after such Borrowing as determined in good faith by the Borrower, the Borrower and its Subsidiaries would have cash and Cash Equivalents maintained in the U.S. in an aggregate amount greater than \$10,000,000.

(m) **Evidence of Debt; Repayment of Loans**

(i) Borrower hereby unconditionally promises to pay to (i) the Administrative Agent for the account of each Term Loan Lender, the principal amount of each Term Loan of such Term Loan Lender as provided in Section 2.09 and (ii) the Administrative Agent for the account of each Revolving Lender, the then unpaid principal amount of each Revolving Loan of such Revolving Lender on the Revolving Maturity Date.

(ii) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time under this Agreement.

(iii) The Administrative Agent shall maintain the Register in which it will record (i) the amount of each Loan made hereunder, the Type and Class thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(iv) The entries made in the Register maintained pursuant to paragraph (c) above shall be conclusive evidence, absent manifest error, of the existence and amounts of the obligations therein recorded; *provided* that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligations of the Borrower and the other Loan Parties to pay, and perform, the Obligations in accordance with the Loan Documents. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such entries, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

(v) Any Lender by written notice to the Borrower (with a copy to the Administrative Agent) may request that Loans of any Class made by it be evidenced by a promissory note. In such event, the Borrower shall promptly (and, in all events, within seven Business Days of receipt of such written notice), execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) in the form of Exhibit F-1, F-2, F-3 or F-4, as the case may be. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 11.04) be represented by one or more promissory notes in such form payable to the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

(n) **Fees**

(i) **Commitment Fee.** Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender (other than a Defaulting Lender) a commitment fee (a "**Commitment Fee**") equal to 0.50% *per annum* of the average daily unused amount of each Revolving Commitment of such Revolving Lender during the period from and including the Closing Date to but excluding the date on which such Revolving Commitment terminates. Accrued Commitment Fees shall be payable in arrears (i) on the last Business Day of March, June, September and December of each year, commencing on the first such date to occur after the Closing Date, and (ii) on the date on which such Commitment terminates. Commitment Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). For purposes of computing Commitment Fees, a Revolving Commitment of a Revolving Lender shall be deemed to be used to the extent of the outstanding Revolving Loans of such Lender

(ii) Delayed Draw Ticking Fee. The Borrower agrees to pay to the Administrative Agent for the account of each Delayed Draw Term Loan Lender of any Class (other than any Defaulting Lender) a commitment fee (the “**Delayed Draw Ticking Fee**”), which shall accrue at a rate *per annum* equal to the Delayed Draw Term Loan Commitment Fee Rate applicable to the Delayed Draw Term Loan Commitments of such Class on the actual amount of the unused Delayed Draw Term Loan Commitments of such Class of such Delayed Draw Term Loan Lender calculated based upon the actual number of days elapsed over a 360-day year for the period from and including the Closing Date to the date on which such Lender’s Delayed Draw Term Loan Commitment of such Class terminates. Accrued commitment fees shall be payable in arrears on the last Business Day of each March, June, September and December for the quarterly period then ended and on the Delayed Draw Term Loan Commitment Expiration Date. The Delayed Draw Ticking Fee shall be distributed to the Delayed Draw Term Loan Lenders pro rata in accordance with the amount of each such Delayed Draw Term Loan Lender’s Delayed Draw Term Loan Commitment.

(iii) Administrative Agent Fees. Borrower agrees to pay to the Administrative Agent, for its own account, the administrative fees set forth in the Agent Fee Letter or such other fees payable in the amounts and at the times separately agreed upon between Borrower and the Administrative Agent (the “**Administrative Agent Fees**”).

(iv) Other Fees.

- (A) Other Agent Fees. The Borrower agrees to pay the Agents, for their own account, fees payable in the amounts and at the times separately agreed upon between Borrower and the applicable Agents.
- (B) Third Amendment Term Loan Effective Date PIK Fee. The Borrower shall pay the Third Amendment Term Loan Effective Date PIK Fee on the Third Amendment Effective Date in accordance with the Third Amendment.
- (C) Third Amendment Term Loan Deferred Fee. The Borrower shall pay to the Administrative Agent, for the account of each Consenting Term Lender, the Third Amendment Term Loan Deferred Fee in cash upon any occurrence of (A) any voluntary prepayment of the Term Loans, (B) any mandatory prepayment of the Term Loans pursuant to Section 2.10 (other than Section 2.10(e)), (C) any repayment of the Term Loans (other than scheduled amortization installment payments prior to the Term Loan Maturity Date pursuant to Section 2.09(a)) and (D) any acceleration of the Term Loans (including any automatic acceleration as a result of any Event of Default), in each case, in whole or in part; *provided* that (1) in the case of any acceleration, prepayment or repayment of the Term Loans in part, but not in whole, the amount of the Third Amendment Term Loan Deferred Fee then payable to each Consenting Term Lender shall be equal to its pro rata share of the applicable Partial Third Amendment Term Loan Deferred Fee Amount (with the remaining balance of the Total Third Amendment Term Loan Deferred Fee Amount (or the applicable portion thereof) due upon the occurrence of the next succeeding prepayment or repayment specified in the

foregoing clauses (A) through (D)) and (2) in the case of any acceleration, prepayment or repayment of the Term Loans in full, the Borrower shall pay to the Administrative Agent, for the account of each Consenting Term Lender, any unpaid amount of the Total Third Amendment Term Loan Deferred Fee Amount, such that the Third Amendment Term Loan Deferred Fee shall have been paid in full on the date of such acceleration, prepayment or repayment of the Term Loans.

(D) Third Amendment RCF Deferred Fee. The Borrower shall pay to the Administrative Agent, for the account of each Consenting Revolving Lender, the Third Amendment RCF Deferred Fee in cash upon any acceleration or permanent reduction or termination of the Revolving Credit Commitments (including any automatic acceleration or termination as a result of any Event of Default), in each case, in whole or in part; *provided* that (A) in the case of any acceleration or permanent reduction or termination of the Revolving Commitments in part, but not in whole, the amount of the Third Amendment RCF Deferred Fee then payable to each Consenting Revolving Lender shall be equal to its pro rata share of the applicable Partial Third Amendment RCF Deferred Fee Amount (with the remaining balance of the Total Third Amendment RCF Deferred Fee Amount (or the applicable portion thereof) due upon the occurrence of the next succeeding reduction or termination) and (B) in the case of any acceleration, permanent reduction or termination of the Revolving Credit Commitments (including any automatic acceleration or termination as a result of any Event of Default) in full, the Borrower shall pay to the Administrative Agent, for the account of each Consenting Revolving Lender, any unpaid amount of the Total Third Amendment RCF Deferred Fee Amount, such that the Third Amendment RCF Deferred Fee shall have been paid in full on the date of such acceleration, permanent reduction or termination of the Revolving Credit Commitments.

(v) Payment of Fees. All Fees shall be paid on the dates due, in immediately available funds in Dollars, to the Administrative Agent for distribution, if and as appropriate, among the Lenders, except that the Borrower shall pay the Fees provided under Section 2.05(d)(i) directly to the Agents. Once paid, none of the Fees shall be refundable under any circumstances.

(o) Interest on Loans

(i) Subject to the provisions of Section 2.06(c), the Loans comprising each ABR Borrowing shall bear interest at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin in effect from time to time.

(ii) Subject to the provisions of Section 2.06(c), (i) for any day prior to the Transition Date, as set forth in the Credit Agreement as in effect from time to time prior to the Second Amendment Effective Date and (ii) for any day from and including the Transition Date and thereafter, the Loans comprising each SOFR Borrowing shall bear

interest at a rate per annum equal to Adjusted Term SOFR for the Interest Period in effect for such Borrowing plus the Applicable Margin in effect from time to time.

(iii) Notwithstanding the foregoing, effective immediately upon the occurrence of any Event of Default under Section 8.01(a), (b), (g) or (h), (x) all principal and, to the extent permitted under applicable law, interest in respect of the Loans shall bear interest, after as well as before judgment, at a rate *per annum* equal to the rate which is 2% in excess of the non-default rate applicable to the respective Loans from time to time and (y) all other amounts owing under the Loan Documents shall bear interest, after as well as before judgment, at a rate *per annum* equal to the rate which is 2% in excess of the non-default rate then applicable to ABR Loans from time to time (the “**Default Rate**”).

(iv) Accrued interest on each Loan shall be payable in cash (except as expressly set forth in Section 2.06(f) with respect to interest on the Term Loans attributable to the PIK Rate) in arrears on each Interest Payment Date for such Loan; *provided* that (i) interest accrued pursuant to Section 2.06(c) shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Term SOFR Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(v) All *per annum* interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate or Adjusted Term SOFR shall be determined by the Administrative Agent in accordance with the provisions of this Agreement and such determination shall be conclusive absent manifest error.

(vi) Notwithstanding anything to the contrary in this Agreement or any other Loan Document, and solely with respect to the Term Loans, a portion of the interest on each Term Loan attributable to the PIK Rate due and payable on each Interest Payment shall be payable in kind, with such interest amount being added to, and made part of, the outstanding principal amount of the Term Loans for all purposes hereof (including with respect to the accrual of interest thereon at the rates applicable to such Term Loan under this Agreement) on each Interest Payment Date (all interest that will be or has been paid in kind pursuant to this Agreement, “**PIK Interest**”); *provided* that the Borrower may elect for any Interest Payment Date, by delivering written notice to the Administrative Agent of its election at least five (5) Business Days prior to such Interest Payment Date, to pay such portion of the interest on each Term Loan attributable to the PIK Rate in cash and, thereafter, all interest payable on the Term Loans shall be payable solely in cash. Unless the context otherwise requires, for all purposes under this Agreement, references to the “principal” and the “principal amount” of any Term Loans include any increase in the principal amount thereof due to the addition of PIK Interest thereto pursuant to this Section 2.06(f) and the Third Amendment Term Loan Effective Date PIK Fee.

(p) **Termination and Reduction of Commitments**

(i) Unless previously terminated, the Initial Term Loan Commitments in effect on the Closing Date shall automatically terminate upon the funding of the Initial Term Loans on the Closing Date and the Delayed Draw Term Loan Commitments shall automatically terminate (i) in the event a Delayed Draw Term Loan is funded, upon the making of such Delayed Draw Term Loan in a corresponding amount and (B) in any event, on the Delayed Draw Term Loan Commitment Expiration Date. The 2022 Incremental Term Loan Commitments in effect on the First Amendment Effective Date shall automatically terminate upon the funding of the 2022 Incremental Term Loans on the First Amendment Effective Date. Subject to the provisions of clause (b) below, the Revolving Commitments shall automatically terminate on the Revolving Maturity Date.

(ii) At its option, the Borrower may at any time terminate, or from time to time permanently reduce, the Commitments of any Class (other than Delayed Draw Term Loans, which may be reduced or terminated as provided in Section 2.07(d) below); *provided* that (i) each reduction of the Commitments of any Class (other than Delayed Draw Term Loans) shall be in an amount that is an integral multiple of \$250,000 and not less than \$500,000 and (ii) the Revolving Commitments shall not be terminated or reduced if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 2.10, the aggregate amount of Revolving Exposures would exceed the aggregate amount of Revolving Commitments.

(iii) The Borrower shall notify the Administrative Agent in writing of any election to terminate or reduce the Commitments under Section 2.07(b) at least three Business Days prior to the effective date of such termination or reduction (which effective date shall be a Business Day), specifying such election and the effective date thereof. Promptly following receipt of any such notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by Borrower pursuant to this Section 2.07(c) shall be irrevocable; provided, that a notice of termination of the Commitments delivered by Borrower may state that such notice is conditioned upon the effectiveness of any other credit facilities, the closing of a securities offering or other refinancing of the Facilities, in which case, such notice may be revoked by Borrower (by written notice to the Administrative Agent during normal business hours on the Business Day prior to the specified effective date of such termination) if such condition is not satisfied and the Borrower shall pay any amounts due under Section 2.13, if any, in connection with any such revocation. With respect to the effectiveness of any such other credit facilities, the closing of any such securities offering, the Borrower may, subject to paying any amounts due under Section 2.13 with respect to such proposed extension, extend the date of termination to a Business Day occurring within three Business Days of the then effective termination date at any time during normal business hours prior to the then effective termination date with the consent of the Administrative Agent (such consent not to be unreasonably withheld, delayed or conditioned). Any termination or reduction of the Commitments of any Class shall be permanent. Each reduction of the Commitments of any Class shall be made ratably among the Lenders in accordance with their respective Commitments of such Class.

(iv) Upon delivering the notice required by Section 2.07(e), the Borrower may at any time terminate or from time to time reduce the Delayed Draw Term Loan Commitments of any Class; provided that each reduction of the Delayed Draw Term Loan Commitments of any Class shall be in an amount that is an integral multiple of \$1,000,000 or if less, the remaining amount thereof.

(v) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Delayed Draw Term Loan Commitment, as applicable, under Section 2.07(d) in writing at least three (3) Business Days prior to the effective date of such termination or reduction (or such later date to which the Administrative Agent may agree), specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise each applicable Delayed Draw Term Loan Lender of the contents thereof. Each notice delivered by the Borrower pursuant to this Section 2.07(e) shall be irrevocable; provided that any such notice may state that it is conditioned upon the effectiveness of other transactions or contingencies, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any effective termination or reduction of any Delayed Draw Term Loan Commitment pursuant to this Section 2.07(e) shall be permanent. Upon any reduction of any Delayed Draw Term Loan Commitment, the Delayed Draw Term Loan Commitment of each Delayed Draw Term Loan Lender of the relevant Class shall be reduced by such Delayed Draw Term Loan Lender's applicable Pro Rata Percentage of such reduction amount.

(q) **Interest Elections**

(i) Each Revolving Borrowing and Term Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a SOFR Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a SOFR Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.07(c). Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. Notwithstanding anything to the contrary in this Agreement, the Borrower shall not be entitled to request any conversion or continuation that, if made, would result in more than ten SOFR Borrowings outstanding hereunder at any one time.

(ii) To make an election pursuant to this Section 2.07(c), the Borrower shall deliver, by hand delivery, email through a "pdf" copy or facsimile transmission (or transmit by other electronic transmission if arrangements for doing so have been approved in writing by the Administrative Agent), a duly completed and executed Interest Election Request to the Administrative Agent not later than the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Revolving Borrowing or Term Borrowing the Type resulting from such

election to be made on the effective date of such election. Each Interest Election Request shall be irrevocable.

(iii) Each Interest Election Request shall specify the following information in compliance with Section 2.02:

- (A) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, or if outstanding Borrowings are being combined, allocation to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);
- (B) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;
- (C) whether the resulting Borrowing is to be an ABR Borrowing or a SOFR Borrowing; and
- (D) if the resulting Borrowing is a SOFR Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period."

If any such Interest Election Request requests a SOFR Borrowing but does not specify an Interest Period, then Borrower shall be deemed to have selected an Interest Period of one month's duration.

(iv) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(v) If an Interest Election Request with respect to a SOFR Borrowing is not timely delivered prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, the Administrative Agent, at the direction of the Required Lenders, may require, by notice to the Borrower, that (i) no outstanding Borrowing may be converted to or continued, after any then-applicable Interest Period, as a SOFR Borrowing and (ii) unless repaid, each SOFR Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

(r) **Amortization of Term Borrowing**

(i) The Borrower shall pay to the Administrative Agent, for the account of the Term Loan Lenders, on the dates set forth on Annex I, or if any such date is not a Business Day, on the immediately following Business Day (each such date, a "**Term Loan Repayment Date**"), a principal amount of the Term Loans equal to the amount set forth on Annex I for such date (as adjusted from time to time in connection with any

prepayment pursuant to Section 2.10 and in connection with any additional Term Loans made pursuant to Section 2.19), together in each case with accrued and unpaid interest on the principal amount to be paid to but excluding the date of such payment.

(ii) To the extent not previously paid, all Term Loans shall be due and payable on the applicable Term Loan Maturity Date.

(s) **Optional and Mandatory Prepayments of Loans**

(i) **Optional Prepayments.** The Borrower shall have the right at any time and from time to time to prepay any Borrowing, in whole or in part, or to permanently reduce any portion of the Commitment, subject to any reimbursement required under Section 2.13 and the requirements of this Section 2.10; *provided* that each optional partial prepayment or permanent reduction in any Commitment shall be in an amount that is an integral multiple of \$250,000 and not less than \$500,000 or, if less, the outstanding principal amount of such Borrowing.

(ii) **Revolving Loan Prepayments.**

- (A) In the event of the termination of all the Revolving Commitments, the Borrower shall, on the date of such termination, repay or prepay all its outstanding Revolving Borrowings.
- (B) In the event of any partial reduction of the unutilized portion of Revolving Commitments, then (x) at or prior to the effective date of such reduction, the Administrative Agent shall notify Borrower and the Revolving Lenders of the sum of the Revolving Exposures after giving effect thereto and (y) if the sum of the Revolving Exposures would exceed the aggregate amount of Revolving Commitments after giving effect to such reduction, then Borrower shall, on the date of such reduction, repay or prepay Revolving Borrowings in an aggregate amount sufficient to eliminate such excess.
- (C) In the event that the sum of all Lenders' Revolving Exposures exceeds the Revolving Commitments then in effect, the Borrower shall, without notice or demand, immediately repay or prepay Revolving Borrowings in an aggregate amount sufficient to eliminate such excess.
- (D) In the event that, as of the last day of any calendar month (each such date, a **Measurement Date**"), (x) the aggregate amount of cash and Cash Equivalents of the Borrower and its Subsidiaries maintained in the U.S. as of such Measurement Date, after giving pro forma effect to any Borrowings, the scheduled use of proceeds thereof and any other scheduled use of cash and Cash Equivalents on hand, in each case, through the third Business Day after such Measurement Date as determined in good faith by the Borrower, exceeds \$10,000,000 and (y) there are Revolving Loans outstanding, then the Borrower shall promptly (but in any event not more than two Business Days after the applicable Measurement Date) prepay the Revolving Loans in such an amount

equal to the lesser of (A) the then outstanding amount of the Revolving Loans and (B) the amount of such excess.

(iii) Asset Sales and Casualty Events. Not later than five (5) Business Days following the receipt by any Company of any Net Cash Proceeds of any Asset Sale or Casualty Event, the Borrower shall apply 100% of such Net Cash Proceeds to make prepayments in accordance with Sections 2.10(h) and (i); provided that:

- (A) no such prepayment shall be required under this clause (c) to the extent the aggregate Net Cash Proceeds of all Asset Sales and Casualty Events taken together do not result in more than \$1,000,000 in any fiscal year (the "**Asset Disposition Threshold**"), it being understood that once Net Cash Proceeds in excess of the Asset Disposition Threshold have been received in any fiscal year, then all such Net Cash Proceeds (including amounts not in excess of the Asset Disposition Threshold) received in such fiscal year shall be subject to prepayment under this clause (c);
- (B) such Net Cash Proceeds shall not be required to be so applied on such date to the extent that the Borrower shall have delivered an Officers' Certificate to the Administrative Agent on or prior to such date stating that such Net Cash Proceeds are expected to be reinvested in assets used or useful in the business (other than ordinary course current assets and excluding, in any event, any Investments and non-maintenance Capital Expenditures) of the Borrower and the other Loan Parties within 365 days following the date of such Casualty Event or Asset Sale (which Officers' Certificate shall set forth the estimates of the proceeds to be so expended); provided that if the Property subject to such Casualty Event or Asset Sale constituted Collateral, then all Property purchased or otherwise acquired with the Net Cash Proceeds thereof pursuant to this subsection shall be made subject to the first priority perfected Lien of the applicable Security Documents in favor of the Collateral Agent, for its benefit and for the benefit of the other Secured Parties; and
- (C) if all or any portion of such Net Cash Proceeds permitted to be reinvested pursuant to clause (ii) above is not contractually committed to be so reinvested within such 365-day period (and actually reinvested within 180 days after such contractual commitment was entered into), such unused portion shall be applied on the last day of such period as a mandatory prepayment as provided in this Section 2.10(c).

(iv) Debt Issuance. Not later than five (5) Business Days following the receipt of any Net Cash Proceeds of any Debt Issuance by any Company (other than Indebtedness permitted by this Agreement (other than Indebtedness pursuant to Section 2.21 to refinance all or a portion of the Term Loans or New Term Loans)), the Borrower shall make prepayments in accordance with Sections 2.10(h) and (i) in an aggregate principal amount equal to 100% of such Net Cash Proceeds.

(v) Excess Cash Flow. No later than five (5) Business Days after the date on which the audited financial statements with respect to such fiscal year in which such

Excess Cash Flow Period occurs are required to be delivered pursuant to Section 5.01(a) (for the avoidance of doubt, commencing with the fiscal year of the Borrower ending on September 30, 2024), the Borrower shall make prepayments in accordance with Sections 2.10(h) and (i), in an aggregate principal amount equal to the following percentage of Excess Cash Flow for the Excess Cash Flow Period then ended based on the Secured Leverage Ratio at the end of such Excess Cash Flow Period then ended

Secured Leverage Ratio	Percentage of Excess Cash Flow
Greater than 3.50:1.00	75%
Less than or equal to 3.50:1.00	50%

(vi) Extraordinary Receipts. Not later than five (5) Business Days following the receipt by the Borrower and its Subsidiaries of Extraordinary Receipts in an aggregate amount in excess of \$2,500,000 in any fiscal year, the Borrower shall apply 100% of such Extraordinary Receipts (in excess of such threshold) to make prepayments in accordance with Sections 2.10(h) and (i); *provided* that:

- (A) the Net Cash Proceeds of Specified Extraordinary Receipts shall not be required to be so applied on such date to the extent that the Borrower shall have delivered an Officers' Certificate to the Administrative Agent on or prior to such date stating that such Net Cash Proceeds are expected to be reinvested in assets used or useful in the business (other than ordinary course current assets and excluding, in any event, any Investments and non-maintenance Capital Expenditures) of the Borrower and the other Loan Parties within 365 days following the date of receipt of such Extraordinary Receipts (which Officers' Certificate shall set forth the estimates of the proceeds to be so expended); *provided* that all Property purchased or otherwise acquired with the Net Cash Proceeds thereof pursuant to this subsection shall be made subject to the first priority perfected Lien of the applicable Security Documents in favor of the Collateral Agent, for its benefit and for the benefit of the other Secured Parties; and
- (B) if all or any portion of such Net Cash Proceeds permitted to be reinvested pursuant to clause (i) above is not contractually committed to be so reinvested within such 365-day period (and actually reinvested within 180 days after such contractual commitment was entered into), such unused portion shall be applied on the last day of such period as a mandatory prepayment as provided in this Section 2.10(f).

(vii) Cure Amount. Not later than one (1) Business Day following the receipt by the Borrower of any Cure Amount, the Borrower shall apply 100% of such Cure Amount to make prepayments in accordance with Sections 2.10(h) and (i).

(viii) Application of Prepayments.

- (A) *Mandatory Prepayments.* Except as may be set forth in any Incremental Loan Amendment, any Extension Amendment or any Refinancing Amendment, all amounts required to be paid pursuant to Sections 2.10(c), 2.10(d), 2.10(e), 2.10(f) and 2.10(g) shall be applied (x) *first*, pro rata to the outstanding Revolving Loans of each Class (without a permanent reduction of the corresponding Revolving Commitments) and (y) *second*, pro rata to the outstanding Term Loans of each Class (or, in the case of the incurrence of Refinancing Term Loans, to the Term Loans of the Class or Classes to be refinanced with the proceeds of such Refinancing Term Loans), and to the remaining unpaid amortization payments required under Section 2.09 thereof as directed by the Borrower at the time of the respective prepayment (or, in the absence of such direction, in direct order of maturity to the remaining unpaid amortization payments required under Section 2.09).
- (B) *Optional Prepayments.* Except as may be set forth in any Incremental Loan Amendment, any Extension Amendment or any Refinancing Amendment, all amounts applied to the voluntary prepayment of any Term Loans pursuant to Section 2.10(a) shall be applied pro rata to the outstanding Term Loans of each Class, and to the remaining unpaid amortization payments required under Section 2.09 thereof as directed by the Borrower at the time of the respective prepayment (or, in the absence of such direction, in direct order of maturity to the remaining unpaid amortization payments required under Section 2.09).
- (C) Within the parameters of the applications set forth above, prepayments shall be applied first to ABR Loans and then to Term SOFR Loans in direct order of Interest Period maturities. All prepayments of Term SOFR Loans under this Section 2.10(h) shall be subject to Section 2.13.

(ix) Notice of Prepayment. Borrower shall notify the Administrative Agent by written notice of any prepayment hereunder (i) in the case of prepayment of a SOFR Borrowing, not later than Noon, New York City time, on the third Business Day before the date of prepayment (or such later time as may be agreed to by Administrative Agent in its sole discretion) and (ii) in the case of prepayment of an ABR Borrowing, not later than Noon, New York City time, one Business Day before the date of prepayment (or such later time as may be agreed to by Administrative Agent in its sole discretion). Each such notice shall be irrevocable, *provided* that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.07, then such notice of prepayment may be revoked or extended if such termination is revoked or extended in accordance with Section 2.07. Each such notice shall specify the prepayment date, the principal amount of each Borrowing or portion thereof to be prepaid and, in the case of a mandatory prepayment, a reasonably detailed calculation of the amount of such prepayment. Promptly following receipt of any such notice, the Administrative Agent shall advise the Lenders of the contents thereof. Such notice to the Lenders may be by electronic communication. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of a Borrowing of the same Type as provided in Section 2.02, except as necessary to apply fully the

required amount of a mandatory prepayment. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing and otherwise in accordance with this Section 2.10. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.06.

(x) Waiver of Mandatory Prepayments. Notwithstanding the foregoing provisions of this Section 2.10, (i) in the case of any mandatory prepayment of the Term Loans, Term Loan Lenders, as applicable, may waive by written notice to the Borrower and the Administrative Agent on or before the date on which such mandatory prepayment would otherwise be required to be made hereunder the right to receive the amount of such mandatory prepayment of the Term Loans, as applicable, (ii) any amounts not applied to the prepayment of Term Loans, as applicable, shall be applied instead to the prepayment of outstanding Revolving Loans (but without any corresponding reduction in Revolving Commitments and (iii) so long as no Default or Event of Default has occurred and is continuing, to the extent there are any prepayment amounts remaining after the foregoing application, such amounts shall be paid promptly by the Administrative Agent to the Borrower.

(xi) Loan Call Protection. In the event that, prior to the second anniversary of the Closing Date, (i) the Borrower makes any prepayment or repayment of Initial Term Loans pursuant to Section 2.10(a), 2.10(c) and 2.10(d), (ii) the Borrower makes any prepayment or repayment of Initial Term Loans in whole or in part following a Change in Control or an acceleration of the Initial Term Loans (with the date of such prepayment or repayment, for purposes of calculating the payment required pursuant to this Section 2.10(k), to be deemed to be the date on which such Change in Control or acceleration of the Initial Term Loans occurs) or (iii) the Borrower replaces any Lender in accordance with Section 2.16(b)(iv), in each case, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the Lenders holding Initial Term Loans (including any Lender that is replaced pursuant to Section 2.16(b)(iv)), a premium equal to (x) if such event occurs prior to the first anniversary of the Closing Date, 2.00% and (y) if such event occurs on or after the first anniversary but prior to the second anniversary of the Closing Date, 1.00% of the aggregate principal amount of the Initial Term Loans being prepaid or repaid (or mandatorily assigned) (such premiums, the "Prepayment Premium"). Without limiting the generality of the foregoing, it is understood and agreed that if the Initial Term Loans are accelerated or otherwise become due prior to the Term Loan Maturity Date, in each case, in respect of any Event of Default (including upon the occurrence of an Event of Default under Section 8.01(g) or 8.01(h) (including the acceleration of claims by operation of law)), any Prepayment Premium that would otherwise be applicable with respect to a prepayment of the Initial Term Loans at such time pursuant to Section 2.10(a) will also be due and payable on the date of such acceleration or such other prior due date as though the Initial Term Loans were voluntarily prepaid as of such date and shall constitute part of the Obligations, in view of the impracticability and extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Lender's loss as a result thereof. Any premium payable above shall be presumed to be the liquidated damages sustained by each Lender and the Borrower agrees that it is reasonable under the circumstances currently existing. THE BORROWER EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY

PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE PREPAYMENT PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Borrower expressly agrees (to the fullest extent it may lawfully do so) that: (A) the Prepayment Premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the Prepayment Premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between the Lenders and the Borrower giving specific consideration in this transaction for such agreement to pay the Prepayment Premium; and (D) the Borrower shall be estopped hereafter from claiming differently than as agreed to in this paragraph. It is understood and agreed that any accrued and unpaid PIK Amounts that have been capitalized and added to the principal amount of the Initial Term Loans prior to such date of repayment or prepayment shall constitute Initial Term Loans subject to the Prepayment Premium.

(xii) Foreign Subsidiary Restrictions. Notwithstanding any other provisions of this Section 2.10, (A) to the extent that any or all of the Net Cash Proceeds of any Asset Sale or Casualty Event by a Foreign Subsidiary or the portion of Excess Cash Flow for any Excess Cash Flow Period attributable to a Foreign Subsidiary are prohibited, restricted or delayed from being repatriated to the United States, or such repatriation or prepayment would present a material risk of liability for the applicable Foreign Subsidiary or its directors or officers (or would give rise to a material risk of breach of fiduciary or statutory duties by any director or officer), the Borrower shall not be required to make a prepayment at the time provided in this Section 2.10 with respect to such affected amounts, and instead, such amounts may be retained by the applicable Foreign Subsidiary (the Borrower hereby agreeing to use commercially reasonable efforts to otherwise cause the applicable Foreign Subsidiary following the date on which the respective payment would otherwise have been required, promptly to take all actions reasonably required by the applicable local Law or other impediment to permit such repatriation), and if following the date on which the respective payment would otherwise have been required, such repatriation of any of such Net Cash Proceeds or Excess Cash Flow is permitted under the applicable local Law or other impediment (or is otherwise received by the Borrower or a Subsidiary Guarantor), such repatriation will be promptly effected and such repatriated Net Cash Proceeds or Excess Cash Flow will be promptly (and in any event not later than three (3) Business Days after such repatriation could be made) applied (whether or not repatriation actually occurs) to the repayment of the Term Loans pursuant to this Section 2.10 to the extent provided herein and (B) to the extent that the Borrower has determined in good faith that repatriation of any of or all Net Cash Proceeds or Excess Cash Flow could reasonably be expected to have an adverse Tax consequence that is not de minimis (taking into account any foreign tax credit or benefit actually realized in connection with such repatriation) with respect to such Net Cash Proceeds or Excess Cash Flow, the Net Cash Proceeds or Excess Cash Flow so affected may be retained by the applicable Foreign Subsidiary; provided that, in the case of this clause (B), on or before the date that is twelve months after the date on which any Net Cash Proceeds or Excess Cash Flow so retained would otherwise have been required to be applied to prepayments pursuant to this Section 2.10, the Borrower shall apply an amount equal to such Net Cash Proceeds or Excess Cash Flow to such prepayments as if such Net Cash Proceeds or Excess Cash Flow had been received by the Borrower rather

than a Foreign Subsidiary, less the amount of additional Taxes that would have been payable or reserved against if such Net Cash Proceeds or Excess Cash Flow had been repatriated.

(t) **Alternate Rate of Interest**

(i) If prior to the commencement of any Interest Period for a Borrowing:

- (A) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that adequate and reasonable means do not exist for ascertaining Adjusted Term SOFR for a Loan or for the applicable Interest Period; or
- (B) the Administrative Agent is advised by the Required Lenders that Adjusted Term SOFR for a Loan or for the applicable Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone or telecopy as promptly as practicable thereafter and, until the Administrative Agent (upon the instruction of the Required Lenders in the case of clause (ii) above) notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (x) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a SOFR Borrowing shall be ineffective and the Loans shall be converted to an ABR Borrowing and (y) if any Borrowing Request requests a SOFR Borrowing, such Borrowing shall be made as an ABR Borrowing.

(ii) Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Borrower or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to Borrower) that the Borrower or Required Lenders (as applicable) have determined, that:

- (A) adequate and reasonable means do not exist for ascertaining Term SOFR for any requested Interest Period, including, without limitation, because the SOFR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary,
- (B) the administrator of the SOFR Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which SOFR or the SOFR Screen Rate shall no longer be made available, or used for determining the interest rate of loans (such specific date, the "**Scheduled Unavailability Date**"), or
- (C) syndicated loans currently being executed, or that include language similar to that contained in this Section 2.11, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace SOFR,

then, reasonably promptly after such determination by the Administrative Agent or receipt by the Administrative Agent of such notice, as applicable, the Administrative Agent and the Borrower may amend this Agreement to replace SOFR with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein), giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated syndicated credit facilities for such alternative benchmarks (any such proposed rate, a "**SOFR Successor Rate**"), together with any proposed SOFR Successor Rate Conforming Changes, and any such amendment shall become effective at 5:00 p.m. (New York time) on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders do not accept such amendment.

If no SOFR Successor Rate has been determined and the circumstances under clause (b)(i) above exist or the Scheduled Unavailability Date has occurred (as applicable), the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Term SOFR Loans shall be suspended (to the extent of the affected Term SOFR Loans or Interest Periods), and (y) the SOFR component shall no longer be utilized in determining the Alternate Base Rate. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Term SOFR Loans (to the extent of the affected Term SOFR Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of ABR Loans (subject to the foregoing clause (y) in the amount specified therein).

Notwithstanding anything else herein, any definition of SOFR Successor Rate shall provide that in no event shall such SOFR Successor Rate be less than the Floor for purposes of this Agreement.

(u) **Increased Costs; Change in Legality**

- (i) If any Change in Law shall:
 - (A) impose, modify or deem applicable any reserve, special deposit or similar requirement against Property of, deposits with or for the account of, or credit extended by, any Lender;
 - (B) subject the Administrative Agent, any Lender or such other Recipient to any Taxes (other than (x) Excluded Taxes and (y) Indemnified Taxes that are covered by Section 2.15) on or with respect to its Loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable to any Loan or Commitment; or
 - (C) impose on any Lender any other condition, cost or expense affecting this Agreement or Term SOFR Loans made by such Lender therein;
- and the result of any of the foregoing shall be to increase the cost to the Administrative Agent, such Lender or such other Recipient of making or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to the Administrative Agent, such Lender or such Lender's holding company, if any, to reduce the amount of any sum received or receivable by the Administrative Agent, such Lender or such other Recipient hereunder (whether of principal, interest or otherwise), then

Borrower will pay to the Administrative Agent, such Lender or such other Recipient, as the case may be, such additional amount or amounts as will compensate the Administrative Agent, such Lender or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered; *provided* that the foregoing shall not apply to any such costs incurred more than 270 days prior to the date on which Borrower receives a certificate in regard thereto (*provided, further*, that the foregoing limitation shall not apply to any such costs arising out of the retroactive application of any Change in Law), as provided in subsection (c) below. The protection of this Section 2.12 shall be available to each Lender regardless of any possible contention of the invalidity or inapplicability of the Change in Law that shall have occurred or been imposed.

(ii) If any Lender determines (in good faith in its reasonable discretion) that any Change in Law regarding Capital Requirements or liquidity has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitment of such Lender or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company, for any such reduction suffered; *provided* that the foregoing shall not apply to any such costs incurred more than 270 days prior to the date on which Borrower receives a certificate in regard thereto (*provided, further*, that the foregoing limitation shall not apply to any such costs arising out of the retroactive application of any Change in Law), as provided in subsection (c) below.

(iii) A certificate of a Lender setting forth in reasonable detail the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section 2.12 shall be delivered to the Borrower (with a copy to the Administrative Agent) and shall be conclusive and binding absent manifest error. Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

(iv) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.12 shall not constitute a waiver of such Lender's right to demand such compensation, except as otherwise expressly provided in subsection (a) and (b) above.

(v) If any Lender determines in good faith in its reasonable discretion that any Change in Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender to make, maintain or fund Term SOFR Loans, or to determine or charge interest rates based upon Adjusted Term SOFR, then, on written notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender to make or continue Term SOFR Loans or to convert ABR Loans to Term SOFR Loans or, if such notice relates to the unlawfulness or asserted unlawfulness of charging interest based on Adjusted Term SOFR, to make ABR Loans as to which the interest rate is determined with reference to Adjusted Term SOFR shall be suspended until such Lender notifies in writing the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon

receipt of such notice, the Borrower shall, within three Business Days after demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Term SOFR Loans of such Lender and ABR Loans as to which the interest rate is determined with reference to Adjusted Term SOFR to ABR Loans as to which the rate of interest is not determined with reference to Adjusted Term SOFR, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Term SOFR Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term SOFR Loans or a ABR Loan as to which the interest rate is determined with reference to Adjusted Term SOFR. Notwithstanding the foregoing and despite the illegality for such a Lender to make, maintain or fund Term SOFR Loans or ABR Loans as to which the interest rate is determined with reference to Adjusted Term SOFR, that Lender shall remain committed to make ABR Loans as to which the rate of interest is not determined with reference to Adjusted Term SOFR and shall be entitled to recover interest at such Alternate Base Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

(vi) For purposes of paragraph (e) of this Section 2.12, a written notice to the Borrower by any Lender shall be effective as to each Term SOFR Loan made by such Lender, if lawful, on the last day of the Interest Period then applicable to such Term SOFR Loan; in all other cases such notice shall be effective on the date of receipt by Borrower.

(v) **Breakage Payments**

. In the event of (a) the payment or prepayment, whether optional or mandatory, of any principal of any Term SOFR Loan earlier than the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Term SOFR Loan earlier than the last day of the Interest Period applicable thereto, to the extent thereof, (c) the failure to borrow, convert, continue or prepay any Revolving Loan or Term Loan on the date specified in any notice delivered pursuant hereto, to the extent thereof, or (d) the assignment of any Term SOFR Loan earlier than the last day of the Interest Period applicable thereto as a result of a request by Borrower pursuant to Section 2.16, to the extent thereof, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a Term SOFR Loan, such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined by such Lender in good faith to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at Adjusted Term SOFR that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), in excess of (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for Dollar deposits of a comparable amount and period from other banks in the U.S. market. A certificate of any Lender setting forth in reasonable detail any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.13 shall be delivered to the Borrower (with a copy to the Administrative Agent) and shall be conclusive and binding absent manifest error. Borrower shall pay such Lender the amount shown as due on any such certificate within seven Business Days after receipt thereof.

- Notwithstanding any of the other provisions of this Section 2.13, so long as no Event of Default shall have occurred and be continuing, if any prepayment of Term SOFR Loans is required to be made under Section 2.10 prior to the last day of the Interest Period therefor, in lieu of making any payment pursuant to Section 2.10 in respect of any such Term SOFR Loan prior to the last day of the Interest Period therefor, the Borrower may, in its sole discretion, deposit with the Administrative Agent the amount of any such prepayment otherwise required to be made hereunder until the last day of such Interest Period, at which time the Administrative Agent shall be authorized (without any further action by or notice to or from the Borrower or any other Loan Party) to apply such amount to the prepayment of such Loans in accordance with Section 2.10. Such deposit shall constitute cash collateral for the Term SOFR Loans to be so prepaid, *provided* that the Borrower may at any time direct that such deposit be applied to make the applicable payment required pursuant to Section 2.10.

(w) **Payments Generally; Pro Rata Treatment; Sharing of Setoffs**

(a) The Borrower shall make each payment required to be made by it hereunder or under any other Loan Document (whether of principal, interest or fees, or of amounts payable under Section 2.12, 2.13 or 2.15, or otherwise) on or before the time expressly required hereunder or under such other Loan Document for such payment (or, if no such time is expressly required, prior to 2:00 p.m., New York City time), on the date when due, in immediately available funds, without setoff, deduction or counterclaim. Any amounts received after such time on any date may, in the reasonable discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 520 Madison Avenue, New York, New York 10022 (or such other office as the Administrative Agent shall specify in writing to the Borrower), except that payments pursuant to Sections 2.12, 2.13, 2.15 and 11.03 shall be made directly to the persons entitled thereto and payments pursuant to other Loan Documents shall be made to the persons specified therein. Subject to Article X, the Administrative Agent shall distribute any such payments received by it for the account of any other persons ratably to the appropriate recipients promptly following receipt thereof. If any payment under any Loan Document shall be due on a day that is not a Business Day, unless specified otherwise, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments under each Loan Document shall be made in Dollars.

(i) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) *first*, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) *second*, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(ii) If any Lender shall, by exercising any right of setoff or counterclaim or otherwise (including by exercise of its rights under the Security Documents), obtain payment in respect of any principal of or interest on any of its Revolving Loans or Term Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Revolving Loans and Term Loans and accrued interest thereon than the

proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Revolving Loans and Term Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Revolving Loans and Term Loans; *provided* that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Revolving Loans or Term Loans to any assignee or participant, other than to any Company or any Affiliates thereof (as to which the provisions of this paragraph shall apply). Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Legal Requirements, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against each Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party pursuant to this Agreement in the amount of such participation. If under applicable bankruptcy, insolvency or any similar law any Secured Party receives a secured claim in lieu of a setoff or counterclaim to which this Section 2.14(c) applies, such Secured Party shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights to which the Secured Party is entitled under this Section 2.14(c) to share in the benefits of the recovery of such secured claim.

(iii) Unless the Administrative Agent shall have received written notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules or practices on interbank compensation.

(iv) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.02(c), 2.14(d) or 11.03(e), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(x) **Taxes**

(i) Any and all payments by or on account of any obligation of any of the Loan Parties hereunder or under any other Loan Document shall be made free and clear of and without deduction or withholding for any and all Taxes; *provided that if applicable Legal Requirements (as determined in the good faith discretion of an applicable withholding agent) shall require deduction or withholding of any Tax from such payments, then (i) if such Tax is an Indemnified Tax, the sum payable by the applicable Loan Party shall be increased as necessary so that after all required deductions or withholdings (including deductions or withholdings applicable to additional sums payable under this Section 2.15) the applicable Recipient receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) the applicable withholding agent shall be entitled to make such deductions or withholdings as required by applicable Legal Requirements and (iii) the applicable withholding agent shall timely pay, or cause to be paid, the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Legal Requirements.*

(ii) In addition, the Borrower and any other Loan Party shall timely pay, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes to the relevant Governmental Authority in accordance with applicable Legal Requirements.

(iii) Borrower and all other Loan Parties shall jointly and severally indemnify the Administrative Agent, each Lender and each other Recipient, within ten Business Days after written demand therefor, for the full amount of any Indemnified Taxes payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient or required to be withheld or deducted from a payment to such Recipient (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.15, but, for the avoidance of doubt, without duplication of any amounts withheld or deducted by the applicable withholding agent and for which the Recipient has been paid pursuant to clause (i) of Section 2.15(a)) and any penalties, interest and expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by the Recipient (in each case, with a copy delivered concurrently to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Recipient, shall be conclusive absent manifest error.

(iv) As soon as practicable after any payment of Taxes pursuant to this Section 2.15 and in any event within thirty (30) days following any such payment being due by Borrower or any other Loan Party to a Governmental Authority, the Borrower or any other Loan Party, as applicable, shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent. If the Borrower or any other Loan Party fails to pay any Indemnified Taxes when due to the appropriate Governmental Authority or fails to remit to the Administrative Agent the required receipts or other documentary evidence, the Borrower or such Loan Party shall indemnify the Administrative Agent, each Lender and each other Recipient for any incremental Taxes.

or expenses that may become payable by the Administrative Agent, such Lender or such other Recipient, as the case may be, as a result of any such failure.

(v) Any Lender that is entitled to an exemption from or reduction of withholding tax with respect to payments under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent or as prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law and reasonably requested by Borrower or the Administrative Agent as will permit such payments to be made without withholding (including backup withholding) or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and delivery of such documentation (other than such documentation set forth in Section 2.15(e)(i), Section 2.15(e)(ii) or Section 2.15(e)(iii) below) shall not be required if in the Lender's reasonable judgment such completion, execution or delivery would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(A) Without limiting the generality of the foregoing, each Foreign Lender (as well as the Administrative Agent, in the event the Administrative Agent is not a "United States person" (as defined in Section 7701(a)(30) of the Code)) shall (i) furnish to the Borrower and the Administrative Agent on or prior to the date it becomes a party hereto, either (a) two accurate and complete executed copies of U.S. Internal Revenue Service Forms W-8BEN, or W-8BEN-E, claiming the benefits under any applicable income tax treaty (or successor form), (b) two accurate and complete executed copies of U.S. Internal Revenue Service Forms W-8ECI (or successor form), (c) two accurate and complete executed copies of U.S. Internal Revenue Service Forms W-8IMY (or successor form) and certification documents from each beneficial owner, as applicable, or (d) two accurate and complete executed copies of U.S. Internal Revenue Service Forms W-8EXP (or successor form), together with any required schedules or attachments, certifying, in each case, to such Foreign Lender's legal entitlement to an exemption or reduction from U.S. federal withholding tax with respect to all interest payments hereunder, as may be applicable, and (ii) to the extent it may lawfully do so at such times, provide Borrower and the Administrative Agent a new copy of U.S. Internal Revenue Service Form W-8BEN, W-8BEN-E (or successor form), U.S. Internal Revenue Service Form W-8ECI (or successor form) or U.S. Internal Revenue Service Form W-8IMY (or successor form) or U.S. Internal Revenue Service Form W-8EXP (or successor form) (in each case, together with any required schedules or attachments) upon the expiration or obsolescence of any previously delivered form, or at any other time upon the reasonable request of the Borrower or the Administrative Agent, to reconfirm any complete exemption from, or any entitlement to a reduction in, U.S. federal withholding tax with respect to any interest payment hereunder; *provided* that any Foreign Lender that

is claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest" shall furnish a "U.S. Tax Certificate" in the form of Exhibit G-1 attached to such Foreign Lender's U.S. Internal Revenue Service Form W-8BEN or W-8BEN-E; *provided*, further, that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner.

- (B) Each Recipient that is a "United States person" (as defined in Section 7701(a)(30) of the Code) shall furnish to the Borrower and the Administrative Agent on or prior to the date it becomes a Recipient hereunder an accurate, properly completed and duly executed U.S. Internal Revenue Service Form W-9 (or successor form) establishing that such Recipient is not subject to U.S. backup withholding or shall otherwise establish an exemption from U.S. backup withholding, and provide a new U.S. Internal Revenue Service Form W-9 (or successor form) upon obsolescence of any previously delivered form.
- (C) If a payment made to a Recipient under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Recipient shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA, to determine that such Recipient has or has not complied with such Recipient's obligations under FATCA and, as necessary, to determine the amount to deduct and withhold from such payment. Solely for the purposes of this Section 2.15(e), "FATCA" shall include any amendment made to FATCA after the date of this agreement.

Each Recipient agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so. Notwithstanding the foregoing, this Section 2.15(e) shall not require any Recipient to provide any forms or documentation that it is not legally entitled to provide.

(vi) If the Administrative Agent or a Lender determines in its sole discretion, exercised in good faith, that it has received a refund of any Indemnified Taxes as to which it has been indemnified by Borrower or with respect to which Borrower has paid additional amounts pursuant to this Section 2.15, it shall pay over such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by Borrower under this Section 2.15 with respect to the Indemnified Taxes or the

Other Taxes giving rise to such refund), net of all reasonable and documented out-of-pocket expenses of the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided, however,* that if the Administrative Agent or such Lender is required to repay all or a portion of such refund to the relevant Governmental Authority, the Borrower, upon the request of the Administrative Agent or such Lender, shall repay the amount paid over to the Borrower that is required to be repaid (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender within three Business Days after receipt of written notice that the Administrative Agent or such Lender is required to repay such refund (or a portion thereof) to such Governmental Authority. Nothing contained in this Section 2.15(f) shall require the Administrative Agent or any Lender to make available its Tax Returns or any other information which it deems confidential to the Borrower or any other person. Notwithstanding anything to the contrary, in no event will the Administrative Agent or any Lender be required to pay any amount to the Borrower the payment of which would place the Administrative Agent or such Lender in a less favorable net after-tax position than the Administrative Agent or such Lender would have been in if the Indemnified Taxes giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Indemnified Taxes had never been paid.

(vii) Each party's obligations under this Section 2.15 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(y) **Mitigation Obligations; Replacement of Lenders**

(i) **Mitigation of Obligations.** If any Lender requests compensation under Section 2.12(a) or (b), or if Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.15, then such Lender if requested by Borrower shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender, such designation or assignment (i) would eliminate or reduce materially amounts payable pursuant to Section 2.12(a), 2.12(b), or 2.15, as the case may be, in the future, (ii) would not subject such Lender to any unreimbursed cost or expense, (iii) would not require such Lender to take any action materially inconsistent with its internal policies or legal or regulatory restrictions, and (iv) would not otherwise be materially disadvantageous to such Lender. Borrower shall pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment. A certificate setting forth such costs and expenses in reasonable detail submitted by such Lender to the Administrative Agent shall be conclusive absent manifest error.

(ii) Replacement of Lenders. In the event (i) any Lender delivers a certificate requesting compensation pursuant to Section 2.12(a) or (b), (ii) any Lender delivers a notice described in Section 2.12(e), (iii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority on account of any Lender pursuant to Section 2.15, (iv) any Lender refuses to consent to any amendment, waiver or other modification of any Loan Document requested by Borrower that requires the consent of 100% of the Lenders or 100% of all affected Lenders, and which, in each case, has been consented to by Required Lenders or (v) any Lender becomes a Defaulting Lender or otherwise defaults in its obligations to make Loans or other extensions of credit hereunder, the Borrower may, at its sole expense and effort (including with respect to the processing and recordation fee referred to in Section 11.04(b)), upon notice to such Lender and the Administrative Agent, require such Lender to transfer and assign, without recourse (in accordance with and subject to the restrictions contained in Section 11.04), all of its interests, rights and obligations under this Agreement to an assignee which shall assume such assigned obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that (u) in the case of any such assignment resulting from a claim for compensation under Section 2.12(a) or (b) or payments required to be made pursuant to Section 2.15, such assignment will result in a reduction in such compensation or payments thereafter, (v) in the case of any assignment resulting from the circumstances described in clause (iv) above, the applicable assignee shall have consented to the applicable amendment, waiver or other modification, (w) except in the case of clause (iv) above if the effect of such amendment, waiver or other modification of the applicable Loan Document would cure all Defaults and Events of Defaults then ongoing, no Default or Event of Default shall have occurred and be continuing, (x) such assignment shall not conflict with any applicable Legal Requirement, (y) to the extent required pursuant to Section 11.04(b)(v), the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld or delayed, and (z) the Borrower or such assignee shall have paid to the affected Lender in immediately available funds an amount equal to the sum of the principal of and interest accrued to the date of such payment on the outstanding Loans of such Lender affected by such assignment plus all Fees and other amounts owing to or accrued for the account of such Lender or Administrative Agent hereunder (including any amounts under Sections 2.12 and 2.13 and the assignment fee described in Section 11.04(b)(iii)) ; *provided, further*, that, if prior to any such transfer and assignment the circumstances or event that resulted in such Lender's claim for compensation under Section 2.12(a) or (b) or notice under Section 2.12(e) or the amounts paid pursuant to Section 2.15, as the case may be, cease to cause such Lender to suffer increased costs or reductions in amounts received or receivable or reduction in return on capital, or cease to have the consequences specified in Section 2.12(e), or cease to result in amounts being payable under Section 2.15, as the case may be (including as a result of any action taken by such Lender pursuant to paragraph (a) of this Section 2.16), or if such Lender shall waive its right to claim further compensation under Section 2.12(a) or (b) in respect of such circumstances or event or shall withdraw its notice under Section 2.12(e) or shall waive its right to further payments under Section 2.15 in respect of such circumstances or event or shall consent to the proposed amendment, waiver, consent or other modification, as the case may be, then such Lender shall not thereafter be required to make any such transfer and assignment hereunder. Each Lender hereby grants to the Administrative Agent (other than any Lender upon written request at the sole discretion of the Administrative Agent)

an irrevocable power of attorney (which power is coupled with an interest) to execute and deliver, on behalf of such Lender as assignor, any Assignment and Assumption necessary to effectuate any assignment of such Lender's interests hereunder in the circumstances contemplated by this Section 2.16(b).

(iii) Defaulting Lenders. Anything contained herein to the contrary notwithstanding, in the event that any Lender becomes a Defaulting Lender, then (i) during any Default Period (as defined below) with respect to such Defaulting Lender, such Defaulting Lender shall be deemed not to be a "Lender", and the amount of such Defaulting Lender's Revolving Commitment and Revolving Loans and/or Term Loan Commitments and Term Loans shall be excluded for purposes of voting, and the calculation of voting, on any matters (including the granting of any consents or waivers) with respect to any of the Loan Documents, except that the amount of such Defaulting Lender's Revolving Commitment and Revolving Loans and/or Term Loan Commitments and Term Loans shall be included for purposes of voting, and the calculation of voting, on the matters set forth in Section 11.02(b)(i) to (xii) (including the granting of any consents or waivers) only to the extent that, in the case of Section 11.02(b)(i) to (iii), any such matter directly affects such Defaulting Lender or, in the case of Section 11.02(b)(iv) to (xii), any such matter disproportionately affects such Defaulting Lender; (ii) to the extent permitted by applicable Legal Requirements, until such time as the Default Excess (as defined below) with respect to such Defaulting Lender shall have been reduced to zero, (A) any voluntary prepayment of the Loans pursuant to Section 2.10(a) shall, if the Borrower so directs at the time of making such voluntary prepayment, be applied to the Loans of other Lenders (but not to the Loans of such Defaulting Lender) in accordance with Section 2.10(a) as if such Defaulting Lender had no Loans outstanding and the Revolving Exposure of such Defaulting Lender were zero, and (B) any mandatory prepayment of the Loans pursuant to Section 2.10 shall, if the Borrower so directs at the time of making such mandatory prepayment, be applied to the Loans of other Lenders (but not to the Loans of such Defaulting Lender) in accordance with Section 2.10 as if such Defaulting Lender had funded all Defaulted Loans of such Defaulting Lender, it being understood and agreed that the Borrower shall be entitled to retain any portion of any mandatory prepayment of the Loans that is not paid to such Defaulting Lender solely as a result of the operation of the provisions of this clause (B); (iii) the amount of such Defaulting Lender's Revolving Commitment and Revolving Loans shall be excluded for purposes of calculating the Commitment Fee payable to Revolving Lenders pursuant to Section 2.05(a) in respect of any day during any Default Period with respect to such Defaulting Lender, and such Defaulting Lender shall not be entitled to receive any Commitment Fee pursuant to Section 2.05(a) with respect to such Defaulting Lender's Revolving Commitment in respect of any Default Period with respect to such Defaulting Lender; and (iv) the Revolving Exposure of all Lenders as at any date of determination shall be calculated as if such Defaulting Lender had funded all Defaulted Loans of such Defaulting Lender. In the event that each of the Administrative Agent and the Borrower agree that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Revolving Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Revolving Commitment.

For purposes of this Agreement, (i) "**Funding Default**" shall mean, with respect to any Defaulting Lender, the occurrence of any of the events set forth in the definition of "Defaulting Lender," (ii) "**Default Period**" shall mean, with respect to any Defaulting Lender, the period commencing on the date of the applicable Funding Default and ending on the earliest of the following dates: (a) the date on which all Commitments are cancelled or terminated and/or the Secured Obligations are declared or become immediately due and payable, (b) with respect to any Funding Default (other than any such Funding Default arising pursuant to clause (e) of the definition of "Defaulting Lender"), the date on which (1) the Default Excess with respect to such Defaulting Lender shall have been reduced to zero (whether by the funding by such Defaulting Lender of any Defaulted Loans of such Defaulting Lender or by the non-pro rata application of any voluntary or mandatory prepayments of the Loans in accordance with the terms hereof or any combination thereof) and (2) such Defaulting Lender shall have delivered to the Borrower and the Administrative Agent a written reaffirmation of its intention to honor its obligations under this Agreement with respect to its Commitment(s), and (c) the date on which Borrower, the Administrative Agent and the Required Lenders waive all Funding Defaults of such Defaulting Lender in writing, and (iii) "**Default Excess**" shall mean, with respect to any Defaulting Lender, the excess, if any, of such Defaulting Lender's Pro Rata Percentage of the aggregate outstanding principal amount of Loans of all Lenders (calculated as if all Defaulting Lenders (including such Defaulting Lender) had funded all of their respective Defaulted Loans) over the aggregate outstanding principal amount of Loans of such Defaulting Lender.

No amount of the Commitment of any Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in Section 2.16(c), performance by Borrower of its obligations under this Agreement and the other Loan Documents shall not be excused or otherwise modified, as a result of any Funding Default or the operation of Section 2.16(c). The rights and remedies against a Defaulting Lender under Section 2.16(c) are in addition to other rights and remedies that the Borrower may have against such Defaulting Lender with respect to any Funding Default and that the Administrative Agent or any Lender may have against such Defaulting Lender with respect to any Funding Default.

(z) [reserved]

(aa) [reserved]

(ab) **Increases of the Term Loan and Revolving Commitments**

(i) Prior to the Third Amendment Effective Date, the Borrower may by written request to the Administrative Agent (I) prior to the Term Loan Maturity Date, establish one or more new Term Loan Commitments under a new term facility or under the existing term facility or any increase under an existing tranche of Term Loans (each, a "**New Term Loan Commitment**" and the Loans made thereunder, the "**New Term Loans**") or (II) prior to the Revolving Maturity Date, establish one or more increases in the amount of the Revolving Commitments under the then existing revolving facility (each, a "**New Revolving Commitment**" and together with the New Term Loans, the "**Incremental Facilities**" and each, an "**Incremental Facility**"), in each case, the

proceeds of which may be used for general corporate purposes, including, without limitation, for additional dividends, distributions, Investments, general working capital, capital expenditures, Permitted Acquisitions and other expenditures not prohibited by this Agreement; *provided* that:

- (A) the aggregate principal amount of the New Term Loan Commitments and New Revolving Commitments pursuant to this Section 2.19 shall not exceed the Maximum Incremental Facilities Amount. The aggregate principal amount of any requested increase in New Term Loan Commitment or New Revolving Commitment shall be in a minimum amount of \$5,000,000 and in integral multiples of \$1,000,000 in excess thereof (or such lower amount that represents all remaining availability pursuant to this Section 2.19).
- (B) no Default or Event of Default shall have occurred and be continuing or would immediately occur after giving effect to such increase and the application of proceeds therefrom; *provided* that, solely with respect to any New Term Loans incurred in connection with a Limited Condition Acquisition, the absence of a Default or Event of Default (other than an Event of Default as a result of any of the events set forth in Sections 8.01(a), 8.01(b), 8.01(g) or 8.01(h)) shall be tested only at the time the definitive documentation for such Limited Condition Acquisition is executed;
- (C) the representations and warranties of each Loan Party set forth in Article III and in each other Loan Document shall be true and correct in all material respects (without duplication of any materiality qualifiers set forth therein) immediately prior to, and immediately after giving effect to, the incurrence of such New Term Loans or the making of such New Revolving Commitments (although any representations and warranties which expressly relate to a given date or period shall be required to be true and correct in all material respects (without duplication of any materiality qualifiers set forth therein) as of the respective date or for the respective period, as the case may be); *provided* that to the extent the proceeds of any New Term Loan or New Revolving Loan are being used to finance a Limited Condition Acquisition, only the Specified Representations (and not any other representations or warranties in Article III or any of the other Loan Documents or otherwise) shall be required to be true and correct in all material respects (without duplication of any materiality qualifiers set forth therein) immediately prior to, and immediately after giving effect to, the incurrence of such New Term Loans or the making of such New Revolving Commitments (although any Specified Representations which expressly relate to a given date or period shall be required to be true and correct in all material respects (without duplication of any materiality qualifiers set forth therein) as of the respective date or for the respective period, as the case may be);
- (D) the New Term Loans made under this Section 2.19 shall have a maturity date no earlier than the later of the then existing Term Loan Maturity Date and the maturity date of any then-outstanding New Term Loans and shall have a weighted average life to maturity no shorter than the weighted average life of the then existing Term Loans and then existing New Term Loans;

- (E) the New Revolving Commitments shall mature no earlier than, and require no scheduled amortization or differing mandatory commitment reduction prior to, the Revolving Maturity Date then in effect and all other terms (including pricing provisions (other than upfront fees)) of any New Revolving Commitments shall be substantially identical to the initial Revolving Credit Facility or otherwise reasonably acceptable to the Administrative Agent;
- (F) if the Weighted Average Yield applicable to the New Term Loans made pursuant to this Section 2.19 exceeds (x) with respect to any New Term Loans incurred as an increase to an existing Class of Term Loans, the Weighted Average Yield for such existing Class of Term Loans by more than 0.50% per annum or (y) with respect to any New Term Loans not incurred as an increase to an existing Class of Term Loans, the Weighted Average Yield for all existing Classes of Term Loans (calculated on a weighted average basis) by more than 0.50% per annum (in either case, such amount in excess of 0.50%, hereinafter referred to as the "**Incremental Excess Yield**"), then the Weighted Average Yield with respect to the applicable existing Term Loans of such tranche shall be increased by the Incremental Excess Yield (it being understood that any increase in the Weighted Average Yield of the existing Term Loans, may (A) take the form of upfront fees, with such upfront fees being equated to interest margins based on a four-year average life to maturity or, if less, the remaining life to maturity or (B) be accomplished by a combination of an increase in the weighted average interest rates, interest rate floors and/or upfront fees) of such New Term Loans made pursuant to this Section 2.19 (for the avoidance of doubt, the Incremental Excess Yield applicable to New Term Loans made pursuant to this Section 2.19 shall only be applied to existing Term Loans); *provided* that, any increase in yield with respect to an existing Class of Term Loans required pursuant to this clause (vi) and resulting from the application of an Adjusted Term SOFR or Alternate Base Rate "floor" on any New Term Loans will be effected solely through an increase in such "floor" (or an implementation thereof, as applicable) in respect of any existing Class of Term Loans;
- (G) notwithstanding anything to the contrary in this Section 2.19 or otherwise, (1) the borrowing and repayment (except for payments of interest and fees at different rates on New Revolving Commitments (and related outstandings)) of Loans with respect to New Revolving Commitments after the associated Increased Amount Date shall be made on a pro rata basis with all other Revolving Commitments, (3) the permanent repayment of Revolving Loans with respect to, and termination of, New Revolving Commitments after the associated Increased Amount Date shall be made on a pro rata basis with all other Revolving Commitments, and (3) assignments and participations of New Revolving Commitments shall be governed by the same assignment and participation provisions applicable to the other Revolving Commitments and Revolving Loans;
- (H) the New Term Loans and New Revolving Commitments shall not benefit from any Guarantees or Collateral that do not ratably benefit the Term Loans and Revolving Loans, respectively and shall be secured on a *pari passu* basis by the Collateral securing the Term Loans and Revolving Loans (and, for the avoidance

of doubt and notwithstanding anything to the contrary, such New Term Loans and/or New Revolving Commitments shall be treated as Consolidated First Lien Indebtedness for all purposes hereunder);

- (I) prior to the Delayed Draw Term Loan Commitment Expiration Date, the Borrower may not establish an Incremental Facility consisting of New Term Loans if there are undrawn Delayed Draw Term Loan Commitments under this Agreement;
- (J) after giving effect to such New Term Loan Commitments and New Term Loans and the application of the proceeds thereof, the Borrower shall be in compliance on a Pro Forma Basis with the financial covenants set forth in Section 6.15 applicable for the four (4) consecutive fiscal quarters of the Borrower ended on, or most recently preceding, such Increased Amount Date for which financial statements have been (or were required to have been) delivered to the Administrative Agent pursuant to Section 5.01(a) or (b) (but excluding, for purposes of such calculation, New Term Loan proceeds from any Unrestricted Cash and Cash Equivalents permitted to be netted in the calculation of the financial covenants); provided, that, with respect to any Incremental Loan Amendment incurred for purposes of financing a Limited Condition Acquisition, the Borrower shall be, as of the date of the execution and delivery of the applicable definitive purchase agreement in connection with such Limited Condition Acquisition, in compliance on a Pro Forma Basis with the financial covenants applicable for the four (4) consecutive fiscal quarters of the Borrower ended on, or most recently preceding, such date for which financial statements have been (or were required to have been) delivered to the Administrative Agent pursuant to Section 5.01(a) or (b);
- (K) the New Term Loans may participate on a pro rata basis or less than pro rata basis (but not on a greater than pro rata basis) in any voluntary prepayments pursuant to Section 2.10(a) or any mandatory prepayments of Term Loans under Section 2.10(c), 2.10(d) and 2.10(e), as specified in the applicable Incremental Loan Amendment;
- (L) terms and provisions of the New Term Loans (other than upfront fees and original issue discount) shall be, except as otherwise set forth herein or in the Incremental Loan Amendment, identical to the Term Loans (it being understood that New Term Loans may be a part of the Term Loans) or otherwise reasonably satisfactory to the Administrative Agent; and

all other terms and conditions with respect to the New Term Loans made pursuant to this Section 2.19 shall be on terms determined by the Borrower; *provided, further,* that to the extent such terms and documentation are not consistent with then existing Term Loans (except to the extent relating to pricing, optional prepayment or redemption terms, call protections and premiums), they shall be either (a) reasonably satisfactory to the Administrative Agent (except for covenants or other provisions applicable only to the periods after the latest maturity date of any then-existing Term Loans or New Term Loans) or (b) added for the benefit of the existing Term Loans (and, if an individual term is more beneficial to the Lenders holding existing Term Loans than the corresponding term then-applicable to the existing Term

Loans, such individual beneficial term or terms may be applied to the existing Term Loans without the consent of any Lender holding existing Term Loans). Any request under this Section 2.19 shall be submitted by the Borrower in writing to the Administrative Agent (which shall promptly forward copies to all the Lenders); *provided* that each such notice shall specify the date (each, an “**Increased Amount Date**”) on which Borrower proposes that the New Revolving Commitments or New Term Loan Commitments, as applicable, shall be effective, which shall not be less than fifteen (15) Business Days after the date on which such notice is delivered to the Administrative Agent. No Lender shall have any obligation, expressed or implied, to offer to increase the aggregate principal amount of its Term Loan Commitment and/or Revolving Commitment. Only the consent of each Increasing Lender shall be required for an increase in the aggregate principal amount of the Term Loan Commitments and/or Revolving Commitments pursuant to this Section 2.19. No Lender which declines to increase the principal amount of its Term Loan Commitment and/or Revolving Commitment may be replaced with respect to its existing Term Loan Commitment and/or Revolving Commitment as a result thereof without such Lender’s consent.

(ii) Each then existing Lender (collectively, the “**Increasing Lenders**”) that agrees to increase the principal amount of their Term Loan Commitments and/or Revolving Commitments, or in the case of Lenders that do not have any Term Loan Commitments or Revolving Commitments, that agrees to assume New Term Loans and/or New Revolving Commitments shall as soon as reasonably practicable specify in writing to the Borrower and the Administrative Agent the principal amount of the proposed New Term Loan Commitments and/or New Revolving Commitments that it is willing to assume (*provided* that any Lender not so responding within five (5) Business Days shall be deemed to have declined such a request). After such five (5) Business Day period has ended, Borrower may then solicit and accept some or all of the rejected offered amounts from new lenders (or designate new lenders) (*provided* that if Administrative Agent would have consent rights with respect to such new lender under Section 11.04 herein were such new lender to take an assignment of Loans or Commitments hereunder, then such new lender shall be reasonably acceptable to the Administrative Agent (in consultation with the Borrower) (such acceptance not to be unreasonably withheld or delayed); provided, however, that, notwithstanding anything to the contrary, no new lender shall be a Loan Party or an Affiliate of a Loan Party) (each such new lender being a “**New Lender**”), which New Lenders may assume all or a portion of the aggregate principal amount of the applicable New Term Loan Commitments and/or New Revolving Commitments. For the avoidance of doubt, the Borrower shall not have to offer any existing Lender the opportunity to be an Increasing Lender prior to accepting any offered amounts from any potential New Lender.

(iii) Subject to the foregoing, any request by Borrower pursuant to Section 2.19(a) shall be effective upon (A) delivery to the Administrative Agent of each of the following documents: (i) an originally executed copy of a Joinder Agreement signed by a duly authorized officer of each New Lender; (ii) a notice to the Increasing Lenders and New Lenders, in form and substance reasonably acceptable to the Administrative Agent, signed by a Financial Officer of the Borrower; (iii) an Officers’ Certificate of the Borrower, in form and substance reasonably acceptable to the Administrative Agent, confirming compliance with all conditions precedent for any such increase, including, subject to the limitation in clauses (a)(ii) and (a)(iii) above, compliance with Sections 4.02(a), (b) and (c); (iv) to the extent requested by any New

Lender or Increasing Lender, executed term notes and/or revolving notes issued by Borrower in accordance with Section 2.04(e); (v) an amendment (an "**Incremental Loan Amendment**") to this Agreement and, as appropriate, the other Loan Documents, executed by Borrower, each Increasing Lender (if any), each New Lender (if any), the Administrative Agent and, if reasonably requested by the Administrative Agent, each other Loan Party; and (vi) any other reasonable and customary documents and officer's certificates that the Administrative Agent shall reasonably request, in form and substance reasonably satisfactory to the Administrative Agent, and (B) satisfaction on the Increased Amount Date of (x) subject to the limitations set forth in clauses (a)(ii) and (a)(iii) above, each of the conditions specified in Section 4.02 (it being understood that (1) for purposes of Section 4.02(b), all references to "the date of such Credit Extension" or similar language shall be deemed to refer to the date the definitive documentation for such Limited Condition Acquisition is executed and (2) for purposes of Section 4.02(a) and (c), all references to "the date of such Credit Extension" or similar language shall be deemed to refer to the Increased Amount Date), and (y) such other conditions as the parties thereto (including Borrower) shall agree (if any). Any such increase shall, subject to Section 2.19(a), be in an aggregate principal amount equal to (A) the principal amount that Increasing Lenders are willing to assume as increases to the principal amount of their Term Loan Commitments and/or Revolving Commitments plus (B) the principal amount offered by New Lenders with respect to the New Term Loan Commitments and/or New Revolving Commitments, in either case as adjusted by Borrower and the Administrative Agent pursuant to this Section 2.19. Notwithstanding anything to the contrary in Section 11.02, the Administrative Agent is expressly permitted, without the consent of the other Lenders, to amend the Loan Documents (including Section 2.09 and Annex I hereto) to the extent necessary or appropriate in the reasonable opinion of the Administrative Agent to give effect to any New Term Loan Commitment or New Revolving Commitments pursuant to this Section 2.19 (which may be in the form of an amendment and restatement).

(iv) Upon each increase in the Revolving Commitments pursuant to this Section 2.19, (A) each Revolving Lender immediately prior to such increase will automatically and without further act be deemed to have assigned to each Lender providing a portion of any increase in the Revolving Commitments pursuant to this Section 2.19 (any such increase, a "**Revolving Commitment Increase**" and each such Lender, a "**Revolving Increasing Lender**") in respect of such increase, (B) if, on the Increased Amount Date, there are any Revolving Loans outstanding, such Revolving Loans shall on or prior to the effectiveness of such Revolving Commitment Increase be prepaid from the proceeds of additional Revolving Loans made hereunder (reflecting such increase in Revolving Commitments), which prepayment shall be accompanied by accrued interest on the Revolving Loans being prepaid and any costs incurred by any Lender in accordance with Section 2.13, (C) each Revolving Increasing Lender shall become a Revolving Lender with respect to the New Revolving Commitments and all matters relating thereto, and (D) each New Revolving Commitment shall be deemed, for all purposes, a Revolving Commitment and each Loan made thereunder shall be deemed, for all purposes, a Revolving Loan. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(v) Notwithstanding anything to the contrary in this Agreement, from and after the Third Amendment Effective Date, no Incremental Facilities may be established or incurred.

(ac) **Extensions of the Term Loan**

(i) Notwithstanding anything to the contrary in this Agreement, pursuant to one or more offers (each, an **“Extension Offer”**) made by Borrower, from time to time on any Business Day prior to the 30th day before the applicable Term Loan Maturity Date or Revolving Maturity Date, to all Term Loan Lenders or Revolving Lenders, as applicable, on a pro rata basis (based on the aggregate outstanding principal amount of the Term Loans or Revolving Commitments then outstanding) and on the same terms to each such Term Loan Lender or Revolving Lender, as applicable, the Borrower may from time to time with the consent of any Lender that shall have accepted such offer, extend the maturity date of any Term Loans or Revolving Commitments and otherwise modify the terms of such Term Loans or Revolving Commitments of such Lender pursuant to the terms of the relevant Extension Offer (including by increasing the interest rate or fees payable in respect of such Term Loans or Revolving Commitments, modifying the amortization schedule in respect of such Term Loans or any other modification contemplated by this Section 2.20) (each, an **“Extension”**, and each group of Term Loans or Revolving Loans as so extended, as well as the original Term Loans and Revolving Loans not so extended, being a “tranche” and a separate “Class” hereunder; any Extended Term Loans shall constitute a separate tranche of Term Loans and a separate “Class” hereunder from the tranche of Term Loans from which they were converted) and any Extended Revolving Loans shall constitute a separate tranche of Revolving Loans and a separate “Class” hereunder from the tranche of Revolving Loans from which they were converted), so long as the following terms are satisfied: (i) no Event of Default shall exist at the time the notice in respect of an Extension Offer is delivered to the applicable Lenders, and no Event of Default shall exist immediately prior to or immediately after giving effect to the effectiveness of any Extension, (ii) except as to interest rates, fees, amortization, final maturity date, premium, required prepayment dates and participation in prepayments (which shall, subject to immediately succeeding clauses (iii), (iv), (v) and (vi), be determined by Borrower and set forth in reasonable detail in the relevant Extension Offer), the Term Loans or Revolving Loans, as applicable, of any Lender (an **“Extending Lender”**) extended pursuant to any Extension (“**Extended Term Loans**” or “**Extended Revolving Loans**”, as applicable) shall have the same terms as the tranche of Term Loans or Revolving Loans, as applicable, subject to such Extension Offer (except for covenants or other provisions contained therein applicable only to periods after the then latest Term Loan Maturity Date or Revolving Maturity Date, as applicable), (iii) the final maturity date of any Extended Term Loans shall be no earlier than the then latest Term Loan Maturity Date of any tranche of Term Loans then outstanding at the time of Extension and the amortization schedule of all or a portion of any principal amount of such Extended Term Loans may be delayed to later dates than the amortization schedule of the Term Loans extended thereby (with any such delay resulting in a corresponding adjustment to the amortization schedule reflected on Annex I or in an Incremental Loan Amendment, as the case may be, with respect to the existing Term Loans from which

such Extended Term Loans were extended), (iv) the weighted average life to maturity of any Extended Term Loans shall be no shorter than the remaining weighted average life to maturity of the Term Loans extended thereby, (v) the maturity date of any Extended Revolving Loans shall be no earlier than the latest Revolving Maturity Date of any tranche of Revolving Loans then outstanding at the time of Extension, (vi) prior to the latest Term Loan Maturity Date of any tranche of Term Loans then outstanding at the time of Extension, the amortization payments on any Extended Term Loans shall not exceed equal quarterly installments in an annual aggregate amount equal to 1% of original principal amount of such Extended Term Loans, (vii) any Extended Term Loans may participate on a pro rata basis or on a less than pro rata basis (but not on a greater than pro rata basis) in any voluntary or mandatory prepayments hereunder, as specified in the applicable Extension Offer, (viii) (A) such Extended Term Loans and Extended Revolving Loans shall not benefit from any Guarantees or Collateral that do not ratably benefit the Term Loans and Revolving Loans, respectively, (B) (x) the liens securing such Indebtedness shall not be of higher priority than the lien securing the applicable Indebtedness being extended and (y) if such Indebtedness being extended is unsecured, such Extended Term Loans and Extended Revolving Loans shall be unsecured, and (C) if such Indebtedness being extended is subordinated with respect to the Obligations, such Extended Term Loans and Extended Revolving Loans shall be subordinated at least to the same extent as such Indebtedness being extended; (ix) if the aggregate principal amount of the Term Loans (calculated on the face amount thereof) in respect of which Lenders shall have accepted the relevant Extension Offer shall exceed the maximum aggregate principal amount of Term Loans offered to be extended by Borrower pursuant to such Extension Offer, then the Term Loans of such Lenders shall be extended ratably up to such maximum amount based on the respective principal amounts (but not to exceed actual holdings of record) with respect to which such Lenders have accepted such Extension Offer, (x) if the aggregate principal amount of the Revolving Commitments in respect of which Lenders shall have accepted the relevant Extension Offer shall exceed the maximum aggregate principal amount of Revolving Commitments offered to be extended by Borrower pursuant to such Extension Offer, then the Revolving Commitments of such Lenders shall be extended ratably up to such maximum amount based on the respective commitment amounts with respect to which such Lenders have accepted such Extension Offer, (xi) all documentation in respect of such Extension shall be consistent with the foregoing, (xii) any applicable Minimum Extension Condition shall be satisfied unless waived by Borrower and (xiii) the interest rate margin applicable to any Extended Term Loans or Extended Revolving Loans will be determined by Borrower and the lenders providing such Extended Term Loans or Extended Revolving Loans. No Lender shall have any obligation to agree to have any of its existing Term Loans or Revolving Commitments converted into Extended Term Loans or Extended Revolving Loans pursuant to any Extension.

(ii) With respect to all Extensions consummated by Borrower pursuant to this Section 2.20, (i) such Extensions shall not constitute voluntary or mandatory payments or prepayments for purposes of Section 2.10 and (ii) any Extension Offer is required to be in any minimum amount of \$25,000,000, *provided* that the Borrower may at its election specify as a condition (a “**Minimum Extension Condition**”) to consummating any such Extension that a minimum amount (to be determined and

specified in the relevant Extension Offer in Borrower's sole discretion and may be waived by Borrower) of Term Loans of any or all applicable tranches be tendered.

(iii) The Lenders hereby irrevocably authorize the Administrative Agent and the Collateral Agent to enter into amendments ("Extension Amendments") to this Agreement and the other Loan Documents with the Borrower as may be necessary in order to establish new tranches or sub-tranches in respect of Term Loans and Revolving Commitments so extended and such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower in connection with the establishment of such new tranches or sub-tranches, in each case on terms consistent with this Section 2.20.

(iv) In connection with any Extension, the Borrower shall provide the Administrative Agent at least five (5) Business Days' (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and shall agree to such procedures, if any, as may be established by, or reasonably acceptable to, the Administrative Agent to accomplish the purposes of this Section 2.20.

(v) This Section 2.20 shall supersede any provisions in Section 2.14 or Section 11.02 to the contrary.

(ad) **Refinancing Facilities**

(i) At any time after the Closing Date, subject to the prior written consent of the Required Lenders, the Borrower may obtain, from any Lender on a pro rata basis (based on the aggregate outstanding principal amount of the Term Loans or Revolving Commitments then outstanding) or, to the extent declined by an existing Lender after having five (5) Business Days to respond after written notice from the Agent (which shall be redeemed rejected if not received at the end of such five (5) Business Days period), any new lender (*provided* that if Administrative Agent would have consent rights with respect to such new lender under Section 11.04 herein were such new lender to take an assignment of Loans or Commitments hereunder, then such new lender shall be reasonably acceptable to the Administrative Agent (in consultation with the Borrower) (such acceptance not to be unreasonably withheld or delayed); provided, however, that, notwithstanding anything to the contrary, no new lender shall be a Loan Party or an Affiliate of a Loan Party) (each such new lender being an "Additional Lender") Refinancing Term Loans, Refinancing Term Loan Commitments, Refinancing Revolving Loans or Refinancing Revolving Loan Commitments in exchange for, or to extend, renew, replace or refinance, in respect of all of the Term Loans or Revolving Loans then outstanding under this Agreement (which will be deemed to include any then-outstanding New Term Loans under any New Term Loan Commitments or any then-outstanding New Revolving Commitments) and any then-outstanding Refinancing Term Loans in the form of Refinancing Term Loans or Refinancing Term Commitments or any then-outstanding Refinancing Revolving Loans in the form of Refinancing Revolving Loans or Refinancing Revolving Loan Commitments in each case, pursuant to a Refinancing Amendment, together with any applicable intercreditor agreement or other customary

subordination agreement ("**Refinanced Debt**"); *provided*, that (i) such extending, renewing or refinancing Indebtedness shall be unsecured or, to the extent secured, shall rank *pari passu* or junior in right of payment and of security with the other Loans and Commitments hereunder, (ii) such Indebtedness shall not mature or have scheduled amortization or payments of principal prior to the date that is 91 days after the Final Maturity Date at the time such Indebtedness is incurred, (iii) such Indebtedness does not have a Weighted Average Life to Maturity equal to or less than that of the Refinanced Debt and does not have mandatory prepayment or redemption provisions (other than customary asset sale, similar events and change of control offers) that would result in a mandatory prepayment or redemption of such Indebtedness prior to the date that is 91 days after the Final Maturity Date at the time such Indebtedness is incurred, (iv) such Refinanced Debt shall be repaid, defeased or satisfied and discharged, and all accrued interest, fees and premiums (if any) in connection therewith shall be paid, on the date that such Indebtedness is issued, incurred or obtained, (v) (x) such Indebtedness, to the extent secured, shall be secured only by the Collateral, or be guaranteed by any person other than the Guarantors under the outstanding Loans, (y) if such Indebtedness being refinanced is unsecured, such Refinanced Debt shall be unsecured, and (z) if such Indebtedness being refinanced is subordinated with respect to the Obligations, such Refinanced Debt shall be subordinated at least to the same extent as such Indebtedness being refinanced, (vi) the liens securing such Indebtedness shall not be of higher priority than the lien securing the applicable Refinanced Debt, (vii) the other terms of such Indebtedness (other than pricing, interest rate margins, rate floors, discounts, fees, premiums and prepayment or redemption provisions) shall be substantially similar to, or (taken as a whole) no more favorable to the lenders providing such Indebtedness than those applicable to the Loans or Revolving Commitments being refinanced or replaced (except for covenants and other provisions applicable only to the periods after the Final Maturity Date), (viii) such Indebtedness will, to the extent permitted by clauses (i) to (vi), have such pricing, interest rate margins, rate floors, discounts, fees, premiums and prepayment or redemption provisions and terms as may be agreed by the Borrower and the Lenders thereof and (ix) will, to the extent in the form of Refinancing Revolving Loans or Refinancing Revolving Loan Commitments, participate in the payment, borrowing, participation and commitment reduction provisions herein on a pro rata basis with any all then-outstanding Revolving Loans and Revolving Commitments. The effectiveness of any Refinancing Amendment shall be subject to, to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of board resolutions, officers' certificates and/or reaffirmation agreements consistent with those delivered on the Closing Date. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment. Each of the parties hereto hereby agrees that, upon the effectiveness of any Refinancing Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Refinanced Debt incurred pursuant thereto (including any amendments necessary to treat the Loans and Commitments subject thereto as Refinancing Term Loans or Refinancing Revolving Loans) and any Indebtedness being replaced or refinanced with such Refinanced Debt shall be deemed permanently reduced and satisfied in all respects. Any Refinancing Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section.

(ii) This Section 2.21 shall supersede any provisions in Section 11.02 to the contrary.

REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to the Administrative Agent, the Collateral Agent and each of the Lenders on the Closing Date and on the date of each Credit Extension (to the extent required pursuant to Article IV) that:

(a) **Existence, Qualification and Power**

. Each Company (a) is duly incorporated or organized and validly existing under the laws of the jurisdiction of its incorporation or organization, as the case may be, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to carry on its business as now conducted and to own, lease and operate its Property and (c) is registered, qualified and in good standing (to the extent such concept is applicable in the applicable jurisdiction) to do business in every jurisdiction where such qualification is required, except in such jurisdictions where the failure to so register, qualify or be in good standing could not reasonably be expected to result in a Material Adverse Effect. There is no existing default under any Organizational Document of any Company or any event which, with the giving of notice or passage of time or both, would constitute a default by any party thereunder.

(b) **Authorization; Enforceability**

. The Loan Documents to be entered into by each Loan Party are within such Loan Party's powers and have been duly authorized by all necessary corporate or other organizational action on the part of each such Loan Party. This Agreement has been duly executed and delivered by each Loan Party and constitutes, and each other Loan Document to which any Loan Party is to be a party, when executed and delivered by such Loan Party, will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law.

(c) **No Conflicts**

. The execution, delivery and performance by the Loan Parties of the Loan Documents to which they are a party, the initial Credit Extensions contemplated hereunder and the other Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) as have been obtained or made and are in full force and effect, (ii) filings necessary to perfect or maintain the perfection or priority of the Liens created by the Security Documents and (iii) consents, approvals, registrations, filings, permits or actions the failure of which to obtain or perform would not reasonably be expected to result in a Material Adverse Effect, (b) will not violate the Organizational Documents of any Company, (c) will not violate or result in a default or require any consent or approval under (x) any indenture, agreement, or other instrument binding upon any Company or its Property or to which any Company or its Property is subject, or give rise to a right thereunder to require any payment to be made by any Company, except for violations, defaults or the creation of such rights that could not reasonably be expected to result in a Material Adverse Effect or

(y) any Organizational Document of any Company, (d) will not violate any Legal Requirement in any material respect and (e) will not result in the creation or imposition of any Lien on any Property of any Company, other than the Liens created by the Security Documents.

(d) **Financial Statements; Projections; No Material Adverse Effect**

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(i) The Borrower has heretofore delivered to the Agents and the Lenders (i) the Historical Financial Statements, in the case of the financials described in clause (a) of the definition thereof, audited by and accompanied by the unqualified opinion of RSM US LLP, independent public accountants, and (ii) the consolidated balance sheets of the Borrower and certain of its Affiliates (as specified therein) and Envigo and certain of its Affiliates (as specified therein) and the related consolidated statements of income or operations, changes in stockholders' equity and cash flows as of and for the dates specified therein. Such financial statements and all financial statements delivered pursuant to Sections 5.01(a) and (b) have been prepared in accordance with GAAP consistently applied throughout the applicable period covered, thereby and present fairly and accurately, in all material respects, the financial condition and results of operations and cash flows of the entities specified therein as of the dates and for the periods to which they relate (subject to year-end audit adjustments and the absence of footnote disclosures). No Company has any material liabilities of any kind, whether accrued, contingent, absolute, determined, determinable or otherwise except as reflected in such financial statements and there is no existing condition, situation or set of circumstances which could reasonably be expected to result in such a liability.

(ii) The Borrower has heretofore delivered to the Agents and the Lenders the forecasts of financial performance of the Borrower and its Subsidiaries for various periods ending September 30, 2022 through to the fiscal year ended September 30, 2026 (the "**Projections**") and the assumptions upon which the Projections are based. The Projections have been prepared in good faith by the Loan Parties and based upon (i) the assumptions stated therein (which assumptions are believed by the Loan Parties to be reasonable at the time of delivery thereof and on the Closing Date), (ii) accounting principles consistent with the Historical Financial Statements delivered pursuant to Section 3.04(a) and management's historical adjustments thereto, in each case consistently applied throughout the fiscal years covered thereby, and (iii) the information reasonably available to, or in the possession or control of, the Loan Parties as of the date of delivery thereof and on the Closing Date (it being recognized by the Agents and the Lenders that (x) the Projections are not to be viewed as facts or a guarantee of performance and are subject to significant uncertainties and contingencies, many of which are beyond the control of the Borrower and its Subsidiaries and (y) no assurance can be given that any particular financial projection will be realized, and that actual results during the period or periods covered by the Projections may differ from the projected results, and such differences may be material).

(iii) Since October 1, 2020, or if more recent, the date of the most recent audited financial statements delivered to the Agents and the Lenders in accordance with Section 5.01(a), there has been no event, change, circumstance, condition, development

or occurrence that has had, or would reasonably be expected to result, either individually or in the aggregate, a Material Adverse Effect.

(e) **Properties**

(i) Each Company has good, valid and marketable fee simple title to, or valid leasehold interests in, all its Property, free and clear of all Liens except for Permitted Liens. The Property of the Companies, individually and in the aggregate, (i) is in good operating order, condition and repair (ordinary wear and tear and Casualty Events excepted), and (ii) constitutes all of the Property which is required for the business and operations of the Companies as presently conducted.

(ii) As of the Closing Date, Schedule 3.05(b) contains a true and complete list of each ownership and leasehold interest in Real Property (i) owned by any Company and describes the type of interest therein held by such Loan Party, the common street address, and the name of the Loan Party that owns such Real Property and (ii) leased, subleased, licensed or otherwise occupied or utilized by any Company, as lessee, sublessee, franchisee or licensee, the name of the Loan Party that leases such Real Property, a description of the lease, sublease, license, use or occupancy agreement pursuant to which such rights have been granted, and the parties to such agreement (collectively, the "Real Property Leases"). Each Real Property Lease is in full force and effect and constitutes a legal, valid and binding obligation on the applicable Loan Party which is a party to it, enforceable in accordance with its terms, No Loan Party, nor to the Company's knowledge any other party, is in breach or default under such Real Property Lease and no event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute such a breach or default or permit the termination, modification or acceleration of rent under such Real Property Lease, and no Loan Party nor the Company has subleased, licensed, or otherwise granted to any Person the right to use or occupy any Real Property.

(iii) No Mortgage encumbers Real Property on which a "Building" (as defined in 12 C.F.R. Chapter III, Section 339.2) is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards within the meaning of the National Flood Insurance Act of 1968 unless flood insurance available under such Act has been obtained and is in full force and effect as required by this Agreement.

(iv) Each Company owns or has rights to use all of its property and all rights with respect to any of the foregoing which are required for the business and operations of the Companies as presently conducted. The use by each Company of its property and all such rights with respect to the foregoing do not infringe on the rights or other interests of any person. No claim has been made and remains outstanding that any Company's use of any of its property does or may violate the rights of any third party. The present uses of the Real Property and the current operations of each Company's business do not violate in any material respect any provision of any applicable building codes, subdivision regulations, fire regulations, health regulations or building and zoning by-laws.

(v) There is no pending or threatened condemnation or eminent domain proceeding with respect to, or that could affect, any of the Real Property of any Company.

(vi) Each parcel of Real Property is taxed as a separate tax lot and is currently being used in a manner that is consistent with and in compliance in all material respects with the property classification assigned to it for real estate tax assessment purposes.

(vii) No Company is obligated under, or a party to, any option, right of first refusal or other contractual right to sell, assign or dispose of any Real Property or any portion thereof or interest therein.

(viii) Other than as set forth on Schedule 3.05(h), there are no leases, subleases, licenses or other use or occupancy agreements granting any other person the right to the possession, use or occupancy of any portion of the Real Property.

(b) All buildings, structures, improvements, fixtures, building systems and equipment, and all components thereof included in the Real Property (the "Improvements") are in good condition and repair (reasonable wear and tear excepted) and sufficient for the operation of the Company's business. To the knowledge of the Loan Parties, there are no material structural deficiencies or latent defects affecting any of the Improvements and there are no facts or conditions affecting any of the Improvements which would, individually or in the aggregate, interfere in any material respect with the use or occupancy of the Improvements or any portion thereof in the operation of the Company's business.

(f) **Intellectual Property**

. (a) Each Company owns or is licensed to use, free and clear of all Liens (other than Permitted Liens), patents, copyrights, trademarks, service marks, trade dress, trade names, domain names trade secrets, confidential information, proprietary information, inventions, databases, software, formulae, works of authorship, know-how, processes, and other intellectual property (collectively, the "**Intellectual Property**") used in the conduct of the business of such Company as currently conducted and (b) no actions, suits, claims, disputes, or proceedings are pending, or to the knowledge of such Loan Party are threatened, (i) alleging that any Company infringes, misappropriates, dilutes or otherwise violates any Intellectual Property of any third-party, or (ii) challenging the validity, enforceability, registration, or ownership of any Intellectual Property owned any Company, and such Loan Party is not aware of any facts or circumstances that would reasonably form the basis of any such actions, suits, claims, disputes, or proceedings, except in each case as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(g) **Equity Interests and Subsidiaries**

(i) Schedule 3.07(a) sets forth a list of (i) each Company and its jurisdiction of incorporation or organization as of the Closing Date and (ii) the number of each class of the Equity Interests of each Company authorized, and the number outstanding, on the Closing Date and the number of shares covered by all outstanding options, warrants, rights of conversion or purchase and similar rights on the Closing Date. All Equity Interests of each Company are duly and validly issued and are fully paid and non-

assessable (as applicable). Each Loan Party is the record and beneficial owner of, and has good title to, the Equity Interests pledged (or purporting to be pledged) by it under the Security Documents, free of any and all Liens, rights or claims of other persons and, as of the Closing Date, there are no outstanding warrants, options or other rights to purchase, or shareholder, voting trust or similar agreements outstanding with respect to, or Property that is convertible into, or that requires the issuance or sale of, any such Equity Interests (or any economic of voting interests therein).

(ii) Other than as required by foreign Legal Requirements with respect to the Equity Interests in any Foreign Subsidiary, no consent of any person including any general or limited partner, any other member or manager of a limited liability company, any shareholder or any other trust beneficiary is necessary or reasonably desirable (from the perspective of a secured party) in connection with the creation, perfection or first priority status (or the maintenance thereof) of the security interest of the Collateral Agent in any Equity Interests pledged to the Collateral Agent under the Security Documents or the exercise by the Collateral Agent or any other Secured Party of the voting or other rights provided for in the Security Documents or the exercise of remedies in respect of such Equity Interests.

(iii) A complete and accurate organization chart, showing the ownership structure of the Companies on the Closing Date, after giving effect to the Transactions, is set forth on Schedule 3.07(c).

(h) **Litigation; Compliance with Laws**

(i) There are no actions, suits, claims, disputes, proceedings or, to the knowledge of any Loan Party, investigations at law or in equity by or before any Governmental Authority now pending or, to the knowledge of any Loan Party, threatened against or affecting any Company or any business, Property or rights of any Company that purport to affect or (i) involve any Loan Document, any Specified Hedging Agreement, any Bank Product Agreement or any of the Transactions or (ii) have resulted in, or, individually or in the aggregate, would reasonably be expected to result in, a Material Adverse Effect.

(ii) No Company or any of its Property is in (i) violation of, nor will the continued operation of its Property or business as currently conducted violate, any Legal Requirements (including any zoning or building ordinance, code or approval or any building permits) or any restrictions of record or agreements affecting any Company's Real Property or (ii) default with respect to any Order, where such violation or default contemplated under subclauses (i) or (ii), would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(i) **Federal Reserve Regulations**

(i) No Company is engaged principally, or as one of its important activities, in the business of purchasing or carrying Margin Stock or extending credit for the purpose of purchasing or carrying Margin Stock.

(ii) No part of the proceeds of any Credit Extension will be used, whether directly or indirectly, and whether immediately, incidentally or ultimately, for purchasing or carrying Margin Stock or for any other purpose that entails a violation of, or that is inconsistent with, the provisions of the regulations of the Board, including Regulation T, U or X. The pledge of the Securities Collateral pursuant to the Security Agreement does not violate such regulations.

(j) **Investment Company Act**

. No Company is an “investment company” or a Company “controlled” by an “investment company”, as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended.

(k) **Use of Proceeds**

(i) On the Closing Date, the Borrower will use the proceeds of the Term Loans to finance, in part, the Merger, fund all or a portion of the Refinancing and to pay all or a portion of any related fees and expenses (including any upfront fees and original issue discount) related thereto. Subject to Section 3.11(c), the Borrower will use the proceeds of the Revolving Loans after the Closing Date for working capital and general corporate purposes not prohibited by this Agreement. Substantially concurrently with the funding of the 2022 Incremental Term Loans on the First Amendment Effective Date, the Borrower will use the proceeds of the 2022 Incremental Term Loans to (i) finance the acquisition of Orient BioResource Center, Inc. and to pay all or a portion of any related fees and expenses (including any upfront fees and original issue discount) related thereto and (ii) repay Revolving Loans outstanding on the First Amendment Effective Date. The use of proceeds of the Loans hereunder will not be used, directly or indirectly, in violation of any law, rule or regulation.

(ii) The Borrower shall use the proceeds of the Delayed Draw Term Loans to (i) directly or indirectly finance Permitted Acquisitions (other than the Mergers), (ii) finance Designated Capital Expenditures or (iii) replenish cash on the balance sheet or repay Revolving Loans that, in either case, were drawn to finance Permitted Acquisitions or Designated Capital Expenditures and were drawn within 180 days of such Revolving Loans draw.

(iii) Notwithstanding the foregoing, in no event shall the proceeds of the Revolving Loans be used for any purpose (i) during the Amendment Relief Period, other than funding operational expenses of the Borrower and its Subsidiaries in the ordinary course of business (and, for the avoidance of doubt, not for the making or funding of Investments, Permitted Acquisitions or Restricted Payments, payments or purchases with respect to any Indebtedness, bonuses or executive compensation, or judgments, fines or

settlements), or (ii) that violates any Legal Requirements, including, without limitation, any Animal Welfare Laws.

(l) **Taxes**

. Each Company has (a) timely filed or caused to be timely filed all U.S. federal and state income Tax Returns and all other material Tax Returns required to have been filed by it and (b) duly and timely paid or caused to be duly and timely paid all U.S. federal and state income Taxes and all other material Taxes (whether or not shown on any Tax Return) due and payable by it and all assessments received by it, except Taxes that are being contested in good faith by appropriate proceedings and for which such Company has set aside on its books adequate reserves in accordance with GAAP. Each Company has made adequate provision in accordance with GAAP for all Taxes not yet due and payable. There is no material action, suit, proceeding, investigation, audit, assessment, deficiency or other claim now pending by any taxing authority regarding any Taxes relating to any Company, except to the extent that (i) the validity or amount thereof is currently being contested in good faith by appropriate proceedings timely instituted and diligently conducted and (ii) the applicable entity has set aside on its books adequate reserves or other appropriate provisions with respect thereto in accordance with. No Loan Party is a party to any Tax sharing or similar agreement with any person that is not a Loan Party.

(m) **No Material Misstatements**

. On the Closing Date (in the case of the Lender Presentation) or at the time furnished (in the case of all other reports, financial statements, certificates or other written information), the Lender Presentation and the other reports, financial statements, certificates or other written information furnished (other than the Projections, forecasts and other forward-looking information, budgets, estimates and information of a general economic or industry-specific nature) by or on behalf of any Company to any Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (as modified or supplemented by other information so furnished) are complete and correct in all material respects and do not contain any material misstatement of fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not materially misleading.

(n) **Labor Matters**

. There are no strikes, lockouts or slowdowns against any Company pending or, to the knowledge of the Loan Parties, threatened that have resulted in, or could reasonably be expected to result in, a Material Adverse Effect. To the knowledge of the Loan Parties, the hours worked by and payments made to employees of any Company have not been in violation of the Fair Labor Standards Act of 1938, as amended, or any other applicable Legal Requirement dealing with such matters in any manner that has resulted in, or would reasonably be expected to result in, a material liability to the Company. All payments due from any Company, or for which any claim may be made against any Company, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of such Company, except to the extent that the failure to do so has not resulted in, and would not reasonably be expected to result in, a material liability to the Company. The consummation of the Transactions will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which any Company is bound.

(o) **Solvency**

. After giving effect to the Transactions, the Borrower and its Subsidiaries (on a consolidated basis) (a) have property with fair value greater than the total amount of their debts and liabilities, contingent (it being understood that the amount of contingent liabilities at any time shall be computed as the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability), subordinated or otherwise, (b) have assets with present fair salable value not less than the amount that will be required to pay their liability on their debts as they become absolute and matured, (c) will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as they become absolute and matured and (d) are not engaged in business or a transaction, and are not about to engage in business or a transaction, for which their property would constitute an unreasonably small capital. For the purposes of this Section 3.15, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

(p) **Employee Benefit Plans**

(a) (i) Each Employee Benefit Plan complies and is operated and maintained in compliance with all applicable Legal Requirements, including all applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder and (ii) each Employee Benefit Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination from the Internal Revenue Service or can rely upon an advisory or opinion letter issued by the Internal Revenue Service and nothing has occurred which would prevent, or reasonably be expected to cause the loss of, such qualification.

(i) Except as could not reasonably be expected to result in a Material Adverse Effect, no ERISA Event has occurred or is reasonably expected to occur.

(ii) The Companies have no knowledge of any actions, suits or claims pending or threatened with respect to, against or involving an Employee Benefit Plan (other than routine claims for benefits) which would reasonably be expected to be asserted successfully against any Employee Benefit Plan and, if so asserted successfully, would reasonably be expected either singly or in the aggregate to have a Material Adverse Effect.

(iii) The Companies and, to the knowledge of the Loan Parties, each ERISA Affiliate, have made all material contributions to or under each Employee Benefit Plan and Multiemployer Plan required by law within the applicable time limits described thereby, the terms of such Employee Benefit Plan or Multiemployer Plan, respectively, or any contract or agreement requiring contributions to an Employee Benefit Plan or Multiemployer Plan save where any failure to comply, individually or in the aggregate, would not result in a material liability to the Companies.

(iv) Except as would not reasonably be expected to result in a Material Adverse Effect, each Foreign Plan has been maintained in compliance with its terms and with the requirements of all Legal Requirements and has been maintained, where required, in good standing with applicable Governmental Authorities. All contributions

required to be made with respect to a Foreign Plan have been timely made. None of the Companies have incurred any obligation in connection with the termination of, or withdrawal from, any Foreign Plan.

(q) **Environmental Matters**

. Except as set forth on Schedule 3.17, or would not reasonably be expected to result in a Material Adverse Effect:

- (A) the Companies and their businesses, operations and Real Property are and have at all times during the Companies' ownership or lease thereof been in compliance with, and the Companies have no liability under, any applicable Environmental Law, and the Loan Parties reasonably believe that compliance with any Environmental Law that is or is expected to become applicable to the Companies and their businesses will be timely attained and maintained without material expense;
- (B) the Companies have obtained, maintained in good standing and are in compliance with all Environmental Permits required for the conduct of their businesses and operations, and the ownership, operation and use of their Real Property. No material expenditures or operational adjustments are reasonably anticipated to be required to remain in compliance with the terms and conditions of, or to renew or modify, such Environmental Permits;
- (C) there has been no Release or threatened Release or any handling, management, generation, treatment, transport, storage or disposal of Hazardous Materials on, at, under or from any Real Property or facility presently or formerly owned, leased or operated by any of the Companies or their predecessors in interest or, to the knowledge of the Loan Parties, at, on, under or from any other location (including, without limitation, any location to which Hazardous Materials have been sent for re-use, recycling, treatment, storage, or disposal), that has resulted in, or is reasonably likely to result in, either liability or obligations of the Companies under Environmental Law, assertion of an Environmental Claim against the Companies, interfere with any of the Companies' businesses and operations, or impair the fair saleable value of any Real Property;
- (D) there is no Environmental Claim pending or, to the knowledge of the Loan Parties, threatened in writing against any of the Companies, or relating to the Real Property currently or formerly owned, leased or operated by any of the Companies or relating to the operations of the Companies (including, for the avoidance of doubt, any request for information under CERCLA or other Environmental Laws), and, to the knowledge of the Loan Parties, there are no actions, activities, circumstances, conditions, events or incidents that are reasonably likely to form the basis of such an Environmental Claim;
 - (i) the Companies are not subject to any pending or outstanding Order or agreement pursuant to which any Company is subject to any material liabilities or obligations under Environmental Law;

(ii) no person with an indemnity, contribution or other obligation to any of the Companies relating to compliance with or liability under Environmental Law is in default with respect to any such indemnity, contribution or other obligation, and the Companies have not assumed or retained, by contract or operation of law, any liability arising under Environmental Law of any kind, whether fixed or contingent, known or unknown;

(iii) the Companies have made available to the Lenders all material records and files in the possession, custody or control of, or otherwise reasonably available to, the Companies concerning compliance with or liability or obligation under Environmental Law, including those concerning the environmental condition of the Real Property or the existence of Hazardous Materials at Real Property or facilities currently or formerly owned, operated, leased or used by any of the Companies.

(r) **Insurance**

. Schedule 3.18 sets forth a description in reasonable detail of all insurance maintained by each Company as of the Closing Date. All insurance maintained by the Companies is in full force and effect, all premiums due have been duly paid, no Company has received notice of violation or cancellation thereof, the Premises, and the use, occupancy and operation thereof, comply in all material respects with all Insurance Requirements, and there exists no default under any Insurance Requirement. Each Company has insurance in such amounts and covering such risks and liabilities as are customary for companies of a similar size engaged in similar businesses in similar locations.

(s) **Security Documents**

(a) The Security Agreement is effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid, binding and enforceable security interests in the Security Agreement Collateral described therein and the proceeds and products thereof and, when (i) financing statements in appropriate form are filed in the offices specified in the Perfection Certificate (as updated in accordance with the terms hereof) and (ii) upon the taking of possession or control by the Collateral Agent of the Security Agreement Collateral with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to the Collateral Agent to the extent possession or control by the Collateral Agent is required by each Security Document), the Liens created by the Security Agreement shall constitute fully perfected first priority Liens on, and security interests in, all right, title and interest of the grantors thereunder in the Security Agreement Collateral (other than (A) the Intellectual Property Collateral (as defined in the Security Agreement), except to the extent that the filing of a financing statement is sufficient to perfect a Lien in such Intellectual Property, and (B) such Security Agreement Collateral in which a security interest cannot be perfected under the UCC as in effect at the relevant time in the relevant jurisdiction by (x) the filing of the financing statements referred to in clause (i) of this Section 3.19(a) or (y) the taking of possession or control to the extent required by each Security Document), in each case subject to no Liens other than Permitted Liens.

(i) When (i) financing statements in appropriate form are filed in the offices specified on Schedule 9 to the Security Agreement (as updated in accordance with the terms hereof), and (ii) with respect to US registered copyrights, US patents and patent applications, and US registered trademarks and trademark applications, when the Security Agreement or one or more of the short forms thereof is filed in the USPTO or the USCO,

as applicable, the Liens created by such Security Agreement shall constitute in the United States fully perfected first priority Liens on, and security interests in, all right, title and interest of the grantors thereunder in the Intellectual Property Collateral, in each case, if and to the extent a security interest in such Intellectual Property Collateral can be perfected by such filings.

(ii) Each Mortgage, if any, upon the execution and delivery thereof, shall be effective to create, in favor of the Collateral Agent, for its benefit and the benefit of the Secured Parties, a legal, valid, binding and enforceable first priority Lien on, and security interests in, all of the Loan Parties' right, title and interest in and to the Mortgaged Properties thereunder and the proceeds and products thereof (except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law)), and when such Mortgage is filed or recorded in the offices specified in the local counsel opinion delivered with respect thereto in accordance with the provisions of Sections 4.01, 5.10 and 5.11, the Mortgages shall constitute fully perfected first priority Liens on, and security interests in, all right, title and interest of the Loan Parties in the Mortgaged Properties and the proceeds thereof, in each case prior and superior in right to any other person, (other than Persons holding Liens or other encumbrances or rights permitted by the relevant Mortgage) to the extent a security interest in such Mortgagee Property can be perfected by such filings or recordings.

(iii) Each Security Document delivered pursuant to Sections 5.10 and 5.11 will, upon execution and delivery thereof, be effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, legal, valid and enforceable Liens on, and security interests in, each of the Loan Party's respective right, title and interest in and to the Collateral thereunder, and in the case of (i) pledged equity interests represented by certificates (x) when such certificates are delivered to the Collateral Agent or (y) when financing statements in appropriate form are filed in the offices specified on Schedule 3.19(d) and (ii) the other Collateral described in the Security Agreement, when financing statements in appropriate form are filed in the offices specified on Schedule 3.19(d) and such other filings as are specified on Schedule 9 to the Security Agreement have been completed to the extent a security interest in such other Collateral can be perfected by such other filings, the Liens in favor of the Collateral Agent created under such Security Document will constitute valid, enforceable and fully perfected first priority Liens on, and security interests in, all right, title and interest of the grantors thereunder in such Collateral, in each case subject to no Liens other than Permitted Liens.

(t) **Sanctions**

(i) None of the Borrower, any Subsidiary or any of their respective directors, officers, employees, or agents that act in any capacity with the credit facility established hereby is, or has been within the past five years, (i) a Sanctioned Person, (ii) involved in any transactions or dealings with or involving a Sanctioned Country or Sanctioned Person, (iii) the subject of or otherwise involved in investigations or

enforcement actions by any Governmental Authority or other legal proceedings with respect to any actual or alleged violations of Sanctions, or (iv) engaged in a transaction, dealing, or activity that might reasonably be expected to cause such Person to become a Sanctioned Person.

(ii) The Borrower, its Subsidiaries, and their respective directors, officers, employees, and agents that act in any capacity in connection with the credit facility established hereby, are, and have been throughout the past five years, in compliance with applicable Sanctions.

(iii) The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries, and their respective directors, officers, employees and agents with applicable Sanctions.

(iv) The Borrower will not request any Borrowing, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing (a) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

(u) **Anti-Terrorism Laws**

(i) No Company and, to the knowledge of the Loan Parties, none of their respective Affiliates is in violation of any Legal Requirements relating to terrorism or money laundering ("Anti-Terrorism Laws"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "Executive Order"), and the USA PATRIOT Improvement and Reauthorization Act, Public Law 109-177 (March 9, 2006), as amended (the "Patriot Act").

(ii) No Company and, to the knowledge of the Loan Parties, no broker or other agent of any Company acting in any capacity in connection with the Loans conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Sanctioned Person or Sanctioned Country.

(v) **Anti-Corruption**

(i) None of the Borrower or its Subsidiaries nor any Affiliate, director, officer, employee of the Borrower or its Subsidiaries or Affiliates, or any Person acting on behalf of the Borrower or its Subsidiaries or Affiliates has: (i) taken any action in violation of any Legal Requirements relating to any applicable anti-corruption law, including the U.S. Foreign Corrupt Practices Act (15 U.S.C. § 78 dd-1 et seq.), the UK Bribery Act 2010, and laws and regulations implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or

the UN Convention against Corruption (collectively, “**Anti-Corruption Laws**”); or (ii) corruptly offered, paid, given, promised to pay or give, or authorized the payment or gift of anything of value, directly or indirectly, to any Person, including any Public Official for purposes of (a) influencing any act or decision of any Person, including any Public Official in an official capacity; (b) inducing such Public Official to do or omit to do any act in violation of a lawful duty; (c) securing any improper advantage; or (d) inducing such Public Official to use his or her influence with a government, government entity, commercial enterprise owned or controlled by any government (including state-owned or controlled veterinary or medical facilities), in order to assist the business or any party related in any way to the business, in obtaining or retaining business.

(ii) The Borrower, its Subsidiaries and Affiliates have implemented and maintain policies and procedures designed to ensure compliance with Anti-Corruption Laws.

(iii) There have not been, and are not pending or, to the knowledge of the Loan Parties, threatened, any civil, criminal or administrative actions, suits, demands, claims, hearings, notices of violation, investigations, proceedings, demand letters, settlements or enforcement actions, involving the Loan Parties in any way relating to this Section 3.22.

(w) **Animal Welfare Laws**

. Other than with respect to any matters disclosed in writing to the Lenders prior to the Second Amendment Effective Date, none of the Borrower, its Subsidiaries or any of their respective Affiliates, nor any of their respective directors, officers or employees, have, to the knowledge (after due inquiry of Responsible Officers who should or could reasonably be expected to know or so inquire (the “**Relevant Responsible Officers**”)) of the Loan Parties, violated any Animal Welfare Laws in any material respect as reasonably determined in the good faith judgment of the Relevant Responsible Officers of the Loan Parties.

CONDITIONS TO CREDIT EXTENSIONS

(x) **Conditions to Initial Credit Extension**

. The obligation of each Lender to fund the initial Credit Extension on the Closing Date requested to be made by Borrower shall be subject to the prior or concurrent satisfaction or waiver of the conditions precedent set forth in this Section 4.01 (the making of such initial Credit Extension by a Lender being conclusively deemed to be its satisfaction or waiver of the conditions precedent):

(i) **Loan Documents**. The Administrative Agent shall have received (i) this Agreement, executed and delivered by a duly authorized officer of the Borrower and each Subsidiary Guarantor, (ii) a Note, executed and delivered by the Borrower in favor of each Lender that has requested a Note and (iii) the Security Agreement, executed and delivered by a duly authorized officer of the Borrower and each Subsidiary Guarantor;

(ii) Perfection Certificate. Each Loan Party shall have delivered to the Collateral Agent a completed Perfection Certificate, dated as of the Closing Date, executed by a duly authorized officer of each Loan Party, together with all attachments contemplated thereby;

(iii) Corporate Documents. The Administrative Agent shall have received:

- (A) a certificate of the secretary or assistant secretary (or equivalent officer) on behalf of each Loan Party dated the Closing Date, certifying (A) that attached thereto is a true and complete copy of each Organizational Document of such Loan Party and, with respect to the articles or certificate of incorporation or organization (or similar document) certified (to the extent applicable) as of a recent date by the Secretary of State of the state of its organization, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors of such Loan Party authorizing the execution, delivery and performance of the Loan Documents to which such person is a party and, in the case of the Borrower, the Borrowings hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect as of the date of such certificate, and (C) as to the incumbency and specimen signature of each Responsible Officer executing any Loan Document or any other document delivered in connection herewith on behalf of such Loan Party (together with a certificate of another officer or authorized person as to the incumbency and specimen signature of the officer or authorized person executing the certificate in this clause (i));
- (B) to the extent applicable, a certificate as to the good standing of each Loan Party as of a recent date, from such Secretary of State (or other applicable Governmental Authority) of its jurisdiction of organization;
- (C) the results of a recent lien, tax lien, judgment and litigation search in each of the jurisdictions or offices (including, without limitation, in the United States Patent and Trademark Office and the United States Copyright Office) in which UCC financing statement or other filings or recordations should be made to evidence or perfect security interests in all assets of the Loan Parties, and such search shall reveal no Liens or judgments on any of the assets of the Loan Parties, except for (x) Liens and judgments to be terminated on the Closing Date and (y) Existing Liens; and
- (D) a certificate dated the Closing Date and signed by a Responsible Officer of the Borrower, confirming satisfaction of the conditions set forth in Sections 4.01(h) and (i) and Sections 5.02(b) and (c).

(iv) Refinancing. The Refinancing shall occur on the Closing Date substantially simultaneously with the Credit Extension.

(v) [reserved].

(vi) Legal Opinions. The Administrative Agent shall have received the legal opinion of (i) Ice Miller LLP, counsel for the Loan Parties and (ii) McGuireWoods LLP,

Pennsylvania counsel for the Loan Parties, which opinions shall (A) be dated as of the Closing Date, (B) be addressed to the Agents and the Lenders and (C) cover such matters relating to the Loan Documents and the Transactions as the Administrative Agent may reasonably require. Each Loan Party hereby instructs such counsel to deliver such opinions to the Agents and the Lenders.

(vii) Solvency Certificate. The Administrative Agent shall have received a solvency certificate in the form of Exhibit H dated the Closing Date and signed by a Financial Officer of the Borrower.

(viii) Representations and Warranties. The (i) Specified Merger Agreement Representations shall be true and correct solely to the extent required by the terms of the definition thereof and (ii) Specified Representations shall be true and correct in all material respects, or, to the extent qualified by materiality or "Material Adverse Effect," in all respects, as of the Closing Date (except in the case of any such representation which expressly relates to a given date or period, such representation shall be true and correct in all material respects (or in all respects, as the case may be) as of the respective date or period).

(ix) No Material Adverse Effect. Since the Effective Date (as defined in the Merger Agreement), there shall have been no events or occurrences that have resulted in a Closing Date Material Adverse Effect.

(x) Fees and Expenses. The Arranger, the Lenders and the Administrative Agent shall have received all fees and other amounts due and payable to them on or prior to the Closing Date, including, to the extent invoiced at least two Business Days prior to the Closing Date (unless otherwise reasonably agreed by the Borrower), reimbursement or payment of all reasonable and documented out-of-pocket fees and expenses (including the legal fees and expenses of Latham & Watkins LLP, special counsel to the Agents) and recording taxes and fees.

(xi) Patriot Act. The Administrative Agent and the Lenders shall have received, at least three (3) Business Days prior to the Closing Date, all documentation and other information with respect to each Loan Party that is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act to the extent reasonably requested by any Lender in writing at least ten (10) Business Days in advance of the Closing Date.

(xii) Beneficial Ownership Certification. If the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, then the Borrower shall have delivered to the Administrative Agent a Beneficial Ownership Certification in relation to the Borrower, to the extent reasonably requested by any Lender in writing at least ten (10) Business Days in advance of the Closing Date.

(xiii) [reserved].

(xiv) Letter of Direction. The Administrative Agent shall have received a funds flow memorandum and duly executed borrowing notice and letter of direction from the Borrower addressed to the Administrative Agent, on behalf of itself and Lenders,

directing the disbursement on the Closing Date of the proceeds of the Loans made on such date.

(xv) Creation and Perfection of Security Interests. All actions necessary to establish that the Collateral Agent will have a perfected first priority security interest (subject to Permitted Liens) in the Collateral under the Loan Documents shall have been taken (including, without limitation, the execution and delivery to the Administrative Agent of all documents and instruments (if applicable, in proper form for filing) required to establish such security interests), in each case, to the extent such Collateral (including the creation or perfection of any security interest) is required to be provided on the Closing Date; *provided* that, to the extent any security interest in any Collateral to be provided by any Loan Party is not or cannot be provided and/or perfected on the Closing Date (other than the pledge and perfection of the security interest in the Equity Interests of the Borrower and its Wholly Owned Subsidiaries (which stock certificates shall be delivered on the Closing Date; *provided* that stock certificates representing Equity Interests in Foreign Subsidiaries shall be delivered within ten (10) Business Days of the Closing Date) that are required to be pledged pursuant to this Agreement and the other Loan Documents (and other assets of the Borrower and the Subsidiary Guarantors pursuant to which a lien may be perfected by the filing of a Form UCC-1 or such other financing statement)) after the Loan Parties' use of commercially reasonable efforts to do so, neither the perfection of such Collateral nor, in the case of real estate Collateral, the delivery of any mortgages related title policies, surveys, title insurance documents, endorsements or similar documentation, shall constitute a condition precedent to the availability of the Initial Term Loans on the Closing Date, but shall be required to be perfected within 90 days after the Closing Date (subject to extensions by the Administrative Agent, in its sole discretion).

(xvi) Acquisition. Mergers shall have been consummated, or substantially simultaneously with the initial borrowings of the Loans hereunder, shall be consummated in accordance with the terms of the Merger Agreement, without giving effect to any alteration, amendment, modification, supplement or waiver or consent thereunder unless otherwise permitted under, or effected in accordance with, the Commitment Letter.

(xvii) Minimum Cash Amount. On the Closing Date, the pro forma balance sheet of the Acquiror and its subsidiaries shall have a minimum amount of \$25,000,000 in cash, which cash balance will be automatically reduced by any cash acquisition consideration for transactions that would constitute Permitted Acquisitions had they been consummated after the Closing Date so long as, after giving effect to such acquisition, the First Lien Leverage Ratio would not exceed 3.25:1.00.

(xviii) Unsecured Notes Offering. On or prior to the Closing Date, the Unsecured Notes Offering shall have been consummated.

The documents referred to in this Section 4.01 shall be delivered to the Administrative Agent no later than the Closing Date. The certificates and opinions referred to in this Section 4.01 shall be dated the Closing Date.

Without limiting the generality of the provisions of Article XI, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, or waived each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Promptly after the Closing Date occurs, the Administrative Agent shall notify the Borrower and the Lenders of the Closing Date, and such notice shall be conclusive and binding on all parties hereto.

(y) **Conditions to Revolving Loan Extensions**

. The obligation of each Revolving Lender to make any Credit Extension (including on the Closing Date) shall be subject to, and to the satisfaction of, each of the conditions precedent set forth below.

(i) **Notice**. The Administrative Agent shall have received a Borrowing Request as required by Section 2.03 (or such notice shall have been deemed given in accordance with Section 2.03) if Loans are being requested.

(ii) **No Default**. At the time of and immediately after giving effect to such Credit Extension and the application of the proceeds thereof, no Default or Event of Default shall have occurred and be continuing on such date.

(iii) **Representations and Warranties**. Each of the representations and warranties made by any Loan Party set forth in Article III or in any other Loan Document shall be true and correct in all material respects (*provided* that, any representation and warranty that is qualified by "materiality," "material adverse effect" or similar language shall be true and correct in all respects (after giving effect to any such qualification therein)) on and as of the date of such Credit Extension with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects (or if any such representation and warranty is qualified by "materiality," "material adverse effect" or similar language, shall be true and correct in all respects (after giving effect to any such qualification therein)) on and as of such earlier date).

(iv) **Anti-Cash Hoarding; Use of Proceeds**. (i) At the time of and immediately after giving effect to such Credit Extension and the scheduled use of proceeds thereof, together with any other Borrowings and other scheduled use of cash and Cash Equivalents on hand, in each case, through the third Business Day after such Credit Extension as determined in good faith by the Borrower, the Borrower and its Subsidiaries shall not have cash and Cash Equivalents maintained in the U.S. in an aggregate amount greater than \$10,000,000 and (ii) the use of proceeds of such Credit Extension shall comply with Section 5.08.

The delivery of a Borrowing Request pursuant to this Section 4.02 and the acceptance by the Borrower of the proceeds of such Credit Extension shall constitute a representation and warranty by the Borrower and each other Loan Party that on the date of such Credit Extension (both immediately before

and after giving effect to such Credit Extension and the application of the proceeds thereof) the conditions contained in this Section 4.02 have been satisfied.

(z) **Conditions to Delayed Draw Term Loan Extensions**

. Subject to clauses (a)(ii) and (a)(iii) of Section 2.19, the obligation of each Delayed Draw Term Loan Lender to make any Credit Extension (including on the Closing Date) shall be subject to, and to the satisfaction of, each of the conditions precedent set forth below.

(i) **Notice**. The Administrative Agent shall have received a Borrowing Request as required by Section 2.03 (or such notice shall have been deemed given in accordance with Section 2.03) if Loans are being requested.

(ii) **No Default**. At the time of and immediately after giving effect to such Credit Extension and the application of the proceeds thereof, no Default or Event of Default shall have occurred and be continuing on such date.

(iii) **Representations and Warranties**. Each of the representations and warranties made by any Loan Party set forth in Article III or in any other Loan Document shall be true and correct in all material respects (*provided* that, any representation and warranty that is qualified by "materiality," "material adverse effect" or similar language shall be true and correct in all respects (after giving effect to any such qualification therein)) on and as of the date of such Credit Extension with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects (or if any such representation and warranty is qualified by "materiality," "material adverse effect" or similar language, shall be true and correct in all respects (after giving effect to any such qualification therein)) on and as of such earlier date).

(iv) **First Lien Leverage Ratio**. The First Lien Leverage Ratio shall not exceed 3.25:1.00, including the application of the proceeds of such Credit Extension (without "netting" the cash proceeds of the applicable Delayed Draw Term Loans to the Borrower) and related transactions (but giving effect to other permitted pro forma adjustments).

The delivery of a Borrowing Request pursuant to this Section 4.03 and the acceptance by the Borrower of the proceeds of such Credit Extension shall constitute a representation and warranty by the Borrower and each other Loan Party that on the date of such Credit Extension (both immediately before and after giving effect to such Credit Extension and the application of the proceeds thereof) the conditions contained in this Section 4.03 have been satisfied.

AFFIRMATIVE COVENANTS

Each Loan Party warrants, covenants and agrees with the Administrative Agent, the Collateral Agent and each Lender that so long as this Agreement shall remain in effect and until the Commitments have been terminated and the principal of and interest and premium (if any) on each Loan, all Fees and all other expenses or amounts payable under any Loan Document shall have been paid in full (other than

unasserted contingent indemnification obligations), each Loan Party will, and will cause each of its Subsidiaries to:

(a) **Financial Statements, Reports, etc**

. Furnish to the Administrative Agent for distribution to the Lenders:

(i) **Annual Reports.** Within 90 days after the end of each fiscal year (or, solely with respect to the fiscal year ending September 30, 2022, on or before the earlier of (x) January 13, 2023 and (y) the date by which the Borrower is required to file its 10-K for such fiscal year with the SEC under Section 13 or 15(d) of the Exchange Act giving effect to any grace period provided by Rule 12b-25 under the Exchange Act (or any successor thereto)), (i) the audited consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such fiscal year and related consolidated statements of income, cash flows and stockholders' equity for such fiscal year, which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Exchange Act, in comparative form with such financial statements as of the end of, and for, the preceding fiscal year, all in reasonable detail and prepared in accordance with GAAP and (except with respect to consolidating information) accompanied by an opinion of Ernst & Young LLP or other independent public accountants of recognized national standing reasonably satisfactory to the Required Lenders (which opinion shall not be qualified as to scope or contain any "going concern" or like qualification or exception other than a "going concern" qualification with respect to (A) any upcoming maturity date of any Indebtedness that is scheduled to occur within one year or (B) any potential inability to satisfy the financial covenants under any Indebtedness on a future date or in a future period), stating that such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of the Borrower and its Subsidiaries as of the dates and for the periods specified in accordance with GAAP consistently applied, and (ii) a management's discussion and analysis of the financial condition and results of operations of the Borrower and its Subsidiaries;

(ii) **Quarterly Reports.** Within forty five (45) days after the end of each fiscal quarter of the Borrower, commencing with the fiscal quarter ended September 30, 2021, (i) the unaudited consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such fiscal quarter and related consolidated statements of income and cash flows for such fiscal quarter and for the then elapsed portion of the fiscal year, in comparative form with the consolidated statements of income in reasonable detail and cash flows for the comparable periods in the previous fiscal year, all prepared in accordance with GAAP and accompanied by a certificate of a Financial Officer stating that such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of the Borrower and its Subsidiaries as of the date and for the periods specified in accordance with GAAP consistently applied, and on a basis consistent with the Historical Financial Statements and management's historical adjustments thereto, subject to normal year-end adjustments, including audit adjustments, and the absence of footnotes, (ii) a management's discussion and analysis of the financial condition and results of operations of the Borrower and its Subsidiaries and (iii) a "key performance indicator" report, segment reported in

accordance with GAAP, with such content as may be reasonably agreed by the Required Lenders and the Borrower;

(iii) Monthly Reports. Within thirty (30) days after the end of each fiscal month, (i) the unaudited consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such fiscal month and related consolidated statements of income and cash flows for such fiscal month and for the then elapsed portion of the fiscal year, in comparative form with the consolidated statements of income in reasonable detail and cash flows for the comparable periods in the previous fiscal year, all prepared in accordance with GAAP (other than any statements of cash flows, which shall be prepared in internal reporting form) and accompanied by a certificate of a Financial Officer stating that such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of the Borrower and its Subsidiaries as of the date and for the periods specified in accordance with GAAP consistently applied (other than any statements of cash flows, which shall be prepared in internal reporting form), and on a basis consistent with the Historical Financial Statements and management's historical adjustments thereto, subject to normal year-end adjustments, including audit adjustments, and the absence of footnotes and (ii) a "key performance indicator" report, segment reported in accordance with GAAP, with such content as may be reasonably agreed by the Required Lenders and the Borrower and which shall include the metrics specified by the Required Lenders (or their counsel) to the Borrower on or prior to the Second Amendment Effective Date;

(iv) Financial Officer's Certificate. Concurrently with any delivery of financial statements under Section 5.01(a) or (b), a Compliance Certificate (A) certifying that no Default and no Event of Default has occurred or, if a Default or Event of Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto and that each of the representations and warranties made by any Loan Party in the Loan Documents are true and correct in all material respects as of the date of such Compliance Certificate with the same effect as though made on and as of such date, (B) setting forth (1) the Borrower's calculation of the First Lien Leverage Ratio, the Secured Leverage Ratio, the Fixed Charge Coverage Ratio and Consolidated Total Assets in detail reasonably satisfactory to the Required Lenders (including any Pro Forma Basis calculations and adjustments in reasonable detail) and a certification as to compliance (or non-compliance) with Section 6.15 and (2) in the case of financial statements under Section 5.01(a) (commencing with the financial statements for the fiscal year ending September 30, 2024), the Borrower's calculation of Excess Cash Flow and (C) setting forth a list of any Material Foreign Subsidiaries (and their respective jurisdictions of organization);

(v) Budgets. No later than 90 days after the end of each fiscal year of the Borrower (or, solely with respect to the fiscal year ending September 30, 2022, on or before the earlier of (x) January 13, 2023 and (y) the date by which the Borrower is required to file its 10-K for such fiscal year with the SEC under Section 13 or 15(d) of the Exchange Act giving effect to any grace period provided by Rule 12b-25 under the Exchange Act (or any successor thereto)), commencing with the fiscal year ending September 30, 2022, an annual budget (on a quarterly basis) in form customarily prepared with regard to the Borrower and its Subsidiaries by the Borrower;

(vi) Other Information. Promptly, from time to time, such other reasonably necessary information regarding the operations, business affairs and financial condition of any Company, or compliance with the terms of any Loan Document, any Specified Hedging Agreement or any Bank Product Agreement or the environmental condition of any Real Property (but in any event, excluding attorney-client privileged information), as the Administrative Agent or any Lender (through the Administrative Agent) may reasonably request;

(vii) Certification of Public Information. Borrower and each Lender acknowledge that certain of the Lenders may be Public Lenders and, if documents or notices required to be delivered pursuant to this Section 5.01 or otherwise are being distributed through a Platform, any document or notice that the Borrower has indicated contains Non-Public Information shall not be posted on that portion of the Platform designated for Public Lenders. Borrower agrees to clearly designate all information provided to the Administrative Agent by or on behalf of the Borrower which is suitable to make available to Public Lenders. If the Borrower has not indicated whether a document or notice delivered pursuant to this Section 5.01 contains Non-Public Information, the Administrative Agent reserves the right to post such document or notice solely on that portion of the Platform designated for Lenders who wish to receive Non-Public Information with respect to the Borrower, its Subsidiaries or their respective securities;

(c) Lender Calls. (i) Within fifteen (15) Business Days (which may be extended for reasonable cause at the Borrower's and the Administrative Agent's reasonable discretion) after delivery of the financial statements required by Section 5.01(b) and (ii) at the request of the Required Lenders, within five (5) Business Days (which may be extended for reasonable cause at the Borrower's and the Administrative Agent's reasonable discretion) after delivery of the financial statements required by Section 5.01(c), the Borrower shall hold a conference call to which the Administrative Agent, the Collateral Agent and the Lenders shall be invited to discuss such financial statements, the financial condition of the Loan Parties and the results of operations for the relevant reporting period; and

(d) Monthly Thirteen Week Cash Flow Forecasts. Within ten (10) Business Days following the end of each calendar month, commencing with the calendar month ending January 31, 2023, a rolling thirteen (13) week cash flow forecast (each a "Cash Flow Forecast") setting forth all forecasted receipts and disbursements prepared on a monthly basis for the Borrower and its Subsidiaries, which shall be in form and detail reasonably satisfactory to the Required Lenders and the Borrower.

(b) Litigation and Other Notices

. Furnish to the Administrative Agent (for distribution to the Lenders) written notice of the following promptly (and, in any event, within ten (10) Business Days) following any Responsible Officer's knowledge thereof:

- (i) any Default or Event of Default specifying the nature and extent thereof and the corrective action (if any) taken or proposed to be taken with respect thereto;
- (ii) the filing or commencement of, or any written threat or written notice of intention of any person to file or commence, any action, suit, litigation or proceeding, whether at law or in equity or otherwise by or before any Governmental Authority, (i) against any Company or any Affiliate thereof that would reasonably be expected to

result in a Material Adverse Effect, (ii) with respect to any Loan Document, any Specified Hedging Agreement or any Bank Product Agreement or (iii) with respect to any of the Transactions;

(iii) any development or event that has resulted in, or would reasonably be expected to result in a Material Adverse Effect;

(iv) the occurrence of a Casualty Event in excess of \$1,500,000 (whether or not covered by insurance);

(v) the occurrence of any ERISA Event that, alone or together with any other ERISA Event that has occurred, would reasonably be expected to result in a Material Adverse Effect; and

(vi) the receipt by any Company of any notice of Environmental Claim or violation of or a potential liability under any Environmental Law, or knowledge by any Company that there exists a condition that could reasonably be expected to result in an Environmental Claim or a violation of or liability under, any Environmental Law, in each case, which would reasonably be expected to result in a Material Adverse Effect.

(c) **Existence; Businesses and Properties**

(i) Do or cause to be done all things necessary to preserve, renew and maintain in full force and effect its legal existence and good standing under the laws of the jurisdiction of its organization, except as otherwise permitted under Section 6.05 or Section 6.06.

(ii) In each case, (x) except as would not reasonably be expected to result in a Material Adverse Effect, do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the rights, permits, privileges, franchises and authorizations to the conduct of its business; comply with all applicable Legal Requirements (including any and all zoning, building, ordinance, code or approval or any building permits or any restrictions of record or agreements affecting the Real Property) and decrees and Orders of any Governmental Authority, whether now in effect or hereafter enacted; pay and perform its obligations under all Leases except when such payments or obligations are being contested in good faith; and at all times maintain, preserve and protect all of its Property and keep such Property in good repair, working order and condition (other than wear and tear occurring in the ordinary course of business) and from time to time make, or cause to be made, all necessary and proper repairs, renewals, additions, improvements and replacements thereto necessary in order that the business carried on in connection therewith may be properly conducted at all times in all material respects and (y) do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect all Intellectual Property and at all times maintain, preserve and protect all Intellectual Property; *provided* that nothing in this clause (b) shall prevent (i) Dispositions of Property, consolidations or mergers by or involving any Company in accordance with Section 6.05 or Section 6.06, (ii) the withdrawal by any Company of its qualification as a foreign business organization in any

jurisdiction where such withdrawal would not reasonably be expected to result in a Material Adverse Effect, (iii) the expiration of patents and registered copyrights in accordance with their statutory term, (iv) the expiration of any contract, contract right or other agreement in accordance with its terms or (v) the transfer, assignment, lapse, cancellation, abandonment or other disposal by any Company of any immaterial Intellectual Property, contract, contract right or other agreement that such Company reasonably determines is not useful to its businesses and no longer commercially desirable to retain.

(d) **Insurance**

(i) Keep its insurable Property insured at all times by financially sound and reputable insurers and maintain such other insurance, in each case, to such extent and against such risks as is customary with companies in the same or similar businesses operating in the same or similar locations, including insurance with respect to Mortgaged Properties and other Properties material to the business of the Companies against such casualties and contingencies and of such types and in such amounts with such deductibles as is customary in the case of similar businesses operating in the same or similar locations as determined by such Company (it being agreed by the Administrative Agent that the insurance as in effect and in the amounts and manner in place on the Closing Date complies with the requirements in this Section 5.04).

(ii) With respect to the Loan Parties and the property constituting Collateral, all such insurance shall (unless otherwise agreed to by the Administrative Agent) (i) provide that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days after receipt by the Collateral Agent of written notice thereof (or if such cancellation is by reason of nonpayment of premium, at least ten (10) days' prior written notice) (unless it is such insurer's policy not to provide such a statement) and (ii) name the Collateral Agent as mortgagee (in the case of property insurance) or additional insured on behalf of the Secured Parties (in the case of liability insurance) or loss payee (in the case of property insurance), as applicable. Borrower shall not permit, consent to or seek any amendment or change to any insurance policy that effects a material reduction in amount or a material change in coverage under such policy that would reasonably be expected to be adverse in any material respect to the interests of the Lenders without first providing the Collateral Agent with at least thirty (30) days prior written notice thereof.

(iii) Notify the Administrative Agent and the Collateral Agent promptly whenever any separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section 5.04 is taken out by any Company; and promptly upon request of the Administrative Agent, deliver to the Administrative Agent and the Collateral Agent a duplicate original copy of such policy or policies.

(iv) If any portion of any Mortgaged Property is at any time located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a Special Flood Hazard Area with respect to which flood insurance has been made

available under the National Flood Insurance Act of 1968 (as now or hereafter in effect) or any successor act thereto, then the Borrower shall, or shall cause the applicable Loan Party to (i) maintain, or cause to be maintained, with a financially sound and reputable insurer, flood insurance in an amount and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to the flood insurance laws and (ii) deliver to the Administrative Agent evidence of such compliance in form and substance reasonably acceptable to the Administrative Agent.

(e) **Obligations and Taxes**

. (a) Pay, file and discharge promptly when due (giving effect to any permitted extensions) all federal and state income Taxes and all other material Taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or in respect of its Property, before the same shall become delinquent or in default; *provided*, that such payment and discharge shall not be required with respect to any such Tax, assessment, charge, levy or claim to the extent (i) the validity or amount thereof shall be contested in good faith by appropriate proceedings timely instituted and diligently conducted and the applicable entity shall have set aside on its books adequate reserves or other appropriate provisions with respect thereto in accordance with GAAP and (ii) such contest operates to suspend the collection of the contested Tax, assessment, charge and enforcement of a Lien and (b) timely and accurately file all federal and state income Tax returns and other material Tax returns required to be filed.

(f) **Employee Benefits**

. Except as would not reasonably be expected to result in a Material Adverse Effect, comply with all applicable Legal Requirements, including the applicable provisions of ERISA and the Code with respect to all Employee Benefit Plans, Multiemployer Plans and Foreign Plans. Furnish to the Administrative Agent (a) within ten (10) Business Days (or such later time Administrative Agent may agree to in its sole discretion) after any ERISA Event has occurred that, alone or together with any other ERISA Event, would reasonably be expected to result in a Material Adverse Effect, a statement of a Financial Officer of the Borrower setting forth details as to such ERISA Event and the action, if any, that the Companies propose to take with respect thereto, (b) upon request by the Administrative Agent and to the extent such are reasonably available to such Financial Officer of the Borrower, copies of (i) the annual report (Form 5500 Series) filed by any Company with the U.S. Department of Labor or comparable foreign Governmental Authority with respect to each Pension Plan or Foreign Plan; (ii) the most recent actuarial valuation report, if any, for each Pension Plan and Foreign Plan maintained, sponsored or contributed to, or required to be maintained, sponsored or contributed to, by any Company; (iii) all notices received by any Company from a Multiemployer Plan sponsor or any Governmental Authority concerning an ERISA Event; and (iv) any documents described in Section 101(k) of ERISA that any Company may request with respect to any Multiemployer Plan to which a Company contributes or is required to contribute (*provided* that if the applicable Company has not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, such Company shall promptly make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents or notices promptly after receipt thereof), and (c) promptly, and in any event within thirty (30) days, after becoming aware that (i) Unfunded Pension Liabilities have reached or reach the amount of \$10,000,000 or more or is at a level as would be reasonably likely to have a Material Adverse Effect (taking into account only Employee Benefit Plans with positive Unfunded Pension Liabilities), (ii) potential withdrawal liability under Section 4201 of ERISA, if the Companies and the ERISA Affiliates were to withdraw completely from any and all Multiemployer Plans, has reached or

reaches the amount of \$10,000,000 or more or are at a level as would be reasonably likely to have a Material Adverse Effect, a detailed written description thereof from a Financial Officer of the Borrower.

(g) **Maintaining Records; Access to Properties and Inspections**

. Keep proper books of record and account in which full, true and correct entries in conformity with GAAP and all Legal Requirements are made of all dealings and transactions in relation to its business and activities. Each Company will permit any representatives designated by the Collateral Agent, the Administrative Agent, the Required Lenders or, during the continuance of a Default or an Event of Default, any Lender as often as reasonably requested (except not more frequently than twice in any 12-month period unless a Default or an Event of Default has occurred and is then continuing) upon reasonable prior written notice (except no such advance notice shall be required if an Event of Default has occurred and is then continuing), in each case, to visit and inspect the financial records and the Property of such Company at reasonable times during regular business hours and to make extracts from and copies of such financial records, and permit any representatives designated by the Collateral Agent, the Administrative Agent, the Required Lenders or any Lender to discuss the affairs, finances, accounts and condition of any Company with the officers and employees thereof and Advisors thereof as long as representatives of the Borrower have been given reasonable prior written notice of and the reasonable opportunity to attend any such discussions; *provided*, that so long as no Default or Event of Default has occurred and is then continuing, the Borrower shall not bear the cost of more than two such inspections in any 12-month period by the Administrative Agent or the Collateral Agent; *provided, further*, that the Collateral Agent, the Administrative Agent, the Required Lenders or any Lender, as applicable, shall make all reasonable efforts not to disrupt the business or operations of any such Company. In addition, upon the request of the Required Lenders, each Company shall permit a financial advisor designated by the Required Lenders to meet on-site, in person, with the management of such Company to discuss the affairs, finances, accounts and condition of such Company during the six-month period after the ~~Second~~Fourth Amendment Effective Date.

(h) **Use of Proceeds**

. Use the proceeds of the Loans only for the purposes set forth in Section 3.11.

(i) **Compliance with Environmental Laws**

(i) Except, in each case, where the failure to do so could not reasonably be expected to have a Material Adverse Effect, comply, and shall cause each of its Subsidiaries to comply, and use commercially reasonable efforts to cause all lessees and other persons occupying Real Property owned, operated or leased by any Company or any of its Subsidiaries to comply, in all material respects, with all Environmental Laws and Environmental Permits applicable to its operations and the Real Property; obtain and maintain in full force and effect all material Environmental Permits applicable to its operations and the Real Property; and conduct all Responses required by any Governmental Authority or under any applicable Environmental Laws, including making appropriate responses to any investigation, notice, demand, claim, suit or other proceeding asserting liability under Environmental Law against the Loan Parties or any of its Subsidiaries and discharge any obligations it may have to any Person thereunder,

and in accordance with, the requirements of any Governmental Authority and applicable Environmental Laws.

(ii) Except as would not reasonably be expected to have a Material Adverse Effect, do or cause to be done all things necessary to prevent any Release of Hazardous Materials by the Companies in, on, under, to or from any Real Property owned, leased or operated by any of the Companies, and ensure that there shall be no Hazardous Materials present at, in, on, or under any Real Property owned, leased or operated by any of the Companies except those that are used, stored, handled and managed in full compliance with applicable Environmental Laws.

(iii) Except as would not reasonably be expected to result in a Material Adverse Effect, undertake all actions, including Responses, required under Environmental Law or as otherwise reasonably requested by the Administrative Agent, all at the sole cost and expense of the Companies, (i) to address any Release of Hazardous Materials at, from or onto any Real Property owned, leased or operated by any of the Companies or their predecessors in interest as required pursuant to Environmental Law or the requirements of any Governmental Authority; and (ii) to address any environmental conditions relating to any Company, any Company's business or to any Real Property owned, leased or operated by any of the Companies pursuant to any reasonable written request of the Administrative Agent and share with the Administrative Agent all data, information and reports generated or prepared in connection therewith;

(iv) Prior to the date that is ninety (90) days after the closing date (subject to extensions by the Administrative Agent, in its sole discretion), notify the Administrative Agent in writing of: (1) any Release or threatened Release of Hazardous Materials in, on, under, at, from or migrating to any Real Property owned, leased or operated by any of the Companies, (2) any non-compliance with, or violation of, any Environmental Law applicable to any Company, any Company's business and any Real Property owned, leased or operated by any of the Companies, (3) any Lien (other than Permitted Liens) pursuant to Environmental Law imposed on any Real Property owned by any of the Companies, (4) any investigation or remediation of any Real Property owned, leased or operated by any of the Companies required to be undertaken pursuant to Environmental Law, and (5) any written notice or other written communication received by any Company from any person or Governmental Authority relating to any material Environmental Claim or material liability or potential liability of any Company pursuant to any Environmental Law.

(j) **Additional Collateral; Additional Guarantors**

(i) Subject to this Section 5.10, with respect to any Property acquired after the Closing Date by any Loan Party that is intended to be subject to the Lien created by any of the Security Documents but is not so subject (but, in any event, excluding any Equity Interest of a Subsidiary not required to be pledged pursuant to the last sentence of Section 5.10(b) and any Excluded Asset), promptly (and in any event within sixty (60) days after the acquisition thereof or such longer period as may be agreed to in writing by

the Administrative Agent) (i) execute and deliver to the Administrative Agent and the Collateral Agent such amendments or supplements to the relevant Security Documents or such other documents as the Administrative Agent or the Collateral Agent shall deem reasonably necessary or advisable to grant to the Collateral Agent, for its benefit and for the benefit of the other Secured Parties, a Lien on such Property under applicable U.S. state and federal law (and applicable foreign law unless the Collateral Agent shall determine in its sole discretion that the cost of complying with such applicable foreign law is excessive in relation to the value of the security to be afforded thereby) subject to no Liens other than Permitted Liens, (ii) to the extent (A) the value of such after-acquired Property would constitute a material portion of the Collateral as a whole, and (B) requested by the Administrative Agent or the Collateral Agent, deliver customary and reasonable opinions of counsel to the Borrower in form and substance, and from counsel, reasonably acceptable to the Administrative Agent, and (iii) take all actions reasonably necessary to cause such Lien to be duly perfected to the extent required by such Security Documents in accordance with all applicable Legal Requirements, including the filing of financing statements in such jurisdictions as may be reasonably requested by the Administrative Agent or the Collateral Agent and the delivery of Control Agreements (as defined in the Security Agreement) for the benefit of the Administrative Agent to the extent required pursuant to the Security Agreement. Subject to the limitations set forth herein and in the other Loan Documents, the Borrower and the other Loan Parties shall otherwise take such actions and execute and/or deliver to the Collateral Agent such documents as the Administrative Agent or the Collateral Agent shall reasonably require to confirm the validity, perfection and priority of the Lien of the Security Documents against such after-acquired Properties.

(ii) With respect to any person that is or becomes a Subsidiary of a Loan Party after the Closing Date (other than (x) Excluded Subsidiaries or (y) a merger subsidiary formed in connection with a Permitted Acquisition so long as such merger subsidiary is merged out of existence pursuant to such Permitted Acquisition within sixty (60) days of its formation thereof or such later date as permitted by the Administrative Agent in its sole discretion, the applicable Loan Party shall promptly (and in any event within sixty (60) days after such person becomes a Subsidiary or such longer period as may be agreed to in writing by the Administrative Agent (or, in the case of Inotiv Nashville, LLC and Histon, LLC, within the time period required under Section 8 of the Third Amendment)) (i) deliver to the Collateral Agent the certificates, if any, representing all of the Equity Interests of such Subsidiary, together with undated stock powers or other appropriate instruments of transfer executed and delivered in blank by a duly authorized officer of the holder(s) of such Equity Interests (provided that if the Equity Interests of such Subsidiary is not represented by certificates, the Borrower shall not be required to cause such Equity Interests to be certificated), and all intercompany notes, if any (subject to the limitations set forth in the Security Agreement), owing from such Subsidiary to any Loan Party together with instruments of transfer executed and delivered in blank by a duly authorized officer of such Loan Party and (ii) cause such new Subsidiary (A) to execute a Joinder Agreement to cause such Subsidiary to become a Guarantor and a Pledgor, (B) deliver opinions of counsel to the Borrower in form and substance, and from counsel, reasonably satisfactory to the Administrative Agent and the Required Lenders, and (C) to take all actions reasonably necessary or advisable in the opinion of the Administrative Agent or the Collateral Agent to cause the Lien created by

the applicable Security Document to be duly perfected to the extent required by such Security Document in accordance with all applicable Legal Requirements, including the filing of financing statements (or equivalent registrations) in such jurisdictions as may be reasonably requested by the Administrative Agent or the Collateral Agent. Notwithstanding the foregoing, a Subsidiary shall not be required to take the actions specified in clause (ii) of the preceding sentence to the extent such Subsidiary (v) is prohibited from taking such actions by applicable law, rule or regulation or by any contractual obligation existing at the time of acquisition thereof after the Closing Date (to the extent such contractual obligation was not created in contemplation of such acquisition) for so long as such prohibition exists, (w) would require governmental (including regulatory) consent, approval, license or authorization to the extent such consent, approval, license or authorization has not been received upon the Loan Parties using commercially reasonable efforts to acquire the same or (x) is a CFC, a direct or indirect Domestic Subsidiary of a CFC or a U.S. Foreign Holdco if taking such actions would result in material adverse tax consequences to the Borrower and its Subsidiaries as reasonably determined by Borrower and the Required Lenders. Notwithstanding the foregoing, no actions shall be required to be taken in any U.S. or non-U.S. jurisdiction to create or perfect any security interest with respect to any such Subsidiary, including the delivery of any security agreements or pledge agreements governed under the laws of any U.S. or non-U.S. jurisdiction, except as requested by the Required Lenders under Section 5.10(c).

(iii) At the request of the Required Lenders, promptly (and in any event within forty-five (45) days after such request or such longer period as may be agreed to in writing by the Required Lenders), so long as the applicable jurisdiction of the Material Foreign Subsidiary is reasonably acceptable to the Administrative Agent (it being understood that Canada, the United Kingdom, the Netherlands, Germany, Luxembourg, Australia and Mexico are acceptable), (i) deliver pledge agreements with respect to the Equity Interests of any Material Foreign Subsidiary in accordance with applicable local or foreign law to grant a valid, perfected security interest in any such Equity Interests as collateral for the Secured Obligations, which will have substantially similar terms to the Security Agreement with appropriate changes to be agreed by the Borrower and the Required Lenders (and reasonably acceptable to the Administrative Agent) to reflect foreign law requirements and the nature of the relevant property, and (ii) deliver notices and security agreements in accordance with applicable local or foreign law to grant a valid, perfected security interest in any cash and Cash Equivalents of the Loan Parties held in foreign accounts, which will have substantially similar terms to the related New York law governed Security Documents with appropriate changes to be agreed by the Borrower and the Required Lenders (and reasonably acceptable to the Administrative Agent) to reflect foreign law requirements and the nature of the relevant property.

(iv) Promptly (and in any event within 90 days of the acquisition thereof or such longer period as may be agreed to in writing by the Administrative Agent) grant to the Collateral Agent a security interest in and Mortgage on each Real Property owned in fee by such Loan Party as is acquired by such Loan Party after the Closing Date and that, together with any improvements thereon, individually has a Fair Market Value of at least \$2,000,000, as additional security for the Secured Obligations (unless the subject Property is already mortgaged to a third party to the extent permitted by Section 6.02, and

the documents governing such third party mortgage prohibits a Mortgage in favor of the Collateral Agent). Such Mortgages shall be granted pursuant to documentation reasonably satisfactory in form and substance to the Administrative Agent and the Collateral Agent and shall constitute valid and enforceable perfected first priority Liens subject only to Permitted Liens. The Mortgages or instruments related thereto shall be duly recorded or filed in such manner and in such places as are required by applicable Legal Requirements to establish, perfect, preserve and protect the Liens in favor of the Collateral Agent required to be granted pursuant to the Mortgages and all taxes, fees and other charges payable in connection therewith shall be paid in full by each applicable Loan Party. Such Loan Party shall otherwise take such actions and execute and/or deliver to the Collateral Agent such documents as the Administrative Agent or the Collateral Agent shall reasonably require to confirm the validity, enforceability, perfection and priority of the Lien of any existing Mortgage or new Mortgage against such after-acquired Real Property (including a Title Policy, a Survey and local counsel opinion (in form and substance reasonably satisfactory to the Administrative Agent and the Collateral Agent) in respect of such Mortgage) and shall take such actions relating to insurance with respect to such after-acquired Real Property and execute and/or delivery to the Collateral Agent such environmental reports, zoning reports, insurance certificates, flood determinations and evidence of flood insurance (in form and substance reasonably acceptable to the Administrative Agent and the Collateral Agent) and other documentation (including with respect to title and flood insurance), in each case in form and substance reasonably satisfactory to the Administrative Agent and Collateral Agent, as the Collateral Agent shall reasonably request. Notwithstanding the foregoing, (i) the amount secured by such Mortgage shall be limited to the Fair Market Value of the applicable fee owned real property (to the extent that such real property is located in a jurisdiction that imposes a mortgage recording tax based on the amount of debt secured by the respective mortgage)), (ii) in the case of all leasehold interests in real property, the Borrower shall only be required to use its commercially reasonable efforts to obtain any third party consents that may be required to grant a leasehold mortgage and (iii) no action will be required with respect to any fee-owned Real Property located outside the United States. With respect to any Real Property that is ground leased, the Loan Party shall use commercially reasonable efforts to obtain estoppels and consents from the applicable ground lessors in form and substance reasonably satisfactory to the Administrative Agent and the Collateral Agent. Upon receipt of any required consents, the Loan Party will deliver all other deliverables required pursuant to this Section 5.10(d).

(v) Notwithstanding the foregoing provisions of this Section 5.10 or any other provision in this Agreement or of any other Loan Document, (i) none of the Loan Parties shall be required to grant a security interest in any Excluded Assets, (ii) none of the Loan Parties shall be required to perfect any pledges, security interests and mortgages in the Collateral by any means other than (A) filings pursuant to the Uniform Commercial Code in the office of the Secretary of State of the relevant State and (2) filings in the United States Patent and Trademark Office and United States Copyright Office with respect to intellectual property as expressly required in the Security Documents, (B) Mortgages in respect of Mortgaged Properties to be filed in the applicable recording office(s) of the counties in which the Mortgaged Property is located (and, if required or customary in the jurisdiction where such Mortgaged Properties are located, fixture filings), (C) Control Agreements and (D) subject to any intercreditor arrangements

entered into pursuant to this Agreement, delivery to the Lender of all certificates evidencing equity interests required to be delivered in order to perfect the Lender's security interest therein, and intercompany notes and other instruments to be held in its possession, in each case as expressly required in the Security Documents.

(k) **Security Interests; Further Assurances**

(i) Subject to the limitations set forth in this Agreement or any other Loan Document, promptly, upon the reasonable request of the Administrative Agent, the Collateral Agent or any Lender, at the Borrower's expense, execute, acknowledge and deliver, or cause the execution, acknowledgement and delivery of, and thereafter register, file or record, or cause to be registered, filed or recorded, in an appropriate governmental office, any document or instrument supplemental to or confirmatory of the Security Documents or otherwise deemed by the Administrative Agent or the Collateral Agent reasonably necessary or advisable for the continued validity, enforceability, perfection and priority of the Liens on the Collateral covered thereby subject to no other Liens except Permitted Liens, or obtain any consents or waivers as may be necessary or appropriate in connection therewith.

(ii) Deliver or cause to be delivered to the Administrative Agent and the Collateral Agent from time to time such other documentation, consents, authorizations, approvals and Orders in form and substance reasonably satisfactory to the Administrative Agent, the Collateral Agent and the Required Lenders as the Administrative Agent, the Collateral Agent or the Required Lenders shall reasonably deem reasonably necessary or advisable to perfect or maintain the validity, enforceability, perfection and priority of the Liens on the Collateral pursuant to the Security Documents, subject to the terms, conditions and limitations of this Agreement and the Security Documents.

(iii) Upon the exercise by the Administrative Agent, the Collateral Agent or any Lender of any power, right, privilege or remedy pursuant to any Loan Document which requires any consent, approval, registration, qualification or authorization of any Governmental Authority, execute and deliver all applications, certifications, instruments and other documents and papers that the Administrative Agent, the Collateral Agent or such Lender may reasonably require.

(iv) If the Administrative Agent, the Collateral Agent or the Required Lenders reasonably determine that they are required by any Legal Requirements to have appraisals prepared in respect of the Real Property of any Loan Party constituting Collateral, the Borrower shall provide to the Administrative Agent appraisals that satisfy the applicable requirements of the Real Estate Appraisal Reform Amendments of FIRREA and are otherwise in form and substance satisfactory to the Administrative Agent and the Collateral Agent.

(v) In furtherance of the foregoing in this Section 5.11 and Section 5.10, to the maximum extent permitted by applicable Legal Requirements, each Loan Party (A) authorizes each of the Collateral Agent and/or the Administrative Agent to (x) if any of the Companies shall be in non-compliance with Section 5.11 or Section 5.12 or of any

provision of any of the Security Agreement or if any Default or Event of Default has occurred and is then continuing, execute any such documentation, consents, authorizations, approvals, Orders, applications, certifications, instruments and other documents and papers in such Loan Party's name to the extent necessary to satisfy such Company's obligations under Section 5.11 or 5.12 herein or under any Security Document, and (y) to file such agreements, instruments or other documents in any appropriate filing office, and (B) authorizes each of the Collateral Agent and/or the Administrative Agent to file any financing statement (and/or equivalent foreign registration) required hereunder or under any other Loan Document, and any continuation statement or amendment (and/or equivalent foreign registration) with respect thereto, in any appropriate filing office without the signature of such Loan Party.

(l) **Information Regarding Collateral**

(i) Other than with respect to any Immaterial Subsidiary, not effect any change (i) in any Loan Party's legal name, (ii) in the location of any Loan Party's chief executive office (if such Loan Party is not a registered organization), (iii) in any Loan Party's organizational type, (iv) in any Loan Party's federal taxpayer identification number or organizational identification number, if any (except as may be required by applicable Legal Requirements, in which case, the Borrower shall promptly notify the Administrative Agent of such change), or (v) in any Loan Party's jurisdiction of organization (in each case, including by merging with or into any other entity, reorganizing, dissolving, liquidating, reorganizing or organizing in any other jurisdiction), unless (A) it gives the Collateral Agent and the Administrative Agent not less than thirty (30) days' (or such shorter period as agreed to in writing by the Collateral Agent) prior written notice of such change, clearly describing such change and providing such other information in connection therewith as the Collateral Agent or the Administrative Agent may reasonably request and (B) it takes all action reasonably requested by the Collateral Agent to maintain the validity, enforceability, perfection and priority of the security interest of the Collateral Agent for the benefit of the Secured Parties in the Collateral, if applicable, subject to the terms, conditions and limitations of this Agreement and the Security Documents. Each Loan Party shall promptly provide the Collateral Agent with certified Organizational Documents reflecting any of the changes described in the preceding sentence. Each Loan Party shall promptly notify the Collateral Agent of any change in the location of any office in which it maintains books or records relating to Collateral owned by it or any office or facility at which Collateral is located (including the establishment of any such new office or facility), other than changes in location to a Mortgaged Property.

(ii) Concurrently with the delivery of financial statements pursuant to Section 5.01(a), deliver to the Administrative Agent and the Collateral Agent for distribution to the Lenders a Perfection Certificate Supplement accompanied by, after the Second Amendment Effective Date, a comparison of such Perfection Certificate Supplement to the most recent previously delivered Perfection Certificate or Perfection Certificate Supplement.

(iii) Concurrently with the delivery of financial statements pursuant to Section 5.01(b), deliver to the Administrative Agent and the Collateral Agent for distribution to the Lenders (i) a true and correct organization chart showing the ownership structure of the Borrower and its Subsidiaries as of the date of such delivery; and (ii) a certification dated as of such delivery date that the Borrower has no Subsidiaries other than those Subsidiaries listed on such certification, which list shall identify (w) the direct owner(s) of each such owner(s) and their percentage ownership interest therein, (x) the jurisdiction of organization of such Subsidiary, (y) if such Subsidiary is a Loan Party or a non-Loan Party, and (z) if such Subsidiary is a non-Loan Party, the basis on which the Borrower has determined that such Person is an Excluded Subsidiary or otherwise not required to become a Subsidiary Guarantor pursuant to this Agreement.

(m) **[reserved]**

(n) **[reserved]**

(o) **Fiscal Year**

. Maintain its fiscal year-end to the date of September 30.

(p) **Sanctions; Anti-Money Laundering; Anti-Corruption Compliance**

(i) Not directly or indirectly use the proceeds of any Borrowing (i) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (ii) in any manner that would result in the violation of any Anti-Corruption Laws or Sanctions applicable to any party hereto (and the Loan Parties shall deliver to the Lenders confirmation requested from time to time by any Lender in its reasonable discretion, of the Loan Parties' compliance with this Section 5.16).

(ii) Not cause or permit any of the funds of such Loan Party that are used to repay the Loans to be derived from any unlawful activity.

(iii) Each Loan Party (i) will comply, and will ensure that its directors, officers, employees, agents and Affiliates comply, with the Anti-Corruption Laws; and (ii) will maintain in effect and enforce policies and procedures designed to ensure compliance by the Loan Parties and their respective directors, officers, employees, agents and Affiliates with Anti-Corruption Laws.

(q) **Line of Business**

. Not engage in any material line of business substantially different from those lines of business conducted by any Loan Party on the Closing Date or any business reasonably related, similar, corollary, ancillary, complementary or incidental thereto or reasonable extensions thereof.

(r) **Post-Closing Obligations**

. Within the time periods specified on Schedule 5.18 (or such later date to which the Administrative Agent consents in its sole discretion), comply with the provisions set forth in Schedule 5.18.

(s) **Beneficial Ownership Certifications**

. As of the Closing Date, the information included in the Beneficial Ownership Certification is true and correct in all respects.

NEGATIVE COVENANTS

Each Loan Party warrants, covenants and agrees with the Administrative Agent, the Collateral Agent and each Lender that, so long as this Agreement shall remain in effect and until the Commitments have been terminated and the principal of and interest and premium (if any) on each Loan, all Fees and all other expenses or amounts payable under any Loan Document have been paid in full (other than unasserted contingent indemnification obligations), no Loan Party will, nor will they cause or permit any Subsidiaries to:

(t) **Indebtedness**

. Incur, create, assume or permit to exist, directly or indirectly, any Indebtedness, except:

(i) Indebtedness incurred under this Agreement and the other Loan Documents (including Indebtedness incurred pursuant to Section 2.19 and Section 2.21 hereof);

(ii) Indebtedness outstanding on the Closing Date and listed on Schedule 6.01(b);

(iii) Indebtedness constituting Hedging Obligations entered into in the ordinary course of business and not for speculative purposes; *provided* that if such Hedging Obligations arise under Hedging Agreements that are designed to protect against fluctuations in interest rates (i) such Hedging Obligations relate to Indebtedness for borrowed money otherwise permitted to be incurred by the Loan Documents and (ii) the notional principal amount of such Hedging Obligations at the time incurred does not exceed the principal amount of the Indebtedness to which such Hedging Obligations relate;

(iv) Indebtedness resulting from Investments, including loans or advances, permitted by Section 6.04;

(v) Indebtedness of the Borrower and its Subsidiaries in respect of Purchase Money Obligations, Capital Lease Obligations and Synthetic Lease Obligations in an amount not to exceed, in the aggregate, at any time outstanding, \$20,000,000; *provided* that during the Amendment Relief Period no more than \$2,000,000 of aggregate Indebtedness shall be permitted to be incurred under this Section 6.01(e);

(vi) Indebtedness of the Borrower and its Subsidiaries in respect of (x) workers' compensation claims and self-insurance obligations (in each case other than for or constituting an obligation for money borrowed), including guarantees or obligations of any Company with respect to letters of credit supporting such workers' compensation claims and/or self-insurance obligations and (y) bankers' acceptances and bid, performance, surety bonds or similar instruments issued for the account of any Company in the ordinary course of business, including guarantees or obligations of any Company with respect to bankers' acceptances and bid, performance or surety obligations (in each case other than for or constituting an obligation for money borrowed);

(vii) Contingent Obligations of the Borrower and its Subsidiaries in respect of Indebtedness otherwise permitted under this Section 6.01 (other than under Section 6.01(j));

(viii) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business so such Indebtedness is extinguished within five (5) Business Days;

(ix) Indebtedness arising in connection with endorsement of instruments for deposit in the ordinary course of business;

(x) (i) Indebtedness of Subsidiaries that are not Loan Parties (but only to the extent non-recourse to the Loan Parties) in an aggregate principal amount at any time outstanding, together with Indebtedness of Subsidiaries that are not Loan Parties outstanding pursuant to Section 6.01(o), not to exceed \$5,000,000; *provided* that no Indebtedness shall be permitted to be incurred under this Section 6.01(j)(i) during the Amendment Relief Period; and (ii) guarantees by Subsidiaries that are not Loan Parties of Indebtedness permitted under the preceding clause (i);

(xi) Indebtedness which represents a refinancing, refunding, extension or renewal of any of the Indebtedness described in clause (b), (e), (l), (o), (w) or (x) (any such refinancing, refunding, extension or renewal, a "**Permitted Refinancing**"); *provided* that (A) any such refinancing, refunded, extended or renewed Indebtedness is in an aggregate principal amount (or aggregate amount, as applicable) not greater than the aggregate principal amount (or aggregate amount, as applicable) of the Indebtedness being refinanced, refunded, extended or renewed, *plus* the amount of any accrued or capitalized interest, premiums required to be paid thereon and reasonable fees and expenses associated therewith, *plus* the amount of any existing commitments unutilized thereunder, (B) such refinancing, refunded, extended or renewed Indebtedness has a later or equal final maturity and longer or equal weighted average life to maturity than the Indebtedness being renewed or refinanced, (C) the covenants, events of default,

subordination (including lien subordination) and other terms and provisions thereof (including any guarantees thereof or security documents in respect thereof) shall be, in the aggregate, no less favorable to the debtholders in respect thereof than those contained in the Indebtedness being refinanced, refunded, extended or renewed, (D) such refinanced, refunded, extended or renewed Indebtedness shall not be secured by any additional assets that do not secure such Indebtedness immediately prior to such refinancing, refunding, extension or renewal (and if so secured, such liens shall be of the same or lower priority as the liens securing such refinanced, refunded, extended or renewed Indebtedness), (E) if such Indebtedness being refinanced, refunded, extended or renewed is Guaranteed, it shall not be Guaranteed by any Person other than a Loan Party, (F) such refinanced, refunded, extended or renewed Indebtedness is incurred by the person or persons who are the obligors on the Indebtedness immediately prior to such refinancing, refunding, extension or renewal, (G) if such Indebtedness being refinanced, refunded, extended or renewed is subordinated relative to the Obligations, such Permitted Refinancing shall be at least as subordinated to the Obligations as such Indebtedness being refinanced, refunded, extended or renewed, (H) no Default or Event of Default has occurred or is continuing or would immediately thereafter result therefrom and (I) during the Amendment Relief Period, no Permitted Refinancing shall be permitted to be incurred unless within 180 days of the maturity of the Indebtedness being refinanced, refunded, extended or renewed;

(xii) intercompany Indebtedness owing (i) by and among the Loan Parties, (ii) by Subsidiaries that are not Loan Parties to Subsidiaries that are not Loan Parties, (iii) by Subsidiaries that are not Loan Parties to Loan Parties; *provided* that outstanding Indebtedness under this clause (I)(iii) (together with Investments in Subsidiaries that are not Loan Parties outstanding pursuant to Section 6.04(e)(iv) or Section 6.04(k)(C)) shall not exceed \$7,500,000 at any time, and (iv) by Loan Parties to Subsidiaries that are not Loan Parties, *provided* that Indebtedness under this clause (I)(iv) shall be subordinated to the Obligations pursuant to subordination terms reasonably acceptable to the Required Lenders;

(xiii) Indebtedness arising as a direct result of judgments against the Borrower or any of its Subsidiaries, in each case to the extent not constituting an Event of Default;

(xiv) unsecured Indebtedness representing any Taxes to the extent such Taxes are permitted to not be paid or discharged at such time in accordance with Section 5.05 herein;

(xv) Indebtedness assumed in a Permitted Acquisition that is not made during the Amendment Relief Period; *provided* that (i) no Default or Event of Default has occurred and is continuing as of the date the definitive agreement for such Permitted Acquisition is executed and (ii) such Indebtedness shall not have been incurred in contemplation of such Permitted Acquisition; *provided, further*, that the aggregate principal amount of Indebtedness incurred pursuant to this clause (o) by Subsidiaries that are not Loan Parties (together with Indebtedness of Subsidiaries that are not Loan Parties incurred pursuant to Section 6.01(j)) shall not exceed \$5,000,000 at any time outstanding;

(xvi) Indebtedness consisting of (i) the financing of insurance premiums or (ii) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business;

(xvii) the Permitted Convertible Indebtedness issued on or prior to the Closing Date in any amount not to exceed \$150,000,000;

(xviii) (A) unsecured non-cash Indebtedness of the Borrower or any of its Subsidiaries owing to employees, former employees, officers, former officers, directors, former directors (or any spouses, ex-spouses, or estates of any of the foregoing) in connection with the repurchase of Equity Interests of the Borrower issued to any of the aforementioned employees, former employees, officers, former officers, directors, former directors (or any spouses, ex-spouses, or estates of any of the foregoing) not to exceed, at any time outstanding, \$2,000,000 or (B) other deferred compensation to employees, former employees, officers, former officers, directors, former directors (or any spouses, ex-spouses, or estates of any of the foregoing) incurred in the ordinary course of business or in connection with Permitted Acquisitions or other Investments permitted hereunder;

(xix) Indebtedness incurred by Borrower or any of its Subsidiaries arising from agreements providing for indemnification related to sales of goods or adjustment of purchase price or similar obligations in any case incurred in connection with the Disposition of any business, assets or Subsidiary;

(xx) Indebtedness in respect of netting services, automatic clearinghouse arrangements and similar arrangements in each case in connection with deposit accounts incurred in the ordinary course;

(xxi) obligations in respect of performance, bid, customs, government, appeal and surety bonds, performance and completion guaranties and similar obligations provided by Borrower or any of its Subsidiaries, in each case in the ordinary course of business;

(xxii) conditional sale, title retention, consignment or similar arrangements for the sale of goods in the ordinary course of business;

(xxiii) unsecured Indebtedness in an aggregate outstanding principal amount not to exceed \$20,000,000 at any time; *provided* that (i) no Default or Event of Default shall have occurred and be continuing or shall immediately occur upon the incurrence of such Indebtedness and (ii) no Indebtedness shall be permitted to be incurred under this Section 6.01(w) during the Amendment Relief Period; *provided, further*, that the aggregate principal amount of Indebtedness incurred pursuant to this clause (w) by Subsidiaries that are not Loan Parties shall not exceed \$5,000,000 at any time outstanding;

(xxiv) additional Indebtedness of the Borrower and the Subsidiaries; *provided* that (i) immediately after giving effect to any incurrence of Indebtedness under this clause (x), the sum of the aggregate principal amount of Indebtedness at any time outstanding under this clause (x) shall not exceed \$15,000,000 at any time outstanding, (ii) the aggregate principal amount of Indebtedness incurred pursuant to this clause (x) by Subsidiaries that are not Loan Parties shall not exceed \$5,000,000 at any time

outstanding; *provided* that during the Amendment Relief Period no more than \$2,000,000 of aggregate principal amount of Indebtedness shall be permitted to be incurred under this Section 6.01(x)(ii), (iii) during the Amendment Relief Period, such Indebtedness under this clause (x) shall not be permitted to be incurred to finance, or in connection with, any Permitted Acquisition or other Investment and (iv) if such Indebtedness is secured (other than Indebtedness of non-Loan Parties permitted under Section 6.01(x)(ii), which Indebtedness may be secured by assets of such non-Loan Parties with a fair market value not in excess of the amount of such Indebtedness), it shall only be secured by a Lien on the Collateral that is junior to the Lien securing the Obligations and shall be subject to intercreditor arrangements in form and substance satisfactory to the Required Lenders;

(a) Indebtedness of the Borrower and its Subsidiaries in respect of letters of credit in an aggregate face amount not to exceed \$5,000,000 at any time outstanding; and

(b) Swap Obligations of the Borrower or any of its Subsidiaries under Swap Agreements to the extent entered into in order to manage interest rate, foreign currency exchange rate and commodity pricing risks and not for speculative purposes.

Notwithstanding the foregoing, the aggregate principal amount of Indebtedness of all non-Loan Parties and Foreign Subsidiaries shall not exceed \$15,000,000 at any time outstanding.

(u) **Liens**

. Create, incur, assume or permit to exist, directly or indirectly, any Lien on any Property now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except the following (collectively, the "**Permitted Liens**"):

(i) Liens for Taxes, assessments or governmental charges or levies not yet due and payable and Liens for Taxes, assessments or governmental charges or levies which are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP, which proceedings (or Orders entered in connection with such proceedings) have the effect of preventing the forfeiture or sale of the Property subject to any such Lien;

(ii) Liens in respect of Property of any Company imposed by law, which were incurred in the ordinary course of business and do not secure Indebtedness for borrowed money, such as carriers', warehousemen's, materialmen's, landlords', workmen's, suppliers', repairmen's and mechanics' Liens and other similar Liens arising in the ordinary course of business, and which do not individually or in the aggregate materially impair the use, occupancy or value of the Property of the Companies, and are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP, which proceedings (or Orders entered in connection with such proceedings) have the effect of preventing the forfeiture or sale of the Property subject to any such Lien;

(iii) any Lien in existence on the Closing Date and set forth on Schedule 6.02(b) (any such Lien, an "**Existing Lien**") and any Lien granted as a replacement or substitute therefor; *provided* that any such replacement or substitute Lien

(i) except as permitted by clause (A) of the proviso to Section 6.01(k), does not secure an aggregate amount of Indebtedness or other obligations, if any, greater than that secured on the Closing Date plus any capitalized interest, fees and expenses thereon, (ii) does not encumber any Property other than the Property subject thereto on the Closing Date and any proceeds and products thereof and (iii) is of the same or lower priority than such Existing Lien;

(iv) easements, rights-of-way, restrictions (including zoning restrictions), covenants, licenses, encroachments, protrusions and other similar charges or encumbrances, and minor title deficiencies on or with respect to any Real Property, in each case that do not or would not materially interfere with the present conduct, occupancy or value of the Companies at such Real Property;

(v) Liens to the extent (i) arising out of judgments, attachments or awards not constituting an Event of Default at the time such Liens are created and (ii) constituting the pledge of assets for the purpose of securing an appeal, stay or discharge in the course of any Legal proceeding;

(vi) Liens (other than any Lien imposed by ERISA) (x) imposed by law or deposits made in connection therewith in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security legislation, or letters of credit or guarantees issued respect thereof, (y) incurred in the ordinary course of business to secure the performance of tenders, statutory obligations (other than excise taxes), surety, stay, customs and appeal bonds, statutory bonds, bids, leases, government contracts, trade contracts, performance and return of money bonds and other similar obligations or letters of credit or guarantees issued in respect thereof (in each case, exclusive of obligations for the payment of Indebtedness) or (z) arising by virtue of deposits made in the ordinary course of business to secure liability for premiums to insurance carriers; *provided* that (i) with respect to clauses (x), (y) and (z) of this clause (f), such Liens are for amounts not yet due and payable or delinquent or, to the extent such amounts are so due and payable, such amounts are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP, which proceedings or Orders entered in connection with such proceedings have the effect of preventing the forfeiture or sale of the Property subject to any such Lien, and (ii) to the extent such Liens are not imposed by Legal Requirements, such Liens shall in no event encumber any Property other than cash and Cash Equivalents;

(vii) licenses or Leases of the Properties (other than Intellectual Property) of any Company, and the rights of ordinary-course lessees described in Section 9-321 of the UCC, in each case entered into in the ordinary course of such Company's business so long as such licenses or Leases and rights do not, individually or in the aggregate, (i) interfere in any material respect with the ordinary conduct of the business of any Company or (ii) materially impair the use (for its intended purposes) or the value of the Property subject thereto;

(viii) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by any Company in the ordinary course of business in accordance with the past practices of such Company;

(ix) Liens securing Indebtedness incurred pursuant to Section 6.01(e) (or pursuant to Section 6.01(k) to the extent relating to a refinancing or renewal of Indebtedness incurred pursuant to Section 6.01(e)); *provided* that (i) any such Liens attach only to the Property (including proceeds thereof) being financed pursuant to such Indebtedness and (ii) do not encumber any other Property of any Company;

(x) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and Cash Equivalents on deposit in one or more accounts maintained by any Company, in each case granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, including to secure amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements; *provided* that, unless such Liens are non-consensual and arise by operation of applicable Legal Requirements, in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(xi) Liens on Property (and the proceeds thereof) of a person existing at the time such person is acquired or merged with or into or consolidated with any Company to the extent such acquisition, merger or consolidation is permitted hereunder; *provided* that such Liens (i) do not extend to additional Property, (ii) the amount of Indebtedness secured thereby is not increased and (iii) the Indebtedness secured thereby is permitted to be assumed under Section 6.01(o) and not increased;

(xii) Liens granted pursuant to the Security Documents to secure the Secured Obligations;

(xiii) non-exclusive licenses and sublicenses of Intellectual Property granted by any Company in the ordinary course of business that, individually or in the aggregate, do not (i) interfere in any material respect with the ordinary conduct of the business of any Company or (ii) materially impair the use (for its intended purposes) or the value of the Intellectual Property subject thereto;

(xiv) the filing of UCC (or equivalent) financing statements solely as a precautionary measure in connection with operating leases or consignment of goods;

(xv) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 or Section 4-210 of the UCC covering only the items being collected upon;

(xvi) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(xvii) Liens on assets constituting Collateral securing Indebtedness of the Borrower and its Subsidiaries in an aggregate amount not to exceed, at any one time

outstanding, \$15,000,000; *provided* that if such Indebtedness is for borrowed money, it shall be secured by a Lien on the Collateral that ranks junior in lien priority to the Lien securing the Obligations and shall be subject at all times to intercreditor arrangements in form and substance satisfactory to the Required Lenders;

(xviii) Liens in favor of a seller solely on any cash earnest money deposits made by the Borrower or any of its Subsidiaries in connection with any letter of intent or purchase agreement with respect to any Permitted Acquisition that is not made during the Amendment Relief Period;

(xix) Liens on insurance policies and the proceeds thereof granted in the ordinary course of business to secure the financing of insurance premiums for such insurance policies pursuant to Section 6.01(p);

(xx) the modification, replacement, renewal or extension of any Lien permitted hereunder to secure Indebtedness that is permitted to be refinanced, refunded, extended or renewed pursuant to Section 6.01(k); *provided* that (i) the Lien does not extend to any property other than the property (and proceeds thereof) securing such Indebtedness being so refinanced; (ii) the Liens are of the same or lower priority than such modified, replaced, renewed or extended Lien; and (iii) the renewal, refunding, extension or refinancing of the obligations secured or benefited by such Liens is permitted by Section 6.01;

(c) Liens on property of a non-Loan Party not constituting Collateral and securing Indebtedness of such non-Loan Party secured Indebtedness permitted to be incurred by Section 6.01(j); and

(d) Liens on cash collateral not to exceed 105% of the face amount of letters of credit permitted under Section 6.01(z).

(v) **Sale and Leaseback Transactions**

. Other than as permitted by Section 6.01(e) or Section 6.06, sell or transfer any Property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such Property (a “**Sale and Leaseback Transaction**”).

(w) **Investments, Loans and Advances**

. Directly or indirectly, lend money or credit (by way of guarantee, assumption of debt or otherwise) or make advances to any person, or purchase or acquire any stock, bonds, notes, debentures or other obligations or securities of, or any other interest in, or make any capital contribution to, any other person, or purchase or own a futures contract or otherwise become liable for the purchase or sale of currency or other commodities at a future date in the nature of a futures contract (all of the foregoing, collectively, “**Investments**”), except that the following shall be permitted:

(i) Investments outstanding on the Closing Date and identified on Schedule 6.04(a);

(ii) the Companies may (i) acquire, hold and Dispose of accounts receivable owing to any of them if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary terms (excluding, in all events, the Disposition of accounts receivable pursuant to any factoring or receivables securitization agreement or arrangement), (ii) invest in, acquire and hold cash and Cash Equivalents, (iii) endorse negotiable instruments held for collection in the ordinary course of business or (iv) make lease, utility and other similar deposits in the ordinary course of business;

(iii) Hedging Obligations permitted pursuant to Section 6.01(c);

(iv) loans and advances to directors, employees and officers of the Borrower and its Subsidiaries for *bona fide* business purposes (including travel and relocation), in aggregate amount not to exceed \$1,500,000 at any time outstanding; *provided* that no loans in violation of the Sarbanes-Oxley Act (including Section 402 thereof) shall be permitted hereunder;

(v) Investments (i) by any Loan Party in any other Loan Party; *provided* that, in each case, such Investments shall be pledged as Collateral pursuant to and to the extent required by the Security Documents, (ii) by a Non-Guarantor Subsidiary in any other Non-Guarantor Subsidiary, (iii) constituting loans or advances by any Non-Guarantor Subsidiary to the Borrower or any Subsidiary Guarantor; *provided* that such Investment shall be unsecured and subordinated to the Obligations, and (iv) by Borrower or any Loan Party in any Non-Guarantor Subsidiary; *provided* that (x) the aggregate amount of such investments pursuant to this clause (e)(iv) (together with intercompany Indebtedness outstanding under Section 6.01(l)(iii) and Investments in Subsidiaries that are not Loan Parties outstanding pursuant to Section 6.04(k)) shall not exceed \$7,500,000 at any time, and (y) any Investment in the form of a loan or advance shall be evidenced by a note in form and substance reasonably satisfactory to the Administrative Agent, in each case pledged by such Loan Party as Collateral pursuant to the Security Documents;

(vi) Investments in securities of trade creditors or customers in the ordinary course of business and consistent with such Company's past practices that are received (A) in settlement of *bona fide* disputes or delinquent obligations or (B) pursuant to any plan of reorganization or liquidation or similar arrangement upon the bankruptcy, insolvency or other restructuring of such trade creditors or customers;

(vii) non-cash Investments to the extent arising solely from mergers, consolidations and other transactions in compliance with Section 6.05;

(viii) Investments made by Borrower or any Subsidiary as a result of consideration received in connection with an Asset Sale made in compliance with Section 6.06;

(ix) to the extent constituting Investments, Dividends in compliance with Section 6.07 (with a commensurate dollar-for-dollar reduction of their ability to make additional distributions under such Section) and Indebtedness in compliance with Section 6.01 (other than clause 6.01(l) (with a commensurate dollar-for-dollar reduction of their ability to incur additional Indebtedness under such Section));

(x) Investments of any person that becomes a Subsidiary on or after the Closing Date; *provided* that (i) such Investments exist at the time such person is acquired, (ii) such Investments are not made in anticipation or contemplation of such person becoming a Subsidiary, and (iii) such Investments are not directly or indirectly recourse to any of the Companies or any of their respective assets, other than to the person that becomes a Subsidiary;

(xi) Guarantees by (A) the Borrower or any Subsidiary of Indebtedness of any Loan Party to the extent such Indebtedness is otherwise permitted under Section 6.01 or of any other obligation not constituting Indebtedness, (B) a Non-Guarantor Subsidiary of any Indebtedness of a Non-Guarantor Subsidiary to the extent such Indebtedness is otherwise permitted under Section 6.01 or of any other obligation not constituting Indebtedness or (C) a Loan Party of any Indebtedness of a Non-Guarantor Subsidiary to the extent such Indebtedness is otherwise permitted under Section 6.01 or of any other obligation not constituting Indebtedness; *provided*, that (x) the aggregate amount of all Guarantees under this clause (I)(C) shall not (together with intercompany Indebtedness outstanding under Section 6.01(l)(iii) and Investments in Subsidiaries that are not Loan Parties outstanding pursuant to Section 6.04(e)) exceed \$7,500,000 at any time, and (y) no Default or Event of Default has occurred and is continuing at the time such Guarantee is entered into or would result therefrom;

(xii) [reserved];

(xiii) the Borrower's ownership of the Equity Interests of each of its Subsidiaries and the ownership by each Subsidiary of the Borrower of the Equity Interests of each of its Subsidiaries;

(xiv) non-cash Investments to the extent arising solely from a subsequent increase in the value (excluding any value for which any additional consideration of any kind whatsoever has been paid or otherwise transferred, directly or indirectly, by, or on behalf of the Borrower or any of its Subsidiaries) of an Investment otherwise permitted hereunder and made prior to such subsequent increase in value;

(xv) Investments to the extent constituting the reinvestment of the Net Cash Proceeds arising from any Asset Sales or Casualty Events to repair, replace or restore any Property in respect of which such Net Cash Proceeds were paid or to reinvest in other fixed or capital assets or assets that are otherwise useful in the business of the Companies (*provided* that, such Investment shall not be permitted to the extent such Net Cash Proceeds shall be required to be applied to make prepayments in accordance with Section 2.10(c));

(xvi) to the extent constituting Investments, (i) purchases and other acquisitions of inventory, materials and equipment and intangible Property in the ordinary course of business, (ii) Capital Expenditures, (iii) leases or licenses of real or personal Property in the ordinary course of business and in accordance with the applicable Security Documents so long as such leases or licenses do not, individually or in the aggregate, (x) interfere in any material respect with the ordinary conduct of the business of any Company or (y) materially impair the use (or its intended purposes) or

the value of the Property subject thereto and (iv) Permitted Acquisitions; *provided* that no Permitted Acquisitions shall be permitted to be made during the Amendment Relief Period;

(xvii) other Investments in an aggregate amount not to exceed the Cumulative Amount; *provided* that (i) no Default or Event of Default has occurred and is continuing at the time of such Investment or would result therefrom and (ii) immediately after giving effect to such Investment, on a Pro Forma Basis, (A) the Borrower is in compliance with the financial covenants set forth in Section 6.15, (B) the maximum Secured Leverage Ratio for the most recent Test Period shall not be greater than 3.00:1.00 and (C) during the Amendment Relief Period, the minimum Fixed Charge Coverage Ratio for the most recent Test Period shall not be less than 1.10:1.00;

(xviii) other Investments in an aggregate amount not to exceed \$15,000,000 at any time outstanding; *provided* that (i) any such Investment made pursuant to this clause (r) that constitutes a transaction described in clause (a), (b) or (c) of the definition of "Permitted Acquisition" shall be required to comply with each of the conditions set forth in the definition thereof, (ii) no Default or Event of Default has occurred and is continuing at the time of such Investment or would result therefrom, and (iii) during the Amendment Relief Period, (A) no Investment made pursuant to this clause (r) may be an acquisition or similar Investment and (B) no Investment made pursuant to this clause (r) may be made in any non-Loan Parties or Foreign Subsidiaries;

(xix) to the extent constituting Investments, advances in respect of transfer pricing and cost-sharing arrangements (i.e. "cost-plus" arrangements) that are (i) in the ordinary course of business and consistent with the historical practices of the Companies and (ii) funded not more than 120 days in advance of the applicable transfer pricing and cost-sharing payment;

(xx) [reserved];

(xxi) any payments in connection with a Permitted Bond Hedge Transaction.

• Notwithstanding the foregoing, (i) the aggregate amount of Investments made in all non-Loan Parties and Foreign Subsidiaries shall not exceed \$10,000,000 at any time outstanding and (ii) no Permitted Acquisitions shall be permitted to be, or shall be, made during the Amendment Relief Period. The amount of any Investment permitted pursuant to Sections 6.04(b), (d), and (e) shall be the initial amount of such Investment less all cash returns of capital, principal and dividends and other cash returns thereof and less all liabilities expressly assumed by another person in connection with the sale of such Investment.

(x) **Mergers and Consolidations**

. Wind up, liquidate or dissolve its affairs or consummate any transaction of merger or consolidation, except that the following shall be permitted:

(i) Dispositions of Property or Asset Sales in compliance with Section 6.06 (other than clause (g) thereof);

(ii) (x) any Company (other than the Borrower) may merge or consolidate with or into or dissolve or liquidate into the Borrower or any Subsidiary Guarantor (as long as Borrower or a Subsidiary Guarantor is the surviving person in such merger, consolidation, dissolution or liquidation); *provided* that the Lien on and security interest in such Property granted or to be granted in favor of the Collateral Agent under the Security Documents shall be maintained or created in accordance with and only to the extent required by the provisions of Sections 5.10 and 5.11, as applicable and (y) any Subsidiary that is not a Guarantor may merge, consolidate, dissolve or liquidate with or into any other Subsidiary that is not a Guarantor;

(iii) any Subsidiary may dissolve, liquidate or wind up its affairs at any time if such dissolution, liquidation or winding up is not disadvantageous to any Agent or Lender in any material respect;

(iv) a merger or consolidation pursuant to, and in accordance with, the definition of "Permitted Acquisition" to the extent necessary to consummate such Permitted Acquisition; and

(v) to the extent necessary to consummate an Investment permitted pursuant to Section 6.04.

Subject to the Specified Guarantor Release Provision, to the extent the Requisite Lenders under Section 11.02(b) waive the provisions of this Section 6.05 with respect to the sale of any Collateral, or any Collateral is sold as permitted by this Section 6.05, such Collateral (unless sold to a Company) shall be sold free and clear of the Liens created by the Security Documents without any further action or consent of the Administrative Agent, Collateral Agent or any Lender hereunder, and, so long as Borrower shall have previously provided to the Collateral Agent and the Administrative Agent such certifications or documents as the Collateral Agent and/or the Administrative Agent shall reasonably request in order to demonstrate compliance with this Section 6.05, the Collateral Agent shall take all actions necessary or reasonably requested in order to effect the foregoing.

(y) **Asset Sales**

. Effect any Disposition of any Property, except that the following shall be permitted:

(i) Dispositions of worn out, obsolete or surplus Property by Borrower or any of its Subsidiaries in the ordinary course of business and the abandonment, transfer, assignment, cancellation, lapse or other Disposition of immaterial Intellectual Property that is, in the reasonable good faith judgment of the Borrower or such Subsidiary, no longer economically practicable or commercially desirable to maintain or useful in the conduct of the business of the Companies;

(ii) other Dispositions of Property; *provided* that (i) such Dispositions of Property are made for not less than Fair Market Value, (ii) no Default or Event of Default is continuing at the time of such Disposition or would result therefrom, and (iii) at least 75% of the consideration payable in respect of such Disposition of Property shall be in the form of cash or Cash Equivalents;

(iii) leases, subleases, or non-exclusive licenses or sublicenses of real or personal Property (including Intellectual Property or other general intangibles) to third parties in the ordinary course of business and in accordance with the applicable Security Documents;

(iv) Permitted Liens in compliance with Section 6.02;

(v) to the extent constituting a Disposition, the making of Investments in compliance with Section 6.04;

(vi) Dispositions related to mergers, consolidations and other transactions in compliance with Section 6.05;

(vii) Dividends and other transactions in compliance with Section 6.07;

(viii) Dispositions of cash and Cash Equivalents in the ordinary course of business;

(ix) any Disposition of Property that constitutes a Casualty Event;

(x) sales, transfers, leases and other Dispositions (excluding sales of Equity Interests of any Subsidiary) (i) to the Borrower or to any other Loan Party and (ii) to any Subsidiary that is not a Loan Party from another Subsidiary that is not a Loan Party;

(xi) sale, forgiveness, or discount of customer delinquent notes or accounts receivable in the ordinary course of business (excluding, in all events, the Disposition of accounts receivable pursuant to any factoring or receivables securitization agreement or arrangement);

(xii) sale or Disposition of immaterial Equity Interests to qualified directors where required by applicable law or to satisfy other similar requirements of applicable law with respect to the ownership of Equity Interests;

(xiii) any trade-in of equipment or other Property in exchange for other equipment or other replacement Property;

(xiv) the unwinding of any Hedging Agreement permitted hereunder pursuant to its terms;

(xv) surrender or waiver of contractual rights and settlement or waiver of contractual or litigation claims in the ordinary course of business and consistent with past practice;

(xvi) (i) Dispositions of Qualified Stock in connection with settling, in accordance with its terms, any Permitted Convertible Indebtedness incurred in compliance with Section 6.01 and (ii) (A) the unwinding or terminating of any Permitted Warrant Transaction by the Borrower, (B) the unwinding or terminating of any Permitted Bond Hedge Transaction and (C) the payment of (x) cash interest pursuant to Section 6.09(a)(ii) or (y) cash in lieu of fractional shares pursuant to Section 6.09(a)(iii), and in

each case of the foregoing clauses (A), (B) and (C), the performance by the Borrower and/or any Subsidiary thereof of such Person's obligations thereunder; and

(xvii) the Envigo Israel Sale.

Notwithstanding anything to the contrary in this Agreement, in no event shall this Section 6.06 or Section 6.01 permit any factoring, receivables, securitization or similar facilities.

Subject to the Specified Guarantor Release Provision, to the extent the requisite Lenders under the applicable provisions set forth in Section 11.02(b) waive the provisions of this Section 6.06, with respect to the sale of any Collateral, or any Collateral is sold as permitted by this Section 6.06, such Collateral (unless sold to a Company) shall be sold free and clear of the Liens created by the Security Documents without any further action by or consent from Administrative Agent, Collateral Agent or any Lender, and, so long as Borrower shall have previously provided to the Collateral Agent and the Administrative Agent such certifications or documents as the Collateral Agent and/or the Administrative Agent shall reasonably request in order to demonstrate compliance with this Section 6.06, the Collateral Agent shall take all actions it deems necessary or reasonable in order to effect the foregoing.

(z) **Dividends**

. Authorize, declare or pay, directly or indirectly, any Dividends with respect to any Company, except for the following:

(i) Dividends by any Company (i) that is a Subsidiary of the Borrower to the Borrower or any Subsidiary Guarantor or (ii) that is a Non-Guarantor Subsidiary to any other Non-Guarantor Subsidiary; *provided*, that if such Company is a non-wholly owned Subsidiary, any such Dividend is paid to all shareholders on a pro rata basis;

(ii) Dividends made solely in common equity or other Qualified Stock; *provided*, that no Default or Event of Default has occurred and is continuing prior to, or will occur immediately after, such Dividend;

(iii) [reserved];

(iv) [reserved];

(v) [reserved];

(vi) [reserved];

(vii) [reserved];

(viii) any Company may make additional Dividends in an amount not to exceed the Cumulative Amount; *provided* that at the time of any such Dividend, (i) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (ii) immediately after giving effect to such Dividend, on a Pro Forma Basis, (A) the Borrower is in compliance with the financial covenants set forth in Section 6.15, (B) the maximum Secured Leverage Ratio for the most recent Test Period shall not be greater than 2.50:1.00 and (C) during the Amendment Relief Period, the

minimum Fixed Charge Coverage Ratio for the most recent Test Period shall not be less than 1.10:1.00;

(ix) [reserved];

(x) other Dividends in an aggregate amount not to exceed \$5,000,000; *provided* that (i) no Default or Event of Default has occurred and is continuing at the time such Dividend is made and (ii) no Dividends shall be permitted under this Section 6.07(j) during the Amendment Relief Period;

(xi) solely to the extent such dividends are in connection with (including, for the avoidance of doubt, the entry into, payment of any premium with respect to, and the settlement of) the Permitted Convertible Indebtedness incurred in compliance with Section 6.01: (i) payments of premium in respect of, and otherwise perform its obligations under (including the unwinding of), a Permitted Bond Hedge Transaction permitted or required in accordance with its terms and (ii) the settlement of any related Permitted Warrant Transaction (x) by delivery of shares of the Borrower's Qualified Stock in the form of common stock upon settlement thereof or (y) by (A) a permitted set-off against the related Permitted Bond Hedge Transaction or (B) payment of an early termination amount thereof in Borrower's Qualified Stock in the form of common stock upon any early termination thereof; and

(xii) (i) any payments in connection with a Permitted Bond Hedge Transaction and (ii) the settlement of any related Permitted Warrant Transaction (A) by delivery of shares of the Borrower's common stock upon settlement thereof or (B) by (I) set-off against the related Permitted Bond Hedge Transaction or (II) payment of an early termination amount thereof in common stock upon any early termination thereof.

(aa) **Transactions with Affiliates**

. Enter into, directly or indirectly, any transaction or series of related transactions for the payment of money, sale of goods or provision of services, whether or not in the ordinary course of business, with any Affiliate of any Company (other than between or among Borrower and one or more Subsidiary Guarantors), other than on terms and conditions at least as favorable to such Company as would reasonably be obtained by such Company at that time in a comparable arm's-length transaction with a person other than an Affiliate, except that the following shall be permitted:

(i) (i) Dividends permitted by Section 6.07 and (ii) the Transactions, including the payment of Transaction Costs;

(ii) Investments permitted under Section 6.04, including loans and advances, permitted by Section 6.04(d) and (e) and any Indebtedness permitted by Section 6.01(l), to the extent such transactions are on terms and conditions at least as favorable to such Company as would reasonably be obtained by such Company at that time in a comparable arm's-length transaction with a person other than an Affiliate;

(iii) director, officer and employee compensation (including bonuses and severance) and other benefits (including retirement, health, stock option and other benefit

plans) and indemnification arrangements, in each case, approved by the Board of Directors of the applicable Company;

(iv) transactions between or among (i) Loan Parties to the extent otherwise expressly permitted hereunder, (ii) Non-Guarantor Subsidiaries to the extent otherwise expressly permitted hereunder, and (iii) Loan Parties and Non-Guarantor Subsidiaries to the extent otherwise expressly permitted hereunder;

(v) [reserved];

(vi) [reserved]; and

(vii) any other agreement, arrangement or transaction as in effect on the Closing Date and listed on Schedule 6.08(g), and any amendment or modification thereto or restatement thereof, and the performance of obligations thereunder, so long as such amendment or modification or restatement is not materially adverse to the interests of the Lenders.

(ab) **Prepayments of Other Indebtedness; Modifications of Organizational Documents, Acquisition and Certain Other Documents, etc.**

Directly or indirectly:

(i) make or make a binding offer to make any voluntary or optional payment or prepayment on or redemption, retirement, defeasance or acquisition for value of, or any prepayment, repurchase or redemption, retirement, defeasance as a result of any asset sale, change of control or similar event of, any Junior Indebtedness of the Borrower or any of its Subsidiaries, except:

- (A) (A) repayments of loans and advances made by a Non-Guarantor Subsidiary to a Loan Party pursuant to Section 6.04(e); *provided* that, the repayment of such loan or advance shall only be permitted to be made with the proceeds of a Dividend made by such Non-Guarantor Subsidiary to such Loan Party and the repayment of such loan or advance shall be made substantially concurrently with the payment of such Dividend or (B) a Permitted Refinancing;
- (B) an aggregate amount not to exceed the Cumulative Amount then available; *provided* that the Cumulative Amount shall not be available unless (i) no Default or Event of Default has occurred and is continuing and (ii) immediately after giving effect to such Dividend, on a Pro Forma Basis, the Borrower is in compliance with the financial covenants set forth in Section 6.15 and the Secured Leverage Ratio for the most recent Test Period shall be no greater than 2.50:1.00; and
- (C) in connection with Permitted Convertible Indebtedness incurred in compliance with Section 6.01, (A) the issuance any Qualified Stock of the Borrower upon the repurchase, redemption, conversion, exchange, exercise or settlement of any security (including, for the avoidance of doubt, the conversion or exchange of any Permitted Convertible Indebtedness into such Qualified Stock), (B) the

making of (i) interest payments in cash and (ii) cash payments upon conversion for any fractional shares of Qualified Stock in an amount that does not exceed \$2,000,000 per calendar year, (C) (1) any payments in connection with a Permitted Bond Hedge Transaction to the extent permitted by Section 6.07(l) and (2) the settlement of any related Permitted Warrant Transaction to the extent permitted by Section 6.07(l) or (b) payment of an early termination amount thereof in the Borrower's Qualified Stock in the form of common stock upon any early termination thereof and (D) any payments in connection with repurchase, exchange or inducement of the conversion of Permitted Convertible Indebtedness by delivery of shares of Borrower's Qualified Stock in the form of common stock.

(ii) waive, amend, modify, terminate or release any of the documents governing any Junior Indebtedness (including, without limitation, any Convertible Indebtedness) with an aggregate principal amount in excess of \$1,000,000 to the extent that any such waiver, amendment, modification, termination or release would, taken as a whole, be adverse to the Lenders in any material respect or prohibited by any applicable intercreditor agreement or subordination agreement; or

(iii) amend, restate, supplement or otherwise modify any of its Organizational Documents or any agreement to which it is a party with respect to its Equity Interests (including any stockholders' agreement), or enter into any new agreement with respect to its Equity Interests, other than any such amendments, modifications or changes or such new agreements which are not, and could not reasonably be expected to be, adverse in any material respect to the interests of the Lenders.

(ac) **Limitation on Certain Restrictions on Subsidiaries**

. Directly or indirectly create or otherwise cause or suffer to exist or become effective any encumbrance, restriction or condition on the ability of any Subsidiary to (i) pay Dividends or make any other distributions on its Equity Interests or any other interest or participation in its profits owned by any Company, or pay any Indebtedness owed to any Company, (ii) make loans or advances to any Company or (iii) transfer any of its Properties to any Company, except for:

(i) such encumbrances, restrictions or conditions existing by reason of application of mandatory Legal Requirements;

(ii) (i) this Agreement and the other Loan Documents and (ii) loan documents governing other Indebtedness permitted to be incurred hereunder that are, taken as a whole, in the good faith judgment of the Borrower, no more restrictive with respect to the Borrower or any Subsidiary than customary market terms for Indebtedness of such type (and, in any event, are no more restrictive than the restrictions contained in this Agreement unless (x) such restrictions apply only to periods after the then latest Final Maturity Date or (y) to the extent a substantially similar change is made to this Agreement or the other Loan Documents), so long as the Borrower shall have determined in good faith that such restrictions will not affect its obligations or ability to make any payments required hereunder;

(iii) in the case of clause (iii), customary provisions restricting subletting or assignment of any lease governing a leasehold interest of a Subsidiary;

(iv) in the case of clause (iii), customary provisions restricting assignment of any agreement entered into by a Subsidiary in the ordinary course of business;

(v) customary restrictions and conditions contained in any agreement relating to the sale or other Disposition of any Property or Asset Sale permitted by Section 6.06 pending the consummation of such sale or other Disposition or Asset Sale; *provided*, that (i) such restrictions and conditions apply only to the Property to be sold or Disposed of and (ii) such sale or other Disposition or Asset Sale is permitted hereunder;

(vi) any agreement in effect at the time such Subsidiary becomes a Subsidiary of the Borrower, so long as such agreement was not entered into in connection with or in contemplation of such person becoming a Subsidiary of the Borrower;

(vii) any encumbrances or restrictions imposed by any amendments or refinancings that are otherwise permitted by the Loan Documents of the contracts, instruments or obligations referred to in clause (f) above; *provided*, that such amendments or refinancings are no more materially restrictive with respect to such encumbrances and restrictions than those prior to such amendment or refinancing;

(viii) in the cases of clauses (i) and (iii), customary restrictions in joint venture agreements or other similar agreements applicable to joint ventures permitted hereunder and applicable solely to such joint venture; or

(ix) restrictions on Dividends for twelve (12) months after the Closing Date pursuant to the Main Street Credit Agreement.

(ad) **Business**

(i) With respect to the Borrower, engage in any business activities or have any Properties or liabilities, other than (i) its ownership of the Equity Interests of the Borrower and business activities related thereto, (ii) obligations under the Loan Documents and (iii) sales of Equity Interests to the extent not prohibited by this Agreement.

(ii) With respect to the Borrower and its Subsidiaries, engage (directly or indirectly) in any businesses other than those businesses in which Borrower and its Subsidiaries are engaged on the Closing Date (or which are similar, corollary, ancillary, complementary, incidental or related business or reasonable extensions thereof).

(ae) **[reserved]**

(af) **Fiscal Year**

. Change its fiscal year-end to a date other than September 30 or make any material change in its accounting treatment and financial reporting policies except as required by GAAP.

(ag) **No Further Negative Pledge**

. Enter into any agreement, instrument, deed or lease which prohibits or limits the ability of any Company to create, incur, assume or suffer to exist any Lien upon any of its Properties or revenues, whether now owned or hereafter acquired, or which requires the grant of any Lien for an obligation if a Lien is granted for another obligation, except the following: (1) this Agreement and the other Loan Documents, agreements governing any Permitted Refinancing with respect to the foregoing; (2) with respect to Property not constituting Collateral, restrictions in documents creating Liens permitted by Section 6.02 prohibiting further Liens on the Properties encumbered thereby; (3) any prohibition or limitation that (a) is non-consensual and exists pursuant to applicable Legal Requirements, or (b) consists of customary restrictions and conditions contained in any agreement relating to the sale or other Disposition of any Property pending the consummation of such sale or other Disposition; *provided* that (i) such restrictions apply only to such Property, and (ii) such sale or other Disposition is permitted hereunder; (4) with respect to leases not constituting Collateral, restrictions prohibiting the grant or existence of liens and encumbrances, including leasehold mortgages; and (5) as set forth in Schedule 6.14.

(ah) **Financial Covenants**

(i) **Maximum Secured Leverage Ratio**. Permit the Secured Leverage Ratio, as of the last day of any Test Period ending on the date set forth in the table below, to exceed the ratio set forth opposite such Test Period end date in the table below:

Fiscal Quarter Ending	Maximum Secured Leverage Ratio
March 31, 2022	4.25:1.00
June 30, 2022	4.25:1.00
September 30, 2022	4.25:1.00
December 31, 2022	4.25:1.00
March 31, 2023	4.25:1.00
June 30, 2023	4.25:1.00
September 30, 2023	3.75:1.00
December 31, 2023	3.75:1.00
March 31, 2024	3.75:1.00
June 30, 2024	3.75:1.00
September 30, 2024	3.75:1.00
December 31, 2024	3.75:1.00
March 31, 2025 and each fiscal quarter ending thereafter	3.00:1.00

(ii) Minimum Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio, as of the last day of each Test Period, (i) ending on or before the one year anniversary of the Closing Date, to be less than 1.00:1.00 and (ii) ending after the one year anniversary of the Closing Date, to be less than 1.10:1.00.

(ai) **Anti-Terrorism Law; Anti-Money Laundering; Sanctions; Anti-Corruption Law**

(i) Violate any applicable Anti-Terrorism Law, Sanctions or Anti-Corruption Law (and the Loan Parties will deliver to the Administrative Agent any certification or other evidence requested from time to time by the Administrative Agent in its reasonable discretion, confirming the Borrower's and its Subsidiaries' compliance with this Section 6.16).

(ii) Directly or indirectly, cause or permit any of the funds of such Borrower or Subsidiary that are used to repay the Term Loans to be derived from any unlawful activity.

(iii) Directly or indirectly, cause, permit, or authorize any part of the proceeds or other transaction contemplated by this Agreement to be used, contributed, or otherwise made available to fund any trade, business, or other activity of or with any Sanctioned Person, or in any Sanctioned Country, or in any other manner that could reasonably be expected to result in any party to this Agreement (including any Person participating in the Transactions, whether as underwriter, agent, advisor, investor, or otherwise) being in breach of any Sanctions or becoming a Sanctioned Person.

(iv) Use, directly or indirectly, any part of the proceeds of the Loans (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the FCPA or any other applicable anti-corruption law or (ii) for any unlawful activity.

(aj) **Sanctioned Persons**

. cause or permit (a) any of the funds or properties of the Borrower and its Subsidiaries that are used to repay the Term Loans to constitute property of, or be beneficially owned directly or indirectly by, any Sanctioned Person, with the result that the investment in the Loan Parties (whether directly or indirectly) is prohibited by applicable requirements of Law, or the Term Loans made by the Lenders would be in violation of applicable requirements of Law, or (b) any Sanctioned Person to have any direct or indirect interest, of any nature whatsoever in the Loan Parties, with the result that the investment in the Loan Parties (whether directly or indirectly) is prohibited by applicable requirements of Law or the Term Loans are in violation of applicable requirements of Law.

GUARANTEE

(ak) **The Guarantee**

. The Guarantors hereby, jointly and severally, guarantee, as primary obligors and not merely as sureties to each Secured Party and their respective successors and assigns, the prompt payment and performance in full when due (whether at stated maturity, by required prepayment, declaration, demand, by acceleration or otherwise) of the principal of and interest (including any interest, fees, costs or charges that would accrue but for the provisions of the Title 11 of the United States Code after any bankruptcy or insolvency petition under Title 11 of the United States Code) on the Loans made by the Lenders to, and the Notes held by each Lender of, the Borrower and all other Secured Obligations, including any Secured Obligations from time to time owing to the Secured Parties by the Borrower or any of its Subsidiaries under any Specified Hedging Agreement or Bank Product Agreement in each case strictly in accordance with the terms thereof (such obligations being herein collectively called the "**Guaranteed Obligations**"). The Guarantors hereby jointly and severally agree that if the Borrower or any other Guarantor(s) shall fail to pay in full when due (whether at stated maturity, by acceleration or otherwise) any of the Guaranteed Obligations, the Guarantors will promptly pay the same in cash, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

(al) **Obligations Unconditional**

. The obligations of the Guarantors under Section 7.01 shall constitute a guaranty of payment and performance and not of collection and to the fullest extent permitted by applicable Legal Requirements, are absolute, irrevocable and unconditional, joint and several, irrespective of the value, genuineness, validity, regularity or enforceability of the Loan Documents or the Guaranteed Obligations under this Agreement, the Notes, if any, or any other agreement or instrument referred to herein or therein, or any substitution, release or exchange of any other guarantee of or security for any of the Guaranteed Obligations, and, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or Guarantor (except for the Discharge of the Guaranteed Obligations). Without limiting the generality of the foregoing and subject to applicable law, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the Guarantors hereunder which shall remain absolute, irrevocable and unconditional under any and all circumstances as described above:

- (A) at any time or from time to time, without notice to the Guarantors, the time for any performance of or compliance with any of the Guaranteed Obligations shall be extended, or such performance or compliance shall be waived;
- (B) any of the acts mentioned in any of the provisions of this Agreement or the Notes, if any, or any other agreement or instrument referred to herein or therein, including any exercise of remedies, shall be done or omitted;
- (C) the maturity of any of the Guaranteed Obligations shall be accelerated, or any of the Guaranteed Obligations shall be amended or modified in any respect, or any right under the Loan Documents, under the Specified Hedging Agreements, under the Bank Product Agreements or any other agreement or instrument referred to herein or, respectively, therein shall be amended or waived in any respect or any other guarantee of any of the Guaranteed Obligations or any security therefor shall be released or exchanged in whole or in part or otherwise dealt with;

- (D) any Lien or security interest granted to, or in favor of, any Secured Party as security for any of the Guaranteed Obligations shall fail to be valid, perfected or to have the priority required under the Loan Documents, the Specified Hedging Agreements and/or the Bank Product Agreements or is avoided or set aside as a preference, fraudulent conveyance or otherwise;
- (E) the release of any other Guarantor pursuant to Section 7.09;
- (F) any renewal, extension or acceleration of, or any increase in the amount of the Guaranteed Obligations, or any amendment, supplement, modification or waiver of, or any consent to departure from, the Loan Documents, any Specified Hedging Agreement or any Bank Product Agreement; or
- (G) any failure or omission to assert or enforce or agreement or election not to assert or enforce, delay in enforcement, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under any Loan Documents, any Specified Hedging Agreement or any Bank Product Agreement, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guaranty of or security for the payment of the Guaranteed Obligations.

The Guarantors hereby expressly waive, to the extent permitted by law, diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that any Secured Party exhaust any right, power or remedy or proceed against Borrower or any Guarantor under this Agreement or the Notes, if any, or any other agreement or instrument referred to herein or therein, or against any other person under any other guarantee of, or security for, any of the Guaranteed Obligations. The Guarantors waive, to the extent permitted by law, any and all notice of the modifications, creation, renewal, extension, waiver, termination or accrual of any of the Guaranteed Obligations and notice of or proof of reliance by any Secured Party upon this Guarantee or acceptance of this Guarantee, and the Guaranteed Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred in reliance upon this Guarantee, and all dealings between Borrower and the Secured Parties shall likewise be conclusively presumed to have been had or consummated in reliance upon this Guarantee. This Guarantee shall be construed as a continuing, absolute, irrevocable and unconditional guarantee of payment and performance without regard to any right of offset with respect to the Guaranteed Obligations at any time or from time to time held by the Secured Parties, and the obligations and liabilities of the Guarantors hereunder shall not be conditioned or contingent upon the pursuit by the Secured Parties or any other person at any time of any right or remedy against Borrower or against any other person which may be or become liable in respect of all or any part of the Guaranteed Obligations or against any collateral security or guarantee therefor or right of offset with respect thereto. Each payment required to be made hereunder shall be made without setoff or counterclaim in immediately available funds at the office of the Administrative Agent as set forth in Section 2.14. This Guarantee shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon the Guarantors and their respective successors and assigns, and shall inure to the benefit of the Secured Parties, and their respective successors and assigns, notwithstanding that from time to time during the term of this Agreement there may be no Guaranteed Obligations outstanding.

(am) **Reinstatement**

. The obligations of the Guarantors under this Article VII shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of the Borrower or other Loan Party in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise.

(an) **Subrogation; Subordination**

. Each Guarantor hereby agrees that until the Discharge of the Guaranteed Obligations it shall subordinate and not exercise any claim and shall not exercise any right or remedy, direct or indirect, arising by reason of any performance by it of its guarantee in Section 7.01, whether by subrogation, continuation, indemnification or otherwise, against Borrower or any other Guarantor of any of the Guaranteed Obligations or any security for any of the Guaranteed Obligations. Any Indebtedness of any Loan Party owing to another Company shall be subordinated to such Loan Party's Secured Obligations in the manner evidencing such Indebtedness; *provided* that upon the payment and satisfaction in full of all Guaranteed Obligations (other than contingent indemnity obligations) and the expiration or termination of the Commitments of the Lenders under this Agreement, without any further action by any person, the Guarantors shall be automatically subrogated to the rights of the Administrative Agent and the Lenders to the extent of any payment hereunder.

(ao) **Remedies**

. The Guarantors jointly and severally agree that, as between the Guarantors and the Lenders, the Obligations of the Borrower under this Agreement and other Loan Documents may be declared to be forthwith due and payable as provided in Article VIII (and shall be deemed to have become automatically due and payable in the circumstances provided in Article VIII) for purposes of Section 7.01, notwithstanding any stay, injunction or other prohibition preventing such declaration (or such obligations from becoming automatically due and payable) as against Borrower and that, in the event of such declaration (or such Obligations being deemed to have become automatically due and payable), such Obligations (whether or not due and payable by Borrower) shall forthwith become due and payable by the Guarantors for purposes of Section 7.01.

(ap) **Instrument for the Payment of Money**

. Each Guarantor hereby acknowledges that the guarantee in this Article VII constitutes an instrument for the payment of money, and consents and agrees that any Lender or Agent, at its sole option, in the event of a dispute by such Guarantor in the payment of any moneys due hereunder, shall have the right to bring a motion-action under New York CPLR Section 3213.

(aq) **Continuing Guarantee**

. The guarantee in this Article VII is a continuing guarantee of payment and performance, and shall apply to all Guaranteed Obligations whenever arising.

(ar) **General Limitation on Guarantee Obligations**

. In any action or proceeding involving any state corporate, limited partnership or limited liability company law, or any applicable state, federal or foreign bankruptcy, insolvency, reorganization or other Legal Requirement affecting the rights of creditors generally, if the obligations of any Guarantor

under Section 7.01 would otherwise be held or determined to be void, voidable, invalid or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 7.01, then, notwithstanding any other provision to the contrary, the amount of such liability shall, without any further action by such Guarantor, any Loan Party or any other person, be automatically limited and reduced to the highest amount (after giving effect to the rights of subrogation and contribution established in Section 7.04 and Section 7.10, respectively) that is valid and enforceable, not void or voidable and not subordinated to the claims of other creditors as determined in such action or proceeding.

(as) **Release of Guarantors**

. Subject to the Specified Guarantor Release Provision, if, in compliance with the terms and provisions of the Loan Documents, all of the Equity Interests or all or substantially all of the Property of any Guarantor are sold or otherwise transferred (a "Transferred Guarantor") to a person or persons (other than any Loan Party) then such Transferred Guarantor shall, upon the consummation of such sale or transfer, be immediately and automatically released from its obligations under this Agreement (including under Section 11.03) and the other Loan Documents and its obligations to pledge and grant any Collateral owned by it pursuant to any Security Document and, in the case of the sale of all of the Equity Interests of the Transferred Guarantor, the pledge of such Equity Interests to the Collateral Agent pursuant to the Security Documents shall be immediately and automatically released, and so long as Borrower shall have previously provided the Collateral Agent and the Administrative Agent such certifications or documents as the Collateral Agent and/or the Administrative Agent shall reasonably request, the Collateral Agent shall take such actions as are necessary or reasonably requested to effect each release described in this Section 7.09 in accordance with the relevant provisions of the Security Documents.

(at) **Right of Contribution**

(i) The Loan Parties hereby agree as among themselves that, if any Loan Party shall make an Excess Payment (as defined below), such Loan Party shall have a right of contribution from each other Loan Party in an amount equal to such other Loan Party's Contribution Share (as defined below) of such Excess Payment. The payment obligations of any Loan Party under this Section 7.10 shall be subordinate and subject in right of payment to the Secured Obligations until such time as the Discharge of the Guaranteed Obligations, and none of the Loan Parties shall exercise any right or remedy under this Section 7.10 against any other Loan Party until such time as the Discharge of the Guaranteed Obligations. For purposes of this Section 7.10, (x) "Excess Payment" shall mean the amount paid by any Loan Party in excess of its Pro Rata Share of any Secured Obligations, (y) "Pro Rata Share" shall mean, for any Loan Party in respect of any payment of the Secured Obligations, the ratio (expressed as a percentage) as of the date of such payment of the Secured Obligations of (i) the amount by which the aggregate present fair salable value of all of its assets and Properties exceeds the amount of all debts and liabilities of such Loan Party (including contingent, subordinated, un-matured, and un-liquidated liabilities, but excluding the Secured Obligations of such Loan Party) to (ii) the amount by which the aggregate present fair salable value of its assets and other Properties of all Loan Parties exceeds the amount of all of the debts and liabilities (including contingent, subordinated, un-matured, and un-liquidated liabilities,

but excluding the Secured Obligations of all Loan Parties) of the Loan Parties; and (z) '**Contribution Share**' shall mean, for any Loan Party in respect of any Excess Payment made by any other Loan Party, the ratio (expressed as a percentage) as of the date of such Excess Payment of (i) the amount by which the aggregate present fair salable value of all of its assets and Properties exceeds the amount of all debts and liabilities of such Loan Party (including contingent, subordinated, un-matured, and un-liquidated liabilities, but excluding the Secured Obligations of such Loan Party) to (ii) the amount by which the aggregate present fair salable value of all assets and other Properties of the Loan Parties other than the maker of such Excess Payment exceeds the amount of all of the debts and liabilities (including contingent, subordinated, un-matured, and un-liquidated liabilities, but excluding the Secured Obligations of the Loan Parties) of the Loan Parties other than the maker of such Excess Payment. Nothing in this Section 7.10 shall require any Loan Party to pay its Contribution Share of any Excess Payment in the absence of a demand therefor by the Loan Party that has made the Excess Payment. Without limiting the foregoing in any manner, it is the intent of the parties hereto that as of any date of determination, no Contribution Share of any Loan Party shall be greater than the maximum amount of the claim which could then be recovered from such Loan Party under this Section 7.10 without rendering such claim voidable or avoidable under Section 548 of Chapter 11 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law.

(ii) This Section 7.10 is intended only to define the relative rights of the Loan Parties and nothing set forth in this Section 7.10 is intended to or shall impair the Secured Obligations of the Loan Parties, jointly and severally, to pay any amounts and perform any Secured Obligations as and when the same shall become due and payable or required to be performed in accordance with the terms of this Agreement, any other Loan Document, the Specified Hedging Agreements and/or the Bank Product Agreements, as the case may be. Nothing contained in this Section 7.10 shall limit the liability of the Borrower to pay the Loans and other Credit Extensions made to the Borrower and accrued interest, Fees and expenses with respect thereto and the Specified Hedging Agreement Obligations and the Bank Product Obligations of the Borrower and its Subsidiaries, in each case, for which Borrower and its Subsidiaries, as applicable, shall be primarily liable.

(iii) The parties hereto acknowledge that the rights of contribution and indemnification hereunder shall constitute assets of the Loan Parties to which such contribution and indemnification is owing.

(iv) The rights of any indemnified Loan Party against the other Loan Parties under this Section 7.10 shall be exercisable upon, but shall not be exercisable prior to, the full indefeasible payment of the Secured Obligations (other than unasserted contingent indemnification obligations) and termination or expiration of the Commitments under the Loan Documents and the termination of the Specified Hedging Agreements (except as otherwise expressly set forth therein) and the Bank Product Agreements (except as otherwise expressly set forth therein).

(au) **Keepwell**

. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this Guarantee in respect of Swap Obligations (*provided, however,* that each Qualified ECP Guarantor shall only be liable under this Section 7.11 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 7.11, or otherwise under this Guarantee, as it relates to such Loan Party, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until a Discharge of the Guaranteed Obligations. Each Qualified ECP Guarantor intends that this Section 7.11 constitute, and this Section 7.11 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

EVENTS OF DEFAULT

(av) **Events of Default**

. Upon the occurrence and during the continuance of any of the following events (each, an “**Event of Default**”):

(i) default shall be made in the payment of any principal or premium of any Loan when and as the same shall become due and payable, whether at the due date thereof (including any Term Loan Repayment Date) or at a date fixed for mandatory prepayment thereof or by acceleration thereof or otherwise;

(ii) default shall be made in the payment of any interest or premium on any Credit Extension or any Fee or any other amount (other than an amount referred to in paragraph (a) above) due under any Loan Document, when and as the same shall become due and payable, whether at the due date thereof (including an Interest Payment Date) or at a date fixed for prepayment (whether voluntary or mandatory) or by acceleration or demand thereof or otherwise, and such default shall continue unremedied for a period of five (5) Business Days;

(iii) any representation or warranty made or deemed made in or in connection with any Loan Document or the Borrowings hereunder, or any representation, warranty, statement or information contained in any written report, certificate, financial statement or other written instrument furnished by or on behalf of the Borrower or any of its Subsidiaries or any Related Persons of any of the foregoing in connection with or pursuant to any Loan Document, shall prove to have been false or misleading in any material respect when so made, deemed made or furnished;

(iv) default shall be made in the due observance or performance by any Company of any covenant, condition or agreement contained in (i) Section 5.02(a), Section 5.03(a) (only with respect to the Borrower), Article VI, Section 8 of the Second Amendment or Section 8 of the Third Amendment; *provided* that an Event of Default under Section 6.15 is subject to a cure pursuant to Section 8.03; or (ii) Section 5.01(a), Section 5.01(b), Section 5.01(c), Section 5.01(d) or Section 5.01(i) and, in the case of this clause (ii), (A) if such default occurs during the Amendment Relief Period, such default

shall continue unremedied or shall not be waived for a period of fifteen (15) days (or, solely with respect to delivery of the audited financial statements for the fiscal year ending September 30, 2022 under Section 5.01(a), such default shall continue unremedied or shall not be waived on or before January 28, 2023), or (B) if such default occurs after the end of the Amendment Relief Period, such default shall continue unremedied or shall not be waived for a period of thirty (30) days;

(v) default shall be made in the due observance or performance by any Company of any covenant, condition or agreement contained in any Loan Document (other than those specified in paragraphs (a), (b) and (d) immediately above) and such default shall continue unremedied or shall not be waived for a period of thirty (30) days (or, solely with respect to delivery of the audited financial statements for the fiscal year ending September 30, 2022 under Section 5.01(a), such default shall continue unremedied or shall not be waived on or before January 28, 2023);

(vi) any Company shall (i) fail to pay any principal or interest, regardless of amount, due in respect of any Indebtedness, when and as the same shall become due and payable beyond any applicable grace period, or (ii) fail to observe or perform any other term, covenant, condition or agreement contained in any agreement or instrument evidencing or governing any such Indebtedness if the effect of any failure referred to in this clause (ii) is to cause, or to permit the holder or holders of such Indebtedness or a trustee or other representative on its or their behalf (with or without the giving of notice, the lapse of time or both and taking into account any applicable grace periods or waivers) to cause, such Indebtedness to become due prior to its stated maturity or become subject to a mandatory offer to purchase by the obligor; *provided* that this clause (ii) shall not apply to (A) secured Indebtedness that becomes due as a result of the sale, transfer or other Disposition (including as a result of a casualty or condemnation event) of the property or assets securing such Indebtedness (to the extent such sale, transfer or other Disposition is not prohibited under this Agreement and such Indebtedness is repaid in accordance with its terms) or (B) any event which triggers any conversion rights of holders of Permitted Convertible Indebtedness; *provided, further*, that, it shall not constitute an Event of Default pursuant to this clause (f) unless the aggregate amount of all such Indebtedness (other than Permitted Convertible Indebtedness, which shall have no threshold) referred to in clauses (i) and (ii) individually exceeds at any one time (x) during the Amendment Relief Period, \$7,500,000 or (y) at any other time, \$15,000,000 (*provided* that, in the case of Hedging Obligations, the notional amount thereof shall be counted for this purpose);

(vii) an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of any Company (other than any Immaterial Subsidiary) or of a substantial part of the Property of any Company (other than any Immaterial Subsidiary), under Title 11 of the United States Code, as now constituted or hereafter amended, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar Legal Requirement; (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Company (other than any Immaterial Subsidiary) or for a substantial part of the Property of any Company (other than any Immaterial Subsidiary); or (iii) the winding-up or liquidation of any Company (other than any

Immaterial Subsidiary); and such proceeding or petition shall continue undismissed for sixty (60) days or an Order approving or ordering any of the foregoing shall be entered;

(viii) any Company (other than any Immaterial Subsidiary) shall (i) voluntarily commence any proceeding or file any petition seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar Legal Requirement; (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or the filing of any petition described in clause (g) above; (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Company or for a substantial part of the Property of any Company; (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding; (v) make a general assignment for the benefit of creditors; (vi) become unable, admit in writing its inability or fail generally to pay its debts as they become due; (vii) except as permitted in Section 6.05, wind up or liquidate; or (viii) take any corporate (or equivalent) action for the purpose of effecting any of the foregoing;

(ix) one or more Orders, settlements, penalties or fines for the payment of money in an aggregate amount in excess of (x) during the Amendment Relief Period, \$7,500,000 or (y) at any other time, \$15,000,000 (to the extent not covered by (i) insurance in respect of which a solvent and unaffiliated insurance company has not denied coverage thereof and for which the carrier has not disclaimed responsibility and for which a claim (A) has been submitted, (B) is in the process of being submitted or (C) is intended to be submitted promptly or (ii) a third-party indemnification agreement under which the indemnifying party has accepted responsibility and would reasonably be expected to remain solvent after satisfying such indemnification obligation)) shall be rendered against any Company or any combination thereof and the same shall remain undischarged, unpaid, unvacated, unstayed, or unbonded for a period of 90 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to levy upon Properties of any Company to enforce any such Order;

(x) (i) one or more ERISA Events shall have occurred that, when taken together with all other such ERISA Events that have occurred, would reasonably be expected to result in a Material Adverse Effect with respect to the liabilities of any Company; (ii) there is or arises an Unfunded Pension Liability (taking into account only Plans with positive Unfunded Pension Liability) that would be reasonably likely to result in a Material Adverse Effect; (iii) there is or arises any potential withdrawal liability under Section 4201 of ERISA if the Companies or the ERISA Affiliates were to withdraw from any and all Multiemployer Plans that would be reasonably likely to result in a Material Adverse Effect, (iv) there is or arises any violation of the Fair Labor Standards Act of 1938, as amended, or any other applicable Legal Requirement dealing with such matters in any manner that has resulted in a liability that is material to the Companies as a whole, (v) there is or arises any claim may be made against any Company, on account of wages and employee health and welfare insurance and other benefits which results in a liability that is material to the Companies as a whole, or (vi) the failure of any Pension Plan (or any other Employee Benefit Plan intended to be qualified under Section 401(a) of the Code) to qualify under Section 401(a) of the Code,

or the failure of any trust forming part of any Pension Plan to qualify for exemption from taxation under Section 501(a) of the Code;

(xi) any material security interest and Lien purported to be created by any Security Document (x) shall cease to be in full force and effect, or (y) shall cease to give the Collateral Agent, for the benefit of the Secured Parties, the Liens, rights, powers and privileges purported to be created and granted under such Security Documents (including a valid, enforceable, perfected first priority (except as otherwise provided in this Agreement or any Security Document) security interest in and Lien on, all of the Collateral thereunder (except as otherwise expressly provided in this Agreement or such Security Document and except as the direct and exclusive result of an action or a failure to act, in each case in a manner otherwise specified as required to be undertaken (or not undertaken, as the case may be) by a provision of any Loan Document, on the part of any Agent, Lender or Secured Party)) in favor of the Collateral Agent, or (z) shall be asserted by or on behalf of any Company not to be, a valid, enforceable, perfected, first priority (except as otherwise expressly provided in this Agreement or such Security Document) security interest in or Lien on the Collateral covered thereby; *provided* that it will not be an Event of Default under this clause (k) if (i) the Collateral Agent shall not have or shall cease to have a valid, enforceable and perfected first priority Lien on any material portion of the Collateral purported to be covered by the Security Documents, individually or in the aggregate, having a Fair Market Value of less than (A) during the Amendment Relief Period, \$5,000,000 or (B) at any other time, \$7,500,000 or (ii) the failure to have a valid, enforceable and perfected first priority Lien on any material portion of the Collateral resulted solely from the action or inaction of the Administrative Agent, the Collateral Agent, or any Lender (other than actions or inactions taken as a direct result of the advice of or at the direction of any Company);

(xii) any Loan Document or any material provisions thereof shall at any time and for any reason be declared by a court of competent jurisdiction to be null and void, or a proceeding shall be commenced by or on behalf of the Borrower or any of its Subsidiaries or any Related Persons of any of the foregoing, or by any Governmental Authority, seeking to establish the invalidity or unenforceability thereof (exclusive of questions of interpretation of any provision thereof), or any Loan Party (or any of their respective Related Persons) (directly or indirectly) shall repudiate or deny any portion of its liability or obligation for the Obligations;

(xiii) there shall have occurred a Change in Control; or

(xiv) any representation or warranty made, or deemed to be made, by any Loan Party herein or in any of the other Loan Documents or in any certificate or notice delivered or required to be delivered pursuant hereto or thereto shall prove false in any material respect (or, to the extent that the representation or warranty is qualified by "materiality", "Material Adverse Effect" or similar language, in any respect) on the date as of which it was made or deemed to have been made;

- then, and in every such event (other than an event described in paragraph (g) or (h) above), and at any time thereafter during the continuance of such event, the Administrative Agent may, with the prior consent of the Required Lenders, and at the request of the Required Lenders shall, by notice to the

Borrower, take any or all of the following actions, at the same or different times: (i) terminate forthwith the Commitments, (ii) declare the Loans then outstanding to be forthwith due and payable in whole or in part, whereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Loan Parties accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Loan Parties, anything contained herein or in any other Loan Document or otherwise to the contrary notwithstanding, and (iii) exercise any and all of its other rights and remedies under applicable Legal Requirements, hereunder and under the other Loan Documents; *provided* that, with respect to events described in paragraph (g) or (h) above, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Loan Parties accrued hereunder and under any other Loan Document (including any PIK Amounts and/or any Prepayment Premium which shall be due and payable as a result of the acceleration of such principal amounts within the time periods specified in Section 2.10(k)), shall automatically become due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Loan Parties, anything contained herein or in any other Loan Document or otherwise to the contrary notwithstanding.

(aw) **[reserved]**

(ax) **Right to Cure**

(i) **Financial Covenants**. Notwithstanding anything to the contrary contained in Section 8.01, in the event that the Borrower fails to comply with the requirements of the financial covenants set forth in Section 6.15 as of the last day of any fiscal quarter for which such covenant is tested, until the expiration of the 10th Business Day subsequent to the Cure Specified Date for such fiscal quarter, the Borrower shall have the right to give written notice (the “**Cure Notice**”), on or prior to the 10th Business Day subsequent to such Cure Specified Date, to the Administrative Agent of the intent of the Borrower to issue Permitted Cure Securities for cash or otherwise contribute cash common equity and/or other Qualified Stock to the capital of the Borrower (collectively, the “**Cure Right**”) and, upon contribution of the net cash proceeds (such net cash proceeds, the “**Cure Amount**”) to the Borrower as cash common equity and/or other Qualified Stock after the Cure Specified Date for such fiscal quarter pursuant to the exercise by the Borrower of such Cure Right, which exercise shall be made after such Cure Specified Date on or before the 10th Business Day subsequent to such Cure Specified Date, the covenant set forth in Section 6.15 shall be recalculated giving effect to the following adjustments on a Pro Forma Basis:

(A) Consolidated EBITDA shall be increased with respect to such applicable fiscal quarter solely for the Test Period that contains the fiscal quarter in which such Cure Right is exercised, and solely for the purpose of measuring the financial covenants set forth in Section 6.15 and not for any other purpose under this Agreement, by an amount equal to the Cure Amount; and

(B) if, after giving effect to the foregoing recalculations, the Borrower shall then be in compliance with the requirements of the financial covenants set forth in Section 6.15, the Borrower shall be deemed to have satisfied the requirements of such financial covenants as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or Default of such financial covenants that had occurred shall be deemed cured for purposes of this Agreement.

(ii) No Default. Notwithstanding anything herein to the contrary, but subject to Section 8.03(c) and other than with respect to the determination of the end of the Amendment Relief Period, (i) a Default or Event of Default resulting solely from a failure to be in compliance with the financial covenants set forth in Section 6.15 shall not be deemed to exist from the end of the applicable fiscal quarter until the 10th Business Day after the applicable Cure Specified Date with respect to such fiscal quarter, (ii) to the extent a Cure Notice is delivered by the Borrower within ten (10) Business Days after such Cure Specified Date, a Default or Event of Default resulting solely from a failure to be in compliance with the financial covenants set forth in Section 6.15 shall not be deemed to exist from the end of the applicable fiscal quarter until the 10th Business Day after the applicable Cure Specified Date with respect to the applicable fiscal quarter and (iii) if the Cure Amount is not made within ten (10) Business Days after the applicable Cure Specified Date with respect to the applicable fiscal quarter, each such Default or Event of Default referenced in clauses (i) and (ii) above shall be deemed reinstated as of the end of the applicable fiscal quarter, it being further agreed that the Obligations shall bear interest at the Default Rate as applied in accordance with Section 2.06(c) as of the end of such applicable fiscal quarter.

(iii) Borrowing Block. If a Default or Event of Default would have occurred and be continuing under Section 6.15, the Borrower shall not be permitted, until such Default or Event of Default is cured in accordance with the terms of this Section 8.03 or Section 11.02, to request any Borrowings or any Credit Extensions under this Agreement without the consent of the Required Revolving Lenders.

(iv) Limitation on Exercise of Cure Right. Notwithstanding anything herein to the contrary, (i) in each four consecutive fiscal quarter period, there shall be at least two fiscal quarters during which the Cure Right is not exercised, (ii) the Cure Right may only be exercised five times during the term of this Agreement, (iii) the Cure Amount shall be no greater than the minimum amount required to cause the Borrower to be in compliance with the financial covenants set forth in Section 6.15 as at the end of the applicable fiscal quarter, (iv) all Cure Amounts shall be disregarded for purposes of determining any financial ratio based conditions or any baskets with respect to the covenants contained in this Agreement, (v) there shall be no pro forma reduction in Indebtedness with the proceeds of any Cure Amount for determining compliance with Section 6.15 in the quarter in which such Cure Right is exercised (whether directly by prepayment of Indebtedness or indirectly by way of netting); provided that Cure Amounts shall reduce debt in future Test Periods to the extent used to prepay the Loans and shall not otherwise be applied to increase Consolidated EBITDA of the Borrower in such future Test Periods, (vi) there shall be no cash netting of the proceeds of any Cure

Amount and (vii) the Borrower shall apply all Cure Amounts to the prepayment of outstanding Loans in accordance with Section 2.10(g).

APPLICATION OF COLLATERAL PROCEEDS

(a) Collateral Account

(a) The Collateral Agent is hereby authorized to establish and maintain at its office (or, at the Collateral Agent's discretion, at the office of its designee from time to time) at 520 Madison Avenue, New York, New York 10022, a restricted deposit account designated by the Collateral Agent in its discretion from time to time. Each Loan Party shall deposit into the Collateral Account from time to time any cash, but only to the extent, that such Loan Party is expressly required to pledge as additional collateral security hereunder pursuant to the Loan Documents. The balance from time to time in the Collateral Account shall constitute part of the Collateral and shall not constitute payment of the Secured Obligations until applied as hereinafter provided. At any time following the occurrence and during the continuance of an Event of Default, the Collateral Agent if instructed by the Required Lenders shall apply or cause to be applied (subject to collection) the balance from time to time outstanding in such restricted deposit account to the credit of the Collateral Account to the payment of the Secured Obligations in the manner specified in Section 9.02. The Loan Parties shall have no right to withdraw, transfer or otherwise receive any funds deposited in the Collateral Account except to the extent specifically provided herein or in any other Loan Document.

(i) Amounts on deposit in the Collateral Account shall be invested and reinvested from time to time in Cash Equivalents as the applicable Loan Party (or, after the occurrence and during the continuance of an Event of Default, the Collateral Agent) shall determine by written instruction to the Collateral Agent, or if no such instructions are given, then as the Collateral Agent, in its sole and reasonable discretion, shall determine, which Cash Equivalents shall be held in the name and be under the control of the Collateral Agent (or any sub-agent); provided that at any time after the occurrence and during the continuance of an Event of Default, the Collateral Agent shall if instructed by the Required Lenders at any time and from time to time elect to liquidate any such Cash Equivalents and to apply or cause to be applied the proceeds thereof to the payment of the Secured Obligations in the manner specified in Section 9.02.

(b) Application of Proceeds

(i) The proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral pursuant to the exercise by the Collateral Agent of its remedies shall be applied, together with any other sums then held by the Collateral Agent pursuant to this Agreement or any other Loan Document, promptly by the Collateral Agent as follows:

(A) *First*, to the payment of all reasonable and documented costs and expenses, fees, commissions and Taxes of such sale, collection or other realization including

compensation to the Administrative Agent and/or the Collateral Agent and its agents and counsel and all expenses, liabilities and advances made or incurred by the Administrative Agent and/or the Collateral Agent in connection therewith and all amounts for which the Administrative Agent and/or the Collateral Agent is entitled to indemnification pursuant to the provisions of any Loan Document, together with interest on each such amount at the highest rate then in effect under this Agreement from and after the date such amount is due, owing or unpaid until paid in full;

- (B) *Second*, to the payment of all other reasonable and documented costs and expenses of such sale, collection or other realization including compensation to the other Secured Parties and their agents and counsel and all costs, liabilities and advances made or incurred by the other Secured Parties in connection therewith, together with interest on each such amount at the highest rate then in effect under this Agreement from and after the date such amount is due, owing or unpaid until paid in full;
- (C) *Third*, without duplication of amounts applied pursuant to clauses (i) and (ii) above, to the indefeasible payment in full in cash, pro rata, of interest and other amounts constituting Obligations on or in respect of Revolving Loans (other than principal, Specified Hedging Agreement Obligations and Bank Product Obligations) in each case equally and ratably in accordance with the respective amounts thereof then due and owing;
- (D) *Fourth*, to the indefeasible payment in full in cash, pro rata, of the principal amount of the Obligations constituting Revolving Loans, all Specified Hedging Agreement Obligations and all Bank Product Obligations;
- (E) *Fifth*, to the indefeasible payment in full in cash, pro rata, of interest and other amounts constituting Obligations on or in respect of Term Loans, in each case equally and ratably in accordance with the respective amounts thereof then due and owing; and
- (F) *Sixth*, the balance, if any, after all Obligations have been paid in full, to the person lawfully entitled thereto (including the applicable Loan Party or its successors or assigns) or as a court of competent jurisdiction may direct.

In the event that any such proceeds are insufficient to pay in full the items described in the preceding sentences of this Section 9.02, the Loan Parties shall remain liable, jointly and severally, for any deficiency.

THE ADMINISTRATIVE AGENT AND THE COLLATERAL AGENT

- (a) **Appointment**

(a) Each Lender hereby irrevocably designates and appoints each of the Administrative Agent and the Collateral Agent as an agent of such Lender under this Agreement and the other Loan Documents. Each Lender irrevocably authorizes each Agent, in such capacity, through its agents or employees, to take such actions on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are delegated to such Agent by the terms of this Agreement and the other Loan Documents, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article X are solely for the benefit of the Agents and the Lenders, and no Loan Party shall have rights as a third party beneficiary of any such provisions. Without limiting the generality of the foregoing, the Agents are hereby expressly authorized to execute any and all documents (including releases) with respect to the Collateral and any rights of the Secured Parties with respect thereto as contemplated by and in accordance with the provisions of this Agreement and the other Loan Documents. In performing its functions and duties hereunder, each Agent shall act solely as an agent of the Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for the Borrower or any of its Subsidiaries. Without limiting the generality of the foregoing, the use of the term "agent" in this Agreement with reference to the Administrative Agent or the Collateral Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom and is intended to create or reflect only an administrative relationship between independent contracting parties.

(i) Each Lender irrevocably appoints each other Lender as its agent and bailee for the purpose of perfecting Liens (whether pursuant to Section 8-301(a)(2) of the UCC or otherwise), for the benefit of the Secured Parties, in assets in which, in accordance with the UCC or any other applicable Legal Requirement, a security interest can be perfected by possession or control. Should any Secured Party (other than the Collateral Agent) obtain possession or control of any such Collateral, such Person shall notify the Collateral Agent thereof, and, promptly following the Collateral Agent's request therefor, shall deliver such Collateral to the Collateral Agent or otherwise deal with such Collateral in accordance with the Collateral Agent's instructions.

(b) **Agent in Its Individual Capacity**

. Each person serving as an Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the person serving as an Agent hereunder in its individual capacity. Such person and its Affiliates may accept deposits from, lend money to, act as financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, any Company or Affiliate thereof as if it were not an Agent hereunder and without duty to account therefor to the Lenders.

(c) **Exculpatory Provisions; Agent Acting at Direction of Required Lenders**

. No Agent shall have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) no Agent shall be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing, (b) no Agent shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that such Agent is required to exercise in writing as directed by the Required Lenders (or such other number or

percentage of the Lenders as shall be necessary under the circumstances as provided in Section 11.02); *provided* that no Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability, if such Agent is not indemnified to its satisfaction, or that is contrary to any Loan Document or applicable Legal Requirements including, for the avoidance of doubt, any action that may be in violation of the automatic stay under any Insolvency Law or that may effect a foreclosure, modification or termination of property of a Defaulting Lender under any Debtor Relief Law, and (c) except as expressly set forth in the Loan Documents, no Agent shall have any duty to disclose or shall be liable for the failure to disclose, any information relating to any Company or any of its Affiliates that is communicated to or obtained by the person serving as such Agent or any of its Affiliates in any capacity. No Agent shall be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as any Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 11.02) or (ii) in the absence of its own fraud, gross negligence or willful misconduct (as found by a final and non-appealable judgment of a court of competent jurisdiction). No Agent shall be deemed to have knowledge of any Default or Event of Default unless and until written notice thereof describing such default is given to such Agent by Borrower or a Lender and no Agent shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document, any Specified Hedging Agreement or any Bank Product Agreement or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document, any Specified Hedging Agreement or any Bank Product Agreement or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article 11(a) or elsewhere in any Loan Document. Each party to this Agreement acknowledges and agrees that the Collateral Agent may from time to time use one or more outside service providers for the tracking of all UCC financing statements (and/or other collateral related filings and registrations from time to time) required to be filed or recorded pursuant to the Loan Documents and the notification to the Collateral Agent, of, among other things, the upcoming lapse or expiration thereof, and that each of such service providers will be deemed to be acting at the request and on behalf of the Borrower and the other Loan Parties. No Agent shall be liable for any action taken or not taken by any such service provider. Except as set forth herein, neither any Agent nor any of its officers, partners, directors, employees, agents, trustees, administrators, managers, advisors or representatives shall be liable to the Lenders for any action taken or omitted by any of them or any other Agent under or in connection with any of the Loan Documents.

Anything herein to the contrary notwithstanding, whenever reference is made in this Agreement or any other Loan Document to any action by, consent, designation, specification, requirement or approval of, notice, request or other communication from, or other direction given or action to be undertaken or to be (or not to be) suffered or omitted by any Agent or to any election, decision, opinion, acceptance, use of judgment, expression of satisfaction or other exercise of discretion, rights or remedies to be made (or not to be made) by any such Agents hereunder or thereunder, it is understood that in all cases the Agents shall solely be acting, giving, withholding, suffering, omitting, taking or otherwise undertaking and exercising the same (or shall not be undertaking and exercising the same) as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents).

(d) **Reliance by Agent**

. Each Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent, or otherwise authenticated by a proper person. Each Agent also may rely upon any statement made to it orally and believed by it to be made by a proper person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, each Agent may presume that such condition is satisfactory to such Lender unless each Agent shall have received written notice to the contrary from such Lender prior to the making of such Loan. Each Agent may consult with legal counsel (who may be counsel for the Borrower or any other Loan Party), independent accountants and other advisors selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or advisors.

(e) **Delegation of Duties**

. Each Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Loan Document by or through, or delegate any and all such rights and powers to, any one or more sub-agents appointed by such Agent. Each Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of the preceding paragraphs shall apply, without limiting the foregoing, to any such sub-agent and to the Affiliates of each Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent. The Agents shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that such Agent acted with gross negligence, willful misconduct, or bad faith in the selection of such sub-agent.

(f) **Successor Agent**

. Each Agent may resign as such at any time upon at least thirty (30) days' prior notice to the Lenders and the Borrower. Upon any such resignation, the Required Lenders shall have the right to appoint a successor Agent from among the Lenders, with the consent of the Borrower (such consent not to be unreasonably withheld, delayed or conditioned and not required if a Default or Event of Default shall have occurred and be continuing). If no successor shall have been so appointed by the Required Lenders and no successor shall have accepted such appointment within thirty (30) days after the retiring Agent gives notice of its resignation, then the retiring Agent may, on behalf of the Lenders, appoint a successor Agent, with the consent of the Borrower (such consent not to be unreasonably withheld, delayed or conditioned and not required if a Default or Event of Default shall have occurred and be continuing), which successor shall be a commercial banking institution organized under the laws of the United States (or any State thereof) or a United States branch or agency of a commercial banking institution, in each case, having combined capital and surplus of at least \$500,000,000; *provided* that if such retiring Agent is unable to find a commercial banking institution that is willing to accept such appointment and which meets the qualifications set forth above, the retiring Agent's resignation shall nevertheless thereupon become effective and the retiring (or retired) Agent shall be discharged from its duties and obligations under the Loan Documents, and the Lenders shall assume and perform all of the duties of such Agent under the Loan Documents until such time, if any, as the Required Lenders appoint a successor Agent.

Upon the acceptance of its appointment as an Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring (or retired) Agent shall be discharged from its duties and obligations under the Loan Documents (if not already discharged therefrom as provided above in this Section 10.06). The fees payable by Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrower and such successor. After an Agent's resignation hereunder, the provisions of this Article X, Section 11.03 and Sections 11.08 to 11.10 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Affiliates in respect of any actions taken or omitted to be taken by any of them while it was acting as Agent.

(g) **Non-Reliance on Agent and Other Lenders**

. Each Lender acknowledges that it has, independently and without reliance upon any Agent or any other Lender or any of their Related Persons and based on such documents and information as it has deemed appropriate, conducted its own independent investigation of the financial condition and affairs of the Loan Parties and their Subsidiaries and made its own credit analysis and decision to enter into this Agreement. Each Lender further represents and warrants that it has reviewed the Lender Presentation and each other document made available to it on the Platform in connection with this Agreement and has acknowledged and accepted the terms and conditions applicable to the recipients thereof (including any such terms and conditions set forth, or otherwise maintained, on the Platform with respect thereto). Each Lender also acknowledges that it will, independently and without reliance upon any Agent or any other Lender or any of their Related Persons and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document, any Specified Hedging Agreement, any Bank Product Agreement or related agreement or any document furnished hereunder or thereunder.

(h) **Name Agents**

. The parties hereto acknowledge that the Bookrunner and the Arranger hold their titles in name only, and that their titles confer no additional rights or obligations relative to those conferred on any Lender hereunder.

(i) **Indemnification**

. The Lenders severally agree to indemnify each Agent in its capacity as such and each of its Related Persons (to the extent not reimbursed by Borrower or the other Loan Parties and without limiting the obligation of the Borrower or other Loan Parties to do so), ratably according to their respective outstanding Loans and Commitments in effect on the date on which indemnification is sought under this Section 10.09 (or, if indemnification is sought after the date upon which all Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such outstanding Loans and Commitments as in effect immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, fines, penalties, actions, claims, suits, judgments, litigations, investigations, inquiries or proceedings, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent or Related Person in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents, any Specified Hedging Agreement, any Bank Product Agreement or any documents contemplated by or referred to herein or therein, the Transactions or any of the other transactions contemplated hereby or thereby or any action taken or omitted by such Agent or Related

Person under or in connection with any of the foregoing **(IN ALL CASES, WHETHER OR NOT CAUSED OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF ANY AGENT OR RELATED PERSON)**; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, judgments, fines, penalties, actions, claims, suits, litigations, investigations, inquiries or proceedings, costs, expenses or disbursements that are found by a final and non-appealable judgment of a court of competent jurisdiction to have directly resulted solely and directly from such Agent's or Related Person's, as the case may be, gross negligence, fraud or willful misconduct. The agreements in this Section 10.09 shall survive the payment of the Loans and all other amounts payable hereunder.

(j) **Withholding Taxes**

. To the extent required by any Legal Requirement, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If the U.S. Internal Revenue Service or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify the Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, or if the Administrative Agent reasonably determines that a payment was made to a Lender pursuant to this Agreement without deduction of applicable withholding Tax from such payment, such Lender shall indemnify the Administrative Agent fully for, and shall make payable in respect thereof within ten (10) days after demand therefor, (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Tax attributable to such Lender's failure to comply with the provisions of Section 11.04(f) relating to the maintenance of the Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due the Administrative Agent under this Section 10.10. The agreements in this Section 10.10 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations and the termination of this Agreement.

(k) **Lender's Representations, Warranties and Acknowledgements**

(a) Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of the Borrower and its Subsidiaries in connection with Credit Extensions hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of the Borrower and its Subsidiaries. No Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of the Lenders to provide any Lender with any credit or other information with respect thereto, whether

coming into its possession before the making of any Credit Extension or at any time or times thereafter, and no Agent shall have any responsibility with respect to the accuracy of or the completeness of any information provided to the Lenders. Each Lender acknowledges that no Agent or Related Person of any Agent has made any representation or warranty to it. Except for documents expressly required by any Loan Document to be transmitted by an Agent to the Lenders, no Agent shall have any duty or responsibility (either express or implied) to provide any Lender with any credit or other information concerning any Loan Party or any of its Affiliates, including the business, prospects, operations, property, financial and other condition or creditworthiness of any Loan Party or any Affiliate of a Loan Party, that may come in to the possession of an Agent or any of its Related Persons.

(i) Each Lender, by delivering its signature page to this Agreement or an Assignment and Assumption Agreement and funding its Loan or making any other Credit Extension, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be approved by any Agent, the Required Lenders or the Lenders, as applicable, hereunder (including each document delivered on the Closing Date).

(l) **Collateral Documents and Guarantee**

(i) Agents under Collateral Documents and Guarantee. Each Secured Party (including each counterparty to a Specified Hedging Agreement and each Bank Product Provider, who by acceptance of the benefits of the Security Documents shall be deemed to have appointed the Administrative Agent and Collateral Agent as set forth herein) hereby further authorizes the Administrative Agent or the Collateral Agent, as applicable, on behalf of and for the benefit of the Secured Parties, to be the agent for and representative of the Secured Parties with respect to the Guarantee, the Collateral and the Loan Documents; *provided* that neither the Administrative Agent nor the Collateral Agent shall owe any fiduciary duty, duty of loyalty, duty of care, duty of disclosure or any other obligation whatsoever to any holder of Obligations with respect to any Specified Hedging Agreement or any Bank Product Agreement. Subject to Section 11.02, without further written consent or authorization from any Secured Party, the Administrative Agent or the Collateral Agent, as applicable, may execute any documents or instruments necessary to (i) in connection with a sale or disposition of assets permitted by this Agreement, release any Lien encumbering any item of Collateral that is the subject of such sale or other disposition of assets or to which the Required Lenders (or such other Lenders as may be required to give such consent under Section 11.02) have otherwise consented or (ii) release any Guarantor from the Guarantee pursuant to Section 7.09 or with respect to which the Required Lenders (or such other Lenders as may be required to give such consent under Section 11.02) have otherwise consented.

(ii) Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrower, the Administrative Agent, the Collateral Agent and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights and

remedies hereunder and under any of the Loan Documents may be exercised solely by the Administrative Agent or the Collateral Agent, as applicable, for the benefit of the Secured Parties in accordance with the terms hereof and thereof and all powers, rights and remedies under the collateral documents may be exercised solely by the Collateral Agent for the benefit of the Secured Parties in accordance with the terms thereof, and (ii) in the event of a foreclosure or similar enforcement action by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition (including pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code), the Collateral Agent (or any Lender, except with respect to a "credit bid" pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code,) may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities) shall be entitled, upon instructions from the Required Lenders, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such sale or disposition, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition.

(iii) Release of Collateral and Guarantees, Termination of Loan Documents

- (A) Notwithstanding anything to the contrary contained herein or in any other Loan Document, the Administrative Agent shall (without notice to, or vote or consent of, any Lender, or any affiliate of any Lender that is a party to any Hedging Agreement) take such actions as shall be required to release its security interest in any Collateral subject to any disposition permitted by the Loan Documents, and to release any guarantee obligations under any Loan Document of any person subject to such disposition, to the extent necessary to permit consummation of such disposition in accordance with the Loan Documents; *provided* that, if any Guarantor ceases to constitute a Wholly Owned Subsidiary, such Guarantor shall not be released from its Guarantee unless such Guarantor is no longer a direct or indirect Subsidiary of the Borrower and such Disposition of capital stock is a good faith Disposition to a bona fide unaffiliated third party for fair market value and for a bona fide business purpose (the requirements in this clause (c)(i), the "**Specified Guarantor Release Provision**");
- (B) Notwithstanding anything to the contrary contained herein or any other Loan Document, when all Obligations (other than obligations in respect of any Hedging Agreement and unasserted contingent indemnification obligations) have been paid in full and all Commitments have terminated or expired, upon request of the Borrower, the Administrative Agent shall (without notice to, or vote or consent of, any Lender, or any affiliate of any Lender that is a party to any Hedging Agreement) take such actions as shall be required to release its security interest in all Collateral, and to release all guarantee obligations provided for in any Loan Document, whether or not on the date of such release there may be outstanding Obligations in respect of Hedging Agreements or unasserted contingent indemnification obligations. Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee

obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

(iv) The Collateral Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Collateral Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Collateral Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

(m) **Administrative Agent May File Bankruptcy Disclosure and Proofs of Claim**

. In case of the pendency of any proceeding under any Debtor Relief Laws relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(i) to file a verified statement pursuant to rule 2019 of the Federal Rules of Bankruptcy Procedure that, in its sole opinion, complies with such rule's disclosure requirements for entities representing more than one creditor;

(ii) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its respective agents and counsel and all other amounts due the Administrative Agent under Section 2.03 and Section 11.03) allowed in such judicial proceeding; and

(iii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

• and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under this Agreement. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Administrative Agent, its agents and counsel, and any other amounts due the Administrative Agent under this Agreement out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and

other properties that the Lenders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise.

- Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

(n) **Erroneous Payments**

(i) If the Administrative Agent notifies a Lender or Secured Party, or any Person who has received funds on behalf of a Lender or Secured Party such Lender (any such Lender, Secured Party or other recipient, a "**Payment Recipient**") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Secured Party or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "**Erroneous Payment**") and demands the return of such Erroneous Payment (or a portion thereof) (*provided* that, without limiting any other rights or remedies (whether at law or in equity), the Administrative Agent may not make any such demand under this clause (a) with respect to an Erroneous Payment unless such demand is made within thirty (30) days of the date of receipt of such Erroneous Payment by the applicable Payment Recipient), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender or Secured Party shall use commercially reasonable efforts to (or, with respect to any Payment Recipient who received such funds on its behalf, shall use commercially reasonable efforts to cause such Payment Recipient to) promptly return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received). A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(ii) Without limiting immediately preceding clause (a), each Lender or Secured Party, or any Person who has received funds on behalf of a Lender or Secured Party such Lender hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender or Secured

Party, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

- (A) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and
- (B) such Lender or Secured Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within three (3) Business Days of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 10.14(b).

(iii) Each Lender or Secured Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender or Secured Party under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Lender or Secured Party from any source, against any amount due to the Administrative Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(iv) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "**Erroneous Payment Return Deficiency**"), upon the Administrative Agent's notice to such Lender or Issuing Lender at any time, (i) such Lender shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the "**Erroneous Payment Impacted Class**") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "**Erroneous Payment Deficiency Assignment**") at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which the Administrative Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Loans to the Borrower or the Administrative Agent, (ii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment,

excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender and (iv) the Administrative Agent may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender or Secured Party under the Loan Documents with respect to each Erroneous Payment Return Deficiency (the "**Erroneous Payment Subrogation Rights**").

(v) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Loan Party for the purpose of making such Erroneous Payment.

(vi) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(vii) Each party's obligations, agreements and waivers under this Section 10.14 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

Article I **MISCELLANEOUS**

Section I.1 Notices

(b) Notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by email or facsimile transmission, as follows:

- if to any Loan Party, to the Borrower at:
 - Inotiv, Inc.
 - 2701 Kent Avenue
 - West Lafayette, IN 47906
 - Attention: President
 - Email: bleasure@inotivco.com
- and to:
 - Ice Miller LLP
 - One American Square
 - Suite 2900
 - Indianapolis, IN 46282
 - Attention: Stephen J. Hackman
 - Email: stephen.hackman@icemiller.com
- if to the Administrative Agent or the Collateral Agent, to it at:
 - Jefferies Finance LLC
 - 520 Madison Avenue
 - New York, New York 10022
 - Attention: Account Manager – Inotiv
 - Email: JFIN.Admin@Jefferies.com; JFIN.Notices@Jefferies.com
- if to a Lender, to it at its address (or facsimile number) set forth on Annex II or in the Assignment and Assumption pursuant to which such Lender shall have become a party hereto.

• All notices and other communications given to any party hereto in accordance with the provisions of this Agreement or any other Loan Documents shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by facsimile or by certified or registered mail, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 11.01 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 11.01, and failure to deliver courtesy copies of notices and other communications shall in no event affect the validity or effectiveness of such notices and other communications.

• Notices delivered through electronic communications to the extent provided in Section 11.01(b) below, shall be effective as provided in Section 11.01(b).

(c) Electronic Communications. Notices and other communications to the Lenders hereunder may (subject to Section 11.01(d)) be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to notices to any Lender pursuant to

Article II if such Lender has notified the Administrative Agent (in a manner set forth in Section 11.01(a)) that it is incapable of receiving notices under such Article by electronic communication. The Borrower agrees to accept notices and other communications to it hereunder by electronic communications, and the Administrative Agent and the Collateral Agent may, in their respective sole discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures, respectively, approved by it (including as set forth in Section 11.01(d)) ; *provided* that approval of such procedures by the Administrative Agent and the Collateral Agent may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (including by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(d) Change of Address, etc. Any party hereto may change its address, facsimile number or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

(e) Posting. Each Loan Party hereby agrees that it will provide to the Administrative Agent all information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to this Agreement and any other Loan Document, including all notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any such communication that (i) relates to a request for a new, or a conversion of an existing, Borrowing or other extension of credit (including any election of an interest rate or interest period relating thereto), (ii) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (iii) provides notice of any Default or Event of Default under this Agreement or (iv) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any borrowing or other extension of credit hereunder (all such non-excluded communications, collectively, the "**Communications**"), by transmitting the Communications in an electronic/soft medium in a format reasonably acceptable to the Administrative Agent at such e-mail address(es) provided to the Borrower by the Administrative Agent from time to time or in such other form, including hard copy delivery thereof, as the Administrative Agent shall reasonably require. In addition, each Loan Party agrees to continue to provide the Communications to the Administrative Agent in the manner specified in this Agreement or any other Loan Document or in such other form, including hard copy delivery thereof, as the Administrative Agent shall reasonably require. Nothing in this Section 11.01 shall prejudice the right of the Agents, any Lender or any Loan Party to give any notice or other communication pursuant to this Agreement or any other Loan Document in any other manner specified in this Agreement or any other Loan Document or as any such Agent shall reasonably require. Notwithstanding anything to the contrary contained herein, the parties hereto acknowledge and agree that the failure of any Loan Party to comply with the delivery requirements set forth in this clause (d) shall not constitute a Default or Event of Default for any purpose under any Loan Document as long as such Loan Party has delivered such item in a manner otherwise permitted under this Agreement or any other Loan Document, as applicable.

(f) The Administrative Agent agrees that receipt of the Communications by the Administrative Agent at its e-mail address(es) set forth above shall constitute effective delivery of the Communications to the Administrative Agent for purposes of the Loan Documents; *provided* that the Borrower shall also deliver to the Administrative Agent an executed original of each Compliance Certificate required to be delivered hereunder.

(g) Each Loan Party further agrees that the Administrative Agent may make the Communications available to the other Agents or the Lenders by posting the Communications on a Platform. The Platform and any Approved Electronic Communications are provided "as is" and "as available." The Agents and their Related Persons do not warrant the accuracy, adequacy or completeness of the Communications or the Platform and expressly disclaim liability for errors or omissions in the Platform and the Approved Electronic Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by any Agent or their Related Persons in connection with the Communications or the Platform. Each party hereto agrees that no Agent has any responsibility for maintaining or providing any equipment, software, services or any testing required in connection with any Approved Electronic Communications or otherwise required for the Platform. In no event shall any Agent or any of its Related Persons have any liability to any Loan Party, any Lender or any other person for damages of any kind, whether or not based on strict liability and including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in contract, tort or otherwise) arising out of or related to any Loan Party's or any Agent's transmissions of Communications through Internet (including the Platform). In no event shall any Agent or any of its Related Parties have any liability for any damages arising from the use by others of any information or other materials obtained through internet, electronic, telecommunications or other information transmission systems, except to the extent the same resulted primarily from the gross negligence or willful misconduct of such Agent or its Related Parties, in each case as determined by a court of competent jurisdiction in a final and non-appealable judgment. Notices or communications posted to an internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (a) of notification that such notice or communication is available and identifying the website address therefor. Each Loan Party understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution, except to the extent caused by the willful misconduct, gross negligence or bad faith of the Administrative Agent, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(h) The Administrative Agent agrees that the receipt of the Communications by the Administrative Agent at its e-mail address shall constitute effective delivery of the Communications to the Administrative Agent for purposes of the Loan Documents. Each Lender agrees that receipt of notice to it (as provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender agrees to notify the Administrative Agent in writing (including by electronic communication) from time to time of such Lender's e-mail address to which the foregoing notice may be sent by electronic transmission and that the foregoing notice may be sent to such e-mail address. Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

(i) Each Loan Party, each Lender and each Agent agrees that the Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with the Administrative Agent's customary document retention procedures and policies.

(j) All uses of the Platform shall be governed by and subject to, in addition to this [Section 11.01](#), separate terms and conditions posted or referenced in such Platform and related agreements executed by the Lenders and their Affiliates in connection with the use of such Platform.

(k) Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United States federal and state securities laws, to make reference to information that is not made available through the "Public Side Information" portion of the Platform and that may contain Non-Public Information with respect to the Borrower, its Subsidiaries or their securities for purposes of United States federal or state securities laws. In the event that any Public Lender has determined for itself to not access any information disclosed through the Platform or otherwise, such Public Lender acknowledges that (i) other Lenders may have availed themselves of such information and (ii) neither Borrower nor the Agents or other Lenders with access to such information shall have (x) any responsibility for such Public Lender's decision to limit the scope of the information it has obtained in connection with this Agreement and the other Loan Documents or (y) any duty to disclose such information to such electing Lender or to use such information on behalf of such electing Lender, and shall not be liable for the failure to so disclose or use such information.

Section I.2 Waivers; Amendment

(b) No failure or delay by any Agent or any Lender in exercising any right or power hereunder or under any other Loan Document 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 each Agent and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by [Section 11.02\(b\)](#), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default or Event of Default, regardless of whether any Agent or any Lender may have had notice or knowledge of such Default or Event of Default at the time. No notice or demand on Borrower or any other Loan Party in any case shall entitle Borrower or any other Loan Party to any other or further notice or demand in similar or other circumstances.

(c) Subject to [Section 2.19\(c\)](#), [Section 2.20\(c\)](#) and [Section 11.02\(c\)](#), neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended, supplemented or modified, except (A) in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by Borrower and the Required Lenders (or the Administrative Agent acting with the written consent of the Required Lenders); provided that the Administrative Agent and the

Borrower may, without the consent of the other, amend, modify or supplement this Agreement and any other Loan Document to cure any ambiguity, omission, typographical error, defect or inconsistency if such amendment, modification or supplement is not objected to in writing by the Required Lenders within five (5) Business Days following receipt of notice thereof or (B) in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Administrative Agent, the Collateral Agent (in the case of any Security Document) and the Loan Party or Loan Parties that are parties thereto, in each case with the written consent of the Required Lenders; *provided* that no such agreement shall:

- (i) increase or extend the expiry date of the Commitment of any Lender without the written consent of such Lender (it being understood that no amendment, modification, termination, waiver or consent with respect to any condition precedent, covenant or Default (or any definition used, respectively, therein) shall constitute an increase in or extension of the expiry date of the Commitment of any Lender for purposes of this clause (i));
- (A) reduce or forgive the principal amount, interest, or premium, if any, of any Loan or reduce or forgive the rate of interest thereon (other than waiver of any increase in the rate of interest pursuant to Section 2.06(c)), or reduce or forgive any Fees (including any prepayment fee), or other amount payable hereunder, or change the form or currency of payment of any Obligation, without the written consent of each Lender directly affected thereby;
- (ii) postpone or extend the maturity of any Loan, or any scheduled date of payment of or the installment otherwise due on the principal amount of any Term Loan under Section 2.09, or any date for the payment of any interest or fees or other amounts payable hereunder, or reduce the amount of, waive or excuse any such payment (other than a waiver of any increase in the rate of interest pursuant to Section 2.06(c)) without the written consent of each Lender directly affected thereby;
- (iii) change Section 11.04(b) in a manner which further restricts assignments thereunder without the written consent of each Lender of the applicable Class;
- (B) change any provision altering the order of or the pro rata sharing of payments or setoffs required thereby, including, without limitation, Section 2.14(b) or (c) or Section 9.02, without the written consent of each Lender directly affected thereby;
- (iv) change the percentage set forth in the definition of "Required Lenders" or any other provision of any Loan Document (including this Section 11.02) specifying the number or percentage of Lenders (or Lenders of any Class) required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder, without the written consent of each Lender (or each Lender of such Class, as the case may be);
- (v) amend Section 9.02 in a manner that directly and adversely affects any Class without the consent of the Lenders of such Class holding more than 50% of the Loans and unused Commitments of such Class;

(vi) release all or substantially all of the value of the Guarantees of the Guarantors (except as expressly provided in Article VII), or limit their liability in respect of such Guarantees, without the written consent of each Lender;

(vii) release all or substantially all of the Collateral in any transaction or series of related transactions (it being understood that a transaction permitted under Section 6.05 or Section 6.06 shall not constitute the release of all or substantially all of the Collateral), without the written consent of each Lender;

(viii) except as otherwise permitted in any Security Document, release all or substantially all of the value of the Collateral from the Liens of the Security Documents (except in connection with Asset Sales permitted hereunder) or alter the relative priorities of the Secured Obligations entitled to the Liens of the Security Documents (except in connection with securing additional Obligations equally and ratably with the other Secured Obligations to the extent permitted hereunder), in each case without the written consent of each Lender;

(ix) change any provisions of any Loan Document (including Section 9.02) in a manner that by its terms adversely affects the rights in respect of payments due to Lenders holding Loans of any Class differently than those holding Loans of any other Class, without the written consent of Lenders holding a majority in interest of the outstanding Loans and unused Commitments of each adversely affected Class;

(x) change any provision affecting the order of application of prepayments among Term Loans and/or Revolving Loans and any other Obligations, including, without limitation, under Section 2.10(h), in each case in a manner that directly and adversely affects any Class without the consent of each Lender of such Class;

(xi) (A) subordinate any of the Obligations under the Loan Documents to any other Indebtedness or (B) subordinate the Liens securing any of the Obligations on the Collateral to any other Lien securing any other Indebtedness, without the consent of each Lender directly affected thereby; or

(xii) adversely affect any "tranche" (as contemplated in Section 2.20(a)) in a disproportionate manner without the consent of both (x) as calculated on any date of determination, the Lenders having more than 50% of the sum of the aggregate principal amount of all outstanding Loans and Commitments under such "tranche" and (y) the Required Lenders; *provided* that any waiver, amendment, supplement or otherwise modification which affects solely any single "tranche" (as contemplated by Section 2.20(a)) may be effected solely with the consent of, as calculated of any date of determination, the Lenders having more than 50% of the sum of the aggregate principal amount of all outstanding Loans and Commitments under such "tranche" and without the consent of Lenders under any other "tranche" (in their capacity as Lenders under such other "tranche");

- *provided, further,* that (1) no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or the Collateral Agent without the prior written consent of the Administrative Agent or the Collateral Agent, as the case may be, and (2) any waiver, amendment or modification of this Agreement that by its terms directly affects the rights or duties under this Agreement of the Revolving Lenders (but not the Term Loan Lenders) or the Term Loan Lenders (but not the Revolving Lenders) may be effected by an agreement or agreements in writing entered into by Borrower

and the requisite percentage in interest of the affected Class of Lenders that would be required to consent thereto under this Section 11.02 if such Class of Lenders were the only Class of Lenders hereunder at the time. Notwithstanding the foregoing, any provision of this Agreement may be amended by an agreement in writing entered into by Borrower, the Required Lenders and the Administrative Agent if (x) by the terms of such agreement the Commitment of each Lender not consenting to the amendment provided for therein shall terminate upon the effectiveness of such amendment, (y) at the time such amendment becomes effective, each Lender not consenting thereto receives payment in full of the principal of, premium, if any, and interest accrued on each Loan made by it and all other amounts owing to it or accrued for its account under this Agreement, and (z) Section 2.16(b) is complied with.

(d) Without the consent of any other person, the (x) applicable Loan Party or Loan Parties and the Administrative Agent and/or Collateral Agent may (in its or their respective sole discretion, or shall, to the extent required by any Loan Document) enter into any amendment or waiver of any Loan Document, or enter into any new agreement or instrument, to effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional Property to become Collateral for the benefit of the Secured Parties, or as required by applicable Legal Requirements to give effect to, or protect any security interest for the benefit of the Secured Parties, in any Property or assets so that the security interests therein comply with applicable Legal Requirements and (y) the Borrower and the Administrative Agent and/or Collateral Agent may (in its or their respective sole discretion) enter into any amendment or waiver of any Loan Document, or enter into any new agreement or instrument, to give effect to Section 2.20(c).

(e) Any provision of this Agreement or any other Loan Document may be amended by an agreement in writing entered into by Borrower and the Administrative Agent to cure any ambiguity, omission, typographical error, defect or inconsistency (including, without limitation, amendments, supplements or waivers to any of the Security Documents, guarantees, intercreditor agreements or related documents executed by any Loan Party or any other Subsidiary in connection with this Agreement if such amendment, supplement or waiver is delivered in order to cause such Security Documents, guarantees, intercreditor agreements or related documents to be consistent with this Agreement and the other Loan Documents) so long as, in each case, the Lenders shall have received at least five Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Lenders constituting the Required Lenders stating that the Required Lenders object to such amendment; *provided* that (i) the consent of the Lenders or the Required Lenders, as the case may be, shall not be required to make any such changes necessary to be made in connection with any borrowing of New Term Loans or the making of any New Revolving Commitments or any Extension and otherwise to effect the provisions of Section 2.19 or 2.20, and (ii) the Borrower and the Collateral Agent may, without the input or consent of the other Lenders, effect changes to any Mortgage as may be necessary or appropriate in the opinion of the Collateral Agent.

Section I.3 Expenses; Indemnity

(viii) The Loan Parties agree, jointly and severally, to pay, promptly upon demand in accordance with subclauses (d) and (g) below:

(i) all reasonable and documented out-of-pocket costs and expenses incurred by the Arranger, the Administrative Agent and the Collateral Agent, including the reasonable and

documented fees, charges and disbursements of Advisors for the Arranger, the Administrative Agent and the Collateral Agent, in connection with the syndication of the Loans and Commitments, the preparation, negotiation, execution and delivery of the Loan Documents, the administration of the Credit Extensions and Commitments (including with respect to the establishment and maintenance of a Platform), the filing, perfection and maintenance of the Liens securing the Collateral and any actual or proposed amendment, supplement or waiver of any of the Loan Documents (whether or not the transactions contemplated hereby or thereby shall be consummated); *provided* that the fees, charges and disbursements of legal counsel shall be limited for the Arranger, the Administrative Agent and the Collateral Agent, taken as a group, to one primary counsel, one counsel in each relevant jurisdiction, one specialty counsel for each relevant specialty, and, in the case of one or more actual or potential conflicts of interest, one or more additional counsel for each class of similarly situated persons;

(ii) all reasonable and documented out-of-pocket costs and expenses incurred by the Administrative Agent and the Collateral Agent, including the reasonable and documented fees, charges and disbursements of Advisors for the Administrative Agent and the Collateral Agent, in connection with any action, claim, suit, litigation, investigation, inquiry or proceeding affecting the Collateral or any part thereof, in which action, claim, suit, litigation, investigation, inquiry or proceeding the Administrative Agent or the Collateral Agent is made a party or participates or in which the right to use the Collateral or any part thereof is threatened, or in which it becomes necessary in the judgment of the Administrative Agent or the Collateral Agent to defend or uphold the Liens granted by the Security Documents (including any action, claim, suit, litigation, investigation, inquiry or proceeding to establish or uphold the compliance of the Collateral with any Legal Requirements); and

(iii) all reasonable and documented out-of-pocket costs and expenses incurred by the Arranger, the Administrative Agent, the Collateral Agent, any other Agent or any Lender, including the reasonable and documented fees, charges and disbursements of Advisors for any of the foregoing, incurred in connection with the enforcement, preservation or protection of its rights under the Loan Documents or relating to any Specified Hedging Agreement or any Bank Product Agreement, including its rights under this Section 11.03(a), or in connection with the Loans made hereunder and the collection of the Secured Obligations, including all such costs and expenses incurred during any workout, restructuring or negotiations in respect of the Secured Obligations; *provided* that, unless a Default or Event of Default has occurred and is then continuing, such costs and expenses incurred by Advisors retained by all or any of the Lenders (but not retained by the Administrative Agent, the Collateral Agent or any other Agent) shall be limited to such costs and expenses of such Advisors retained by Lenders constituting at least the Required Lenders (together with such additional Advisors as may be necessary or advisable to be retained by any Lender to resolve any conflicts of interest affecting such Lender or Lenders); *provided* that the fees, charges and disbursements of legal counsel shall be limited to (v) one primary counsel for the Arranger, the Administrative Agent and the Collateral Agent, taken as a group, (w) one primary counsel for the Lenders, taken as a group, (x) one counsel for the Administrative Agent and the Collateral Agent, taken as a group, in each relevant jurisdiction and one specialty counsel for the Administrative Agent and the Collateral Agent, taken as a group, for each relevant specialty, (y) one counsel for the Lenders, taken as a group, in each relevant jurisdiction and one specialty counsel for the Lenders, taken as a group, for each relevant specialty and (z) in the case of one or more actual or potential conflicts of interest, one or more additional counsel for each class of similarly situated persons.

(a) The Loan Parties agree, jointly and severally, to indemnify the Arranger, the Agents, each Lender, each affiliate of any of the foregoing persons, each of their successors and assigns and each Related Person of each of the foregoing (each such person being called an "**Indemnitee**") against, and to hold each Indemnitee harmless from, all reasonable and documented out-of-pocket costs and any and all actual losses, claims, damages, liabilities, fees, fines, penalties, actions, judgments, suits and related expenses, including reasonable and documented Advisors fees, charges and disbursements (in each case, subject to the provisos in Section 11.03(a)(i), (ii) and (iii) with respect to certain Advisors) (collectively, "**Claims**"), incurred by or asserted against any Indemnitee, directly or indirectly, arising out of, in any way connected with, or as a result of (i) the execution, delivery, performance, administration or enforcement of the Loan Documents or any agreement or instrument contemplated thereby or the performance by the parties thereto of their respective obligations thereunder, (ii) any actual or proposed use of the proceeds of the Loans, (iii) any claim, litigation, investigation or proceeding relating to any of the foregoing, any Specified Hedging Agreement or any Bank Product Agreement or any agreement or instrument contemplated thereby or the performance by the parties thereto of their respective obligations thereunder, whether brought by a third party or by any Loan Party or otherwise, and regardless of whether any Indemnitee is a party thereto, (iv) any actual or alleged presence or Release or threatened Release of Hazardous Materials, on, at, under or from any Property owned, leased or operated by any Company at any time, or any Environmental Claim or threatened Environmental Claim related in any way to any Company, (v) any past, present or future non-compliance with, or violation of, Environmental Laws or Environmental Permits applicable to any Company, or any Company's business, or any Property presently or formerly owned, leased, or operated by any Company or their predecessors in interest, (vi) the environmental condition of any Property owned, leased, or operated by any Company at any time, or the applicability of any Legal Requirements relating to such Property, whether or not occasioned wholly or in part by any condition, accident or event caused by any act or omission of any Company, (vii) the imposition of any Lien pursuant to Environmental Law encumbering Real Property, (viii) the consummation of the Transactions (including the syndication of the Facilities) and the other transactions contemplated hereby or (ix) any actual or prospective claim, action, suit, litigation, inquiry, investigation, or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Loan Party or otherwise, and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted directly from (i) the gross negligence or willful misconduct of such Indemnitee, any of its Affiliates or any of their Related Persons (as determined in a final and non-appealable judgment of a court of competent jurisdiction), (ii) a material breach of any Indemnitee's obligations or the obligations of any of its Subsidiaries or its or their Related Persons under the Loan Documents (as determined in a final and non-appealable judgment of a court of competent jurisdiction) or (iii) any dispute among Indemnitees (other than a dispute involving claims against the Administrative Agent, the Arranger or the Collateral Agent solely in connection with its activities in such capacities) not arising out of any acts or omissions of the Borrower or any of its Affiliates. Claims shall include any Taxes, losses, claims or damages arising from any non-Tax claim in respect of the Loan Documents.

(b) The Loan Parties agree, jointly and severally, that, without the prior written consent of the Administrative Agent and any affected Lender, which consent(s) will not be unreasonably withheld, delayed or conditioned the Loan Parties will not enter into any settlement of a Claim in respect of the subject matter of clauses (i) through (ix) of Section 11.03(b) unless such settlement includes an explicit and unconditional release from the party bringing such Claim of all affected Indemnitees from all

liability or claims that are the subject matter of such Claim and does not include any statement as to or an admission of fault, culpability or failure to act by or on behalf of any Indemnitees.

(c) The provisions of this Section 11.03 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the Transactions and the other transactions contemplated hereby, the repayment of the Loans and any other Secured Obligations, the release of any Guarantor or of all or any portion of the Collateral, the expiration of the Commitments, the invalidity or unenforceability of any term or provision of this Agreement, any other Loan Document, any Specified Hedging Agreement or any Bank Product Agreement, or any investigation made by or on behalf of the Agents or any Lender. All amounts due under this Section 11.03 shall be payable promptly on written demand therefor in accordance with paragraph (g) below accompanied by reasonable documentation with respect to any reimbursement, indemnification or other amount requested.

(d) To the extent that the Loan Parties fail to indefeasibly pay any amount required to be paid by them to the Agents under paragraph (a) or (b) of this Section 11.03 in accordance with paragraph (g) of this Section 11.03, each Lender severally agrees to pay to the Agents such Lender's Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount in electronic wire (and indemnity shall be effective whether or not the related losses, claims, damages, liabilities and related expenses are incurred or asserted by any party hereto or any third party); provided that the unreimbursed Claim was incurred by or asserted against any Agent in its capacity as such.

(ix) To the fullest extent permitted by applicable Legal Requirements, no party hereto shall assert, and each party hereto hereby waives, any claim against any other party hereto (or any of their respective Affiliates, Subsidiaries and their and their Affiliates and Subsidiaries' Related Persons), on any theory of liability, for special, indirect, consequential, or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, any Loan Document, any Specified Hedging Agreement, any Bank Product Agreement or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or the use of the proceeds thereof, except to the extent such damages result from a claim that would otherwise be subject to indemnification pursuant to the terms of Section 11.03(b); provided that nothing contained in this sentence shall limit the Borrower's indemnification obligations. No Indemnitee shall be liable for any damages (other than those damages resulting from gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final non-appealable judgment) arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with the Loan Documents or the transactions contemplated hereby or thereby.

(e) All amounts due under this Section 11.03 shall be payable not later than five Business Days after demand therefor.

Section I.4 Successors and Assigns

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Loan

Parties may not assign or otherwise transfer any of their respective rights or obligations hereunder without the prior written consent of the Administrative Agent, the Collateral Agent and each Lender, which respective consents may be withheld in their sole discretion (and any attempted assignment or transfer by any Loan Party without such consent shall be null and void). Nothing in this Agreement or any other Loan Document, express or implied, shall be construed to confer upon any person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent expressly provided in paragraph (f) of this Section 11.04 and, to the extent expressly contemplated hereby, the other Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement or any other Loan Document.

(a) Any Lender shall have the right at any time to assign to one or more assignees (other than any Company or any Affiliate thereof or a natural person) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); *provided* that:

(i) except in the case of (A) an assignment to a Lender, an Affiliate of a Lender, a joint venture partner of a Lender or an Approved Fund, (B) any assignment made in connection with the syndication of the Commitments and Loans by the Arranger or (C) an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, (x) the amount of the Term Loan Commitment or Term Loans (including funded Delayed Draw Term Loans) of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall be in an amount of an integral multiple of, and not be less than, \$1,000,000 and (y) the amount of the Revolving Commitment or Revolving Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$2,500,000;

(ii) each partial assignment shall be made as an assignment of a proportionate part of all of the assigning Lender's rights and obligations under this Agreement, except that this clause (ii) shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(iii) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500 to be paid either by the assignor or assignee (which fee may be waived or reduced by the Administrative Agent in its sole discretion); *provided* that such fee shall not be payable in the case of (A) an assignment by any Lender to an Affiliate, joint venture partner or Approved Fund of such Lender or (B) any assignment made in connection with the primary syndication of the Commitments and Loans by the Arranger;

(iv) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire;

(v) [reserved];

(vi) except in the case of an assignment to a Lender, an Affiliate of a Lender, a joint venture partner of a Lender or an Approved Fund, the Administrative Agent must give its

prior written consent to such assignment (which consent shall not be unreasonably withheld, delayed or conditioned); and

(vii) except in the case of (A) an assignment to a Lender, an Affiliate of a Lender, a joint venture partner of a Lender or an Approved Fund, a Permitted Buy-back, (C) any assignment made in connection with the initial syndication of the Initial Term Loan Commitments and the Delayed Draw Term Loan Commitments in effect and the Initial Term Loans to be made on the Closing Date by the Arranger or any of their Affiliates and (D) any assignment made in connection with the syndication of the 2022 Incremental Term Loan Commitments and the 2022 Incremental Delayed Draw Term Loan Commitments in effect and the 2022 Incremental Term Loans to be made on the First Amendment Effective Date, the Borrower must give its prior written consent to such assignment (which consent shall not be unreasonably withheld, delayed or conditioned); *provided* that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof.

Notwithstanding the foregoing, if an Event of Default has occurred and is continuing, any consent of the Borrower otherwise required under this paragraph shall not be required. Subject to acceptance and recording thereof pursuant to paragraph (d) of this Section 11.04, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement (*provided* that any liability of the Borrower to such assignee under Section 2.12, 2.13 or 2.15 shall be limited to the amount, if any, that would have been payable thereunder by Borrower in the absence of such assignment, except to the extent any such amounts are attributable to a Change in Law occurring after the date of such assignment), and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.12, 2.13, 2.15 and 11.03).

(b) Notwithstanding anything to the contrary contained in this Section 11.04(c) or any other provision of this Agreement, each Lender shall have the right at any time to sell, assign or transfer all or a portion of its Term Loans owing to it to the Borrower or any of its Subsidiaries (but not any natural person) on a non pro rata basis, subject to the following limitations:

- (i) no Default or Event of Default has occurred and is then continuing, or would immediately result therefrom;
- (ii) the Borrower or any of its Subsidiaries shall repurchase such Term Loans through one or more modified Dutch auctions or other buy-back offer processes (each, an "**Offer Process**") with a third party financial institution as auction agent to repurchase all or any portion of the applicable Class of Loans provided that (A) notice of such Offer Process shall be made to all Term Loan Lenders and (B) such Offer Process is conducted pursuant to procedures mutually established by the Administrative Agent and the Borrower which are consistent with this Section 11.04(c); *provided* that (i) no default or Event of Default then exists or would result therefrom, (ii) all parties to the relevant assignment shall render customary "big boy" disclaimer letters and (iii) any such Term Loans shall be automatically and permanently cancelled immediately upon purchase by the Borrower (without any increase to Consolidated EBITDA as a

result of any gains associated with cancellation of debt) (any such purchase and assignment, a '**Permitted Buy-Back**').

(A) with respect to all repurchases made by the Borrower or any of its Subsidiaries pursuant to this Section 11.04(c), (u) none of the Borrower or any of its Subsidiaries shall be required to make any representations that the Borrower or such Subsidiary is not in possession of any information regarding the Borrower, its Subsidiaries or its Affiliates, or their assets, the Borrower's ability to perform its Obligations or any other matter that may be material to a decision by any Lender to participate in any offer or enter into any Assignment and Assumption or any of the transactions contemplated thereby that has not previously been disclosed to the Administrative Agent and Private Siders, (v) the repurchases are in compliance with Sections 6.04 and 6.07 hereof, (w) no Default or Event of Default has occurred and is continuing or would result from such repurchase, (x) the Borrower or such Subsidiary shall not use the proceeds of any Revolving Loans to acquire such Term Loans, (y) the assigning Lender and the Borrower or such Subsidiary, as applicable, shall execute and deliver to the Administrative Agent an Assignment and Assumption in form and substance reasonably satisfactory to the Administrative Agent and (z) all parties to the relevant repurchases shall render customary "big-boy" disclaimer letters or any such disclaimers shall be incorporated into the terms of the Assignment and Assumption;

(iii) following repurchase by the Borrower or such Subsidiary pursuant to this Section, the Term Loans so repurchased shall, without further action by any Person, be deemed cancelled for all purposes and no longer outstanding (and may not be resold by the Borrower or such Subsidiary), for all purposes of this Agreement and all other Loan Documents, including, but not limited to (1) the making of, or the application of, any payments to the Lenders under this Agreement or any other Loan Document, (2) the making of any request, demand, authorization, direction, notice, consent or waiver under this Agreement or any other Loan Document or (3) the determination of Required Lenders, or for any similar or related purpose, under this Agreement or any other Loan Document and the Borrower shall neither obtain nor have any rights as a Lender hereunder or under the other Loan Documents by virtue of such repurchase (without limiting the foregoing, in all events, such Term Loans may not be resold or otherwise assigned, or subject to any participation, or otherwise transferred by the Borrower or such Subsidiary). In connection with any Term Loans repurchased and cancelled pursuant to this Section 11.04(c)(iv) the Administrative Agent is authorized to make appropriate entries in the Register to reflect any such cancellation; and

(iv) both before and after the applicable Offer Process and repurchase, no Revolving Loans shall be outstanding or shall be applied to so repurchase.

(c) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount and stated interest of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive in the absence of manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each person whose

name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement and the other Loan Documents, notwithstanding notice to the contrary. The Register is intended to cause each Loan and other obligation hereunder to be in registered form within the meaning of Section 5f.103-1(c) and Proposed Section 1.163-5(b) of the United States Treasury Regulations and within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code. The Register shall be available for inspection by Borrower, the Collateral Agent and any Lender (with respect to its own interest only), at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section 11.04 and any written consent to such assignment required by paragraph (b) of this Section 11.04, the Administrative Agent shall reasonably promptly accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with the requirements of this Section 11.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (f) of this Section 11.04.

(e) Any Lender shall have the right at any time, without the consent of, or notice to the Borrower, the Administrative Agent or any other person to sell participations to any person (other than, (x) if the list of Disqualified Institutions is posted to all Lenders (which the Administrative Agent has express authority to do), any Disqualified Institution, (y) any Company or any Affiliate thereof or (z) a natural person) (a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); *provided* that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the Collateral Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce the Loan Documents and to approve any amendment, modification or waiver of any provision of the Loan Documents; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (1) is described in clauses (i), (ii), (iii), (viii) or (ix) of the proviso to Section 11.02(b) and (2) directly affects such Participant. Subject to the last sentence of this Section 11.04(f), each Participant shall be entitled to the benefits of Sections 2.12, 2.13 and 2.15 to the same extent as if it were a Lender (it being understood that the documentation required under Section 2.15(e) shall be delivered to the participating Lender; *provided, however*, that a Participant that is claiming exemption from U.S. federal withhold tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest" shall furnish a "U.S. Tax Certificate" in the form of Exhibit G-2 or G-3, as applicable) and had acquired its interest by assignment pursuant to paragraph (b) of this Section 11.04. To the extent permitted by Legal Requirements, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender; *provided* that such Participant agrees in writing to be subject to Section 2.14(c) as though it were a Lender. Each Lender that sells a participation shall, acting for this purpose as a non-fiduciary agent of the Borrower, maintain at one of its offices a register for the recordation of the names and addresses of its Participants, and the principal amounts and stated interest of its participations (the "**Participant Register**"). The entries in the

Participant Register shall be conclusive absent manifest error, and such Lender (and the Borrower, to the extent that the Participant requests payment from the Borrower; *provided* that the Borrower has had a reasonable opportunity to review such Participant Register to confirm such Participant is a Participant in accordance with the terms hereof and other relevant information in connection with making any such payment) shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. No Lender shall have any obligation to disclose all or any portion of the Participant Register to any person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, or other obligation is in registered form under Section 5f.103-1(c) and Proposed Section 1.163-5(b) of the United States Treasury Regulations and within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) A Participant shall not be entitled to receive any greater payment under Section 2.12, 2.13 or 2.15 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of such participation to such Participant is made with the prior written consent of the Borrower (which consent shall not be unreasonably withheld, delayed or conditioned) or such greater payment is as a result of a Change in Law after the date the participation was sold to the Participant. A Participant that would be a Foreign Lender if it were a Lender shall be entitled to the benefits of Section 2.15 and such Participant agrees, for the benefit of the Borrower, to supply any forms required by Section 2.15(e) to the participating Lender (and shall not be required to supply such forms to the Borrower or the Administrative Agent).

(g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender without restriction, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank, and this Section 11.04 shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto. Without limiting the foregoing, in the case of any Lender that is a fund that invests in bank loans or similar extensions of credit, such Lender may, without the consent of the Borrower, the Administrative Agent or any other person, collaterally assign or pledge all or any portion of its rights under this Agreement, including the Loans and Notes or any other instrument evidencing its rights as a Lender under this Agreement, to any holder of, trustee for, or any other representative of holders of, obligations owed or securities issued, by such fund, as security for such obligations or securities.

(h) Notwithstanding anything to the contrary contained herein, any Lender (a "**Granting Lender**") may grant to a special purpose funding vehicle (an "**SPC**"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower, the option to provide to the Borrower all or any part of any Loan that such Granting Lender would otherwise be obligated to make to such Borrower pursuant to this Agreement; *provided* that (i) nothing herein shall constitute a commitment by any SPC to make any Loan and (ii) if an SPC elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof; *provided, further*, that nothing herein shall make the SPC a "Lender" for the purposes of this Agreement, obligate Borrower or any other Loan Party or the Administrative Agent to deal with such SPC directly, obligate Borrower or any other Loan Party in any

manner to any greater extent than they were obligated to the Granting Lender, or increase costs or expenses of the Borrower. The Loan Parties and the Administrative Agent shall be entitled to deal solely with, and obtain good discharge from, the Granting Lender and shall not be required to investigate or otherwise seek the consent or approval of any SPC, including for the approval of any amendment, waiver or other modification of any provision of any Loan Document. The making of a Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPC shall be liable for any indemnity or similar payment obligation under this Agreement (all liability or payment obligation for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPC, it will not institute against, or join any other person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States of America or any state thereof. In addition, notwithstanding anything to the contrary contained in this Section 11.04(i), any SPC may (i) with notice to, but without the prior written consent of, the Borrower and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loans to the Granting Lender or to any financial institutions (consented to by Borrower and the Administrative Agent) providing liquidity and/or credit support to or for the account of such SPC to support the funding or maintenance of Loans and (ii) disclose on a confidential basis any Non-Public Information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPC.

(i) The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Legal Requirement, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(x) None of the Lenders, the Arranger, the Bookrunner or the Agents shall be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (i) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (ii) have any liability with respect to or arising out of any assignment or participation of Loans or Commitments, or disclosure of confidential information, to any Disqualified Institution. Upon request by any Lender, the Administrative Agent shall be permitted to disclose to such Lender the identity of the Disqualified Institutions. Each Lender hereby acknowledges and agrees that the information disclosed to it by the Administrative Agent pursuant to the immediately preceding sentence shall be subject in all respects to the provisions set forth in Section 11.12. Notwithstanding anything to the contrary herein, each Loan Party and each Lender acknowledges and agrees that the Administrative Agent shall have no liability with respect to any assignment or participation made to any Disqualified Institution or natural person (regardless of whether the consent of the Administrative Agent is required thereto), and no Loan Party, any Lender or their respective Affiliates will bring any claim to such effect.

Section I.5 Survival of Agreement

. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the reports, certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Agents or any Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as any Loan or any Obligation hereunder shall remain unpaid or unsatisfied and so long as the Commitments have not expired or terminated. The provisions of Article X and Sections 2.12 to 2.15, 11.03, 11.09, 11.08, 11.10 and 11.18 shall survive and remain in full force and effect regardless of the consummation of the Transactions and the other transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof.

Section I.6 Counterparts; Integration; Effectiveness

. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the Engagement Letter and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Without limiting the requirements that each of the conditions precedent in Article IV with respect to each Credit Extension requested by Borrower be satisfied, to the extent set forth therein, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission (e.g., "pdf" or "tif" format) shall be effective as delivery of a manually executed counterpart of this Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement or any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other state laws based on the Uniform Electronic Transactions Act, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means.

Section I.7 Severability

. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace any invalid,

illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section I.8 Right of Setoff

. If an Event of Default shall have occurred and be continuing, each Lender and each of their respective Affiliates are hereby irrevocably authorized at any time and from time to time (without notice to the Borrower or any other Loan Party, any such notice being expressly waived by each of the Borrower and each other Loan Party), to the fullest extent permitted by applicable Legal Requirements, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of any Loan Party against any and all of the obligations of any Loan Party now or hereafter existing under this Agreement or any other Loan Documents held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness; *provided* that such Lender complied with Section 2.14(c). The rights of each Lender under this Section 11.08 are in addition to other rights and remedies (including other rights of setoff) which such Lender may have. Each Lender agrees to notify Borrower and the Administrative Agent promptly after any such setoff and application; *provided, however*, that in no event shall the failure to give such notice effect the validity of enforceability of any such setoffs. No Agent or Lender shall be under any obligation to marshal any assets in favor of any Loan Party or any other Person or against or in payment of any or all of the Obligations. To the extent that any Loan Party makes a payment or payments to the Administrative Agent or Lenders (or to the Administrative Agent, on behalf of the Lenders), or any Agent or Lender enforces any security interests or exercises any right of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any Debtor Relief Law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

Section I.9 Governing Law; Jurisdiction; Consent to Service of Process

(a) This Agreement and the other Loan Documents and any claims, controversy, dispute or cause of action (whether sounding in contract, tort or otherwise) based upon, arising out of or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of New York.

(xi) Each party hereto hereby irrevocably and unconditionally submits, for itself and its Property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof (except to the extent the Administrative Agent requires submission to any other jurisdiction in connection with the exercise of any rights under any security document or the

enforcement of any judgment), in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by applicable Legal Requirements, in such federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Legal Requirements. Each Loan Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law and that nothing in this Agreement or any other Loan Document shall affect any right that the Agents or the Lenders may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against it or any of its assets in the courts of any jurisdiction.

(a) Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable Legal Requirements, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement, any other Loan Document, any Specified Hedging Agreement or any Bank Product Agreement in any court referred to in Section 11.09(b). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable Legal Requirements, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(b) Each party to this Agreement irrevocably consents to service of process in any action or proceeding arising out of or relating to any Loan Document, in the manner provided for notices (other than facsimile or email) in Section 11.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by applicable Legal Requirements.

Section I.10 Waiver of Jury Trial

. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT, ANY SPECIFIED HEDGING AGREEMENT, ANY BANK PRODUCT AGREEMENT, THE TRANSACTIONS OR THE OTHER TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.10.

Section I.11 Headings; No Adverse Interpretation of Other Agreements

. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section I.12 Confidentiality

. Each of the Administrative Agent, Collateral Agent and the other Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Related Persons, (b) to its Related Persons' directors, officers, employees, agents, advisors and other representatives, including independent auditors, legal counsel, other experts or agents and other advisors in connection with the Transactions (it being understood that the persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential pursuant to the terms hereof), (c) to the extent required by any governmental or regulatory authority or any self-regulatory authority (such as the National Association of Insurance Commissioners and the U.S. Securities and Exchange Commission), (d) in any legal, judicial, administrative proceeding or other compulsory process to the extent required (i) by applicable Legal Requirements or (ii) by any subpoena or similar legal process or in connection with any pledge or assignment made pursuant to Section 11.04(g), (e) to any other party to this Agreement (solely with respect to clauses (a) and (b) above, it being understood that the persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential pursuant to the terms hereof), (f) in connection with the exercise of any remedies under the Loan Documents or any suit, action or proceeding relating to this Agreement, any other Loan Document, any Specified Hedging Agreement or any Bank Product Agreement or the enforcement of rights hereunder or thereunder, but only to the extent required in connection with such exercise or enforcement, (g) subject to an agreement containing provisions substantially the same as those of this Section 11.12, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (iii) any rating agency for the purpose of obtaining a credit rating applicable to any Loan or Loan Party or (iv) any actual or prospective investor in an SPC, (h) with the prior written consent of the Borrower or (i) to the extent such Information (i) is publicly available at the time of disclosure or becomes publicly available other than as a result of a breach of this Section 11.12, (ii) becomes available to the Administrative Agent or any Lender on a non-confidential basis from a source other than a Company other than as a result of a breach of this Section 11.12, (iii) is received from a third party that is not known to be subject to confidentiality obligations to the Company or (iv) is independently developed without the use of any confidential information; *provided, however,* that with respect to clauses (c) and (d) above, if the Administrative Agent, the Collateral Agent or any Lender receives a subpoena, interrogatory or other request (verbal or otherwise) for any Information (other than with regard to filings made with the U.S. Securities and Exchange Commission); or believes that it is legally required to disclose any of the Information to a third party, it shall (other than in connection with any routine audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority), as far in advance of such disclosure as is practicable, to the extent practicable and legally permissible, promptly provide to the Borrower notice of any such request or requirement so that the Borrower or the applicable Loan Party (or Subsidiary thereof) may seek a protective order or other remedy (it being understood and agreed that Administrative Agent, Collateral Agent and any Lenders shall cooperate in securing a protective order or other remedy in respect thereof); *provided, further,* that it shall (1) exercise commercially reasonable efforts to preserve the confidentiality of such Information, (2) to the extent legally permissible, use commercially reasonable efforts to provide Borrower, as far in

advance of such disclosure as is practicable, with copies of any Information it intends to disclose (and, if applicable, the text of the disclosure language itself), and (3) reasonably cooperate with the Borrower and the applicable Loan Party (or Subsidiary thereof) to the extent either of them may seek to limit such disclosure. In addition, the Agents and the Lenders may disclose the existence of the Loan Documents and information about the Loan Documents to market data collectors, similar service providers to the financing community, and service providers to the Agents and the Lenders and in connection with league table reporting. For the purposes of this Section 11.12, “**Information**” shall mean all information received from a Loan Party or any of its Related Persons relating to any Loan Party or any Company or any of its or their Subsidiaries, other than any such information that is available to the Administrative Agent, the Collateral Agent or any Lender on a non-confidential basis prior to disclosure by a Company. Any person required to maintain the confidentiality of Information as provided in this Section 11.12 shall be considered to have complied with its obligation to do so if such person has exercised the same degree of care to maintain the confidentiality of such Information as such person accords to its own confidential information. Agents and Lenders agree that money damages may not be a sufficient remedy for any breach of this confidentiality provision, and in addition to all other remedies, the Loan Parties will be entitled, without the need to prove irreparable injury, to seek specific performance and injunctive or other equitable relief as a remedy for any such breach, and Agents and Lenders further waive any requirement for the securing or posting of a bond in connection with such remedy.

Section I.13 Interest Rate Limitation

. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively, the “**Charges**”), shall exceed the maximum lawful rate (the “**Maximum Rate**”) which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable Legal Requirements, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section 11.13 shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment (or, if greater, but without duplication, the interest rate otherwise required to be paid under the Loan Documents on such cumulated amount during such period of accumulation), shall have been received by such Lender.

Section I.14 Assignment and Assumption

. Each Lender to become a party to this Agreement (other than the Administrative Agent and any other Lender that is a signatory hereto) shall do so by delivering to the Administrative Agent an Assignment and Assumption duly executed by such Lender, the Borrower (if the Borrower consent to such assignment is required hereunder) and the Administrative Agent.

Section I.15 Obligations Absolute

. To the fullest extent permitted by applicable law, all obligations of the Loan Parties hereunder shall be absolute and unconditional irrespective of:

- (b) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of any Loan Party;

(c) any lack of validity or enforceability of any Loan Document or any other agreement or instrument relating thereto against any Loan Party;

(d) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from any Loan Document or any other agreement or instrument relating thereto;

(e) any exchange, release or non-perfection or loss of priority of any Liens on any or all of the Collateral, or any release or amendment or waiver of or consent to any departure from any guarantee, for all or any of the Secured Obligations;

(f) any exercise or non-exercise, or any waiver of any right, remedy, power or privilege under or in respect hereof or any Loan Document; or

(g) any other circumstances which might otherwise constitute a defense (other than the indefeasible payment in full of the Secured Obligations) available to, or a discharge of, the Loan Parties.

Section I.16 Waiver of Defenses; Absence of Fiduciary Duties

(a) Each of the Loan Parties hereby waives any and all suretyship defenses available to it as a Guarantor arising out of the joint and several nature of its respective duties and obligations hereunder (including any defense contained in Article VII other than any defense of the indefeasible payment in full of the Secured Obligations).

(a) Each Arranger, each Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the "Lenders"), may have economic interests that conflict with those of the Loan Parties, their stockholders and/or their affiliates. Each Loan Party agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Loan Party, its stockholders or its affiliates, on the other. The Loan Parties acknowledge and agree that (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Loan Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Loan Party, its stockholders or its affiliates with respect to the transactions contemplated hereby or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Loan Party, its stockholders or its Affiliates on other matters) or any other obligation to any Loan Party except the obligations expressly set forth in the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Loan Party, its management, stockholders, creditors or any other person. Each Loan Party acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Loan Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Loan Party, in connection with such transaction or the process leading thereto.

Section I.17 Patriot Act

. Each Lender hereby notifies each Loan Party that pursuant to the requirements of the Patriot Act, it may be required to obtain, verify and record information that identifies the Loan Parties, which information includes the name, address and taxpayer identification number of each Loan Party and other information that will allow such Lender to identify such Loan Party in accordance with the Patriot Act.

Section I.18 Judgment Currency

(a) The Loan Parties' obligations hereunder and under the other Loan Documents to make payments in Dollars shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than Dollars, except to the extent that such tender or recovery results in the effective receipt by the Administrative Agent or the respective Lender of the full amount of Dollars expressed to be payable to the Administrative Agent or such Lender under this Agreement or the other Loan Documents. If, for the purpose of obtaining or enforcing judgment against any Loan Party in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than Dollars (such other currency being hereinafter referred to as the "**Judgment Currency**") an amount due in Dollars, the conversion shall be made at the Dollar Equivalent determined as of the Business Day immediately preceding the day on which the judgment is given (such Business Day being hereinafter referred to as the "**Judgment Currency Conversion Date**").

(a) If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, the Loan Parties shall pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount) as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of Dollars which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(b) For purposes of determining the Dollar Equivalent or any other rate of exchange for this Section 11.18, such amounts shall include any premium and costs payable in connection with the purchase of Dollars.

Section I.19 Acknowledgement and Consent to Bail-In of EEA Financial Institutions

. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(xii) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(xiii) the effects of any Bail-In Action on any such liability, including, if applicable:

- (A) a reduction in full or in part or cancellation of any such liability;
- (B) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
- (C) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

Section I.20 Acknowledgement Regarding Any Supported QFCs

. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Obligations or any other agreement or instrument that is a QFC (such support, “**QFC Credit Support**” and each such QFC, a “**Supported QFC**”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “**Covered Party**”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

As used in this Section 11.20, the following terms have the following meanings:

“BHC Act Affiliate” of a party shall mean an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” shall mean any of the following:

a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §252.82(b);
a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §47.3(b); or
a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §382.2(b).

"Default Right" shall have the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"QFC" shall have the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers or other authorized signatories as of the day and year first above written.

INOTIV, INC.,
as Borrower

By:
Name:
Title:

[•],
as Subsidiary Guarantor

By:
Name:
Title:

[SIGNATURE PAGE TO CREDIT AGREEMENT]

JEFFERIES FINANCE LLC,
as Administrative Agent and Collateral Agent

By:
Name:
Title:

[SIGNATURE PAGE TO CREDIT AGREEMENT]

Term Loan Amortization Table¹

Date	Term Loan Amount
March 31, 2022	\$600,000
June 30, 2022	\$600,000
September 30, 2022	\$600,000
December 31, 2022	\$600,000
March 31, 2023	\$600,000
June 30, 2023	\$600,000
September 30, 2023	\$600,000
December 31, 2023	\$600,000
March 31, 2024	\$600,000
June 30, 2024	\$600,000
September 30, 2024	\$600,000
December 31, 2024	\$600,000
March 31, 2025	\$600,000
June 30, 2025	\$600,000
September 30, 2025	\$600,000
December 31, 2025	\$600,000
March 31, 2026	\$600,000
June 30, 2026	\$600,000
September 30, 2026	\$600,000
November 5, 2026	Remaining balance

¹ Annual amortization (payable in equal quarterly installments, commencing with the first full fiscal quarter ending after the Closing Date) of the Term Loans shall be required in an amount equal to 1% of the initial aggregate principal amount of the Term Loans.

Annual amortization (payable in equal quarterly installments, commencing with the first full fiscal quarter ending after the Closing Date or, if later, at the end of the first quarter ending after the funding of such Delayed Draw Term Loans) of the Delayed Draw Term Loans shall be required in an amount equal to 1% of the aggregate principal amount of the Delayed Draw Term Loans.

Initial Lenders and Commitments

On file with the Administrative Agent and the Borrower

Annex II-1

Summary report:	
Litera Compare for Word 11.3.1.3 Document comparison done on 5/15/2024 1:38:22 PM	
Style name: RG_Default_Style	
Intelligent Table Comparison: Active	
Original DMS: iw://RGDMS/Active/143955681/1	
Modified DMS: iw://RGDMS/Active/143955681/8	
Changes:	
Add	63
Delete	48
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	111

**CERTIFICATION PURSUANT TO
RULE 13a-14(a)/15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Robert W. Leasure, Jr., President and Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Inotiv, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Robert W. Leasure, Jr.

Robert W. Leasure, Jr.

President and Chief Executive Officer

Date: May 15, 2024

**CERTIFICATION PURSUANT TO
RULE 13a-14(a)/15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Beth A. Taylor, Chief Financial Officer and Senior Vice President - Finance, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Inotiv, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Beth A. Taylor

Beth A. Taylor

Chief Financial Officer and Senior Vice President of Finance

Date: May 15, 2024

Certifications of Principal Executive Officer

Pursuant to Section 906

Of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)

The undersigned, the President and Chief Executive Officer of Inotiv, Inc. (the "Company"), hereby certifies that, to the best of his knowledge:

- (a) the Quarterly Report on Form 10-Q of the Company for the three and six months ended March 31, 2024 filed with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert W. Leasure, Jr.

Robert W. Leasure, Jr.

President and Chief Executive Officer

Date: May 15, 2024

Certifications of Chief Financial Officer

Pursuant to Section 906

Of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)

The undersigned, the Chief Financial Officer and Senior Vice President - Finance of Inotiv, Inc. (the "Company"), hereby certifies that, to the best of her knowledge:

- (a) the Quarterly Report on Form 10-Q of the Company for the three and six months ended March 31, 2024 filed with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Beth A. Taylor

Beth A. Taylor

Chief Financial Officer and Senior Vice President of Finance

Date: May 15, 2024